

7th September, 2023

BSE Limited
Corporate Relationship Department
P.J. Towers, Dalal Street,
Fort, Mumbai – 400001.

Scrip Code: 514183
ISIN: INE761G01016

Dear Sir,

Sub: Filing of Annual Report of the Company for the year ended 31st March, 2023

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith 33rd Annual Report of the Company along with the Notice of AGM and other Statutory Reports for the financial year 2022-23.

The said Annual Report is available on the website of the Company at https://www.blackrosechemicals.com/api/uploads/investor_pdf/U7NQS_1694094281Black_Rose_Annual_Report_2022-2023.pdf

Kindly take the Annual Report on your records and upload the same on your website.

For Black Rose Industries Limited

Harshita Shetty
Company Secretary and Compliance Officer

Black Rose Industries Ltd.
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Tel.: +91 22 4333 7200 / 2282 4075 | Fax: +91 22 2287 3022
E-mail: investor@blackrosechemicals.com | Website: www.blackrosechemicals.com
CIN No.: L17120MH1990PLC054828
Factory : Shree Laxmi Co-op. Industrial Estate Ltd., Hatkanangle, Dist. Kolhapur, Maharashtra, INDIA

RESILIENT TODAY RESURGENT TOMORROW



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To get this report online and for any other information, log on to: www.blackrosechemicals.com

Key highlights in FY 2022-23

Sole manufacturer of acrylamide powder outside China

Obtained EU REACH Registration granting access to European market

154%

Growth in export revenues

7

New products added

53

Customers added

Focus on R&D for future growth

Forward-looking statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

RESILIENT TODAY RESURGENT TOMORROW

Amidst the myriad of challenges encountered in the year 2022-23, Black Rose emerged as a symbol of unwavering determination and strategic resilience. In a period marked by oversupply in the Chinese chemical sector, leading to price erosion within the domestic and international chemical industry, we successfully navigated this challenge by leveraging our inherent strengths and implementing resolute strategic initiatives.

Through strategic planning, and steadfast collaborations, our journey exemplified triumph against the odds. Operating exclusively in the realm of specialty and performance chemicals in India, we remain acutely aware of the pivotal role played by our unique differentiators.

In our distribution business, our primary focus remained on nurturing strong and mutually beneficial relationships with our principals. This strategic approach not only ensured a stable supply chain but also positioned us to compete effectively within our industry. Despite challenges like Chinese dumping and domestic price erosion, we refrained from engaging in unhealthy price wars.

Significant progress was also made in our manufacturing division. Notably, we obtained the EU REACH registration which opened up new customers and markets for our acrylamide. We also commenced the production of acrylamide powder, thereby becoming the only non-Chinese producer of acrylamide powder in the world. This distinctive position, coupled with reduced freight and logistics costs compared to the previous fiscal year, allowed us to achieve higher sales volumes and profitability in our exports.

Our accomplishments not only mitigated the impact on our domestic revenues but also fortified our resilience during the challenges of 2022-23. Consequently, we secured a favourable position to capitalise on emerging opportunities, laying a solid foundation for a promising trajectory in the foreseeable future.



Company Overview

Ahead of the Pack

Drawing from a wealth of experience and strong research and development capabilities, coupled with a robust business model and enduring relationships, Black Rose Industries Limited (BRIL) has firmly established itself as a prominent manufacturer and distributor of chemicals in India.



Our Strengths

Rich Lineage

With a proud distribution legacy spanning decades, we have expertly carved our niche in the specialty and performance chemicals market. Our deep insights into this sector have allowed us to cultivate enduring partnerships with our principals. Notably, in 2013, we became South Asia's first producer of acrylamide when we started operations of our manufacturing facility at Jhagadia, set up under technical collaboration with Mitsui Chemicals, Japan.

Clear Vision

At Black Rose, our vision is crystal clear – to lead in our products and markets by delivering top-tier services and products to our customers. We are committed to responsible and profitable growth through innovative application of our knowledge, infrastructure, and relationships. Excellence is our constant pursuit, driving us to continuously enhance our capabilities while consistently meeting our customers' needs.

Manufacturing Excellence and R&D Finesse

Our state-of-the-art manufacturing facility in Jhagadia represents a shift from our origins as a distribution company to a dynamic chemical manufacturer and distributor. Our proficiency in research and development empowers us to consistently adapt to our customers' evolving requirements by offering a diverse range of products. R&D remains integral to our commitment to innovation.

Diversified Portfolio

We offer a comprehensive array of products, catering to a wide range of applications and meeting diverse customer needs. Our portfolio encompasses specialty chemicals and performance chemicals catering to various industries such as paints and coatings, water/wastewater treatment, ceramic binders, construction chemicals, surfactants and adhesives, oil and gas, textiles, paper, leather chemicals and other industries.

Widespread Distribution Network

Leveraging our longstanding presence in distribution, we seamlessly transitioned into chemical manufacturing. Our extensive network ensures efficient distribution of our in-house manufactured chemicals.

Financial Discipline

Our steadfast commitment to financial prudence is evident in our lean balance sheet, minimal long-term debt, and a robust debt-equity ratio. This disciplined approach has contributed to our strong credit rating, which stands at CRISIL BBB+/ Stable (upgraded from "CRISIL BBB/Positive") and Short-term CRISIL A2 (upgraded from CRISIL A3+) for FY 2022-23.

Stock Listing

We are proudly listed on the Bombay Stock Exchange (BSE), under scrip code 514183.

At Black Rose Industries Limited, our enduring commitment to excellence, innovation, and responsible growth continues to drive our success in the dynamic world of chemicals and beyond.



Director's message

Charting the course for a resurgent tomorrow



I am delighted to present our 33rd Annual Report for the fiscal year 2022-23. On this occasion, I would like to take a moment to apprise our stakeholders of our accomplishments in the face of arduous challenges, illustrating our resilience and growth during this period.

Operational Highlights

The past year started with optimism regarding pent-up demand and promise of growth in the chemical sector. In anticipation, various leading chemical manufacturers made substantial investments in capacity expansion. However, the anticipated post-pandemic market rebound did not materialise as expected. This resulted in an oversupply situation, especially in China, and decreased demand, subsequently exerting downward pressure on industry pricing.

Consequently, we observed price erosion in domestic markets, aggravated by the continuous dumping by the Chinese producers in the Indian market. In this backdrop, our standalone revenue from operations for 2022-23 stood at ₹ 2,780.92 million, compared to ₹ 3,408 million in 2021-22. Our EBITDA and PAT figures for 2022-23 were ₹ 139.14 million and ₹ 65.77 million, respectively, compared to ₹ 444.28 million and ₹ 304.99 million in 2021-22.

Building Resilience

Despite the challenges faced during the fiscal year, our commitment to strengthening our position remained unwavering. Throughout the year, we actively pursued our strategic priorities, which included:

Strong Relationships with Principals and Customers

Our enduring partnerships with our principals have remained steadfast. Mutual support has been instrumental in navigating challenging times, with our suppliers providing us strong pricing and supply support and we are reciprocating by facilitating our partners with consistent outlets for their products into Indian markets.

Product Additions and Improved Operational Efficiencies

In 2022-23, we commenced commercial production of acrylamide powder, at our manufacturing unit with the project fully funded by internal accruals. We maintained consistent collaboration with our technical licensors and engaged in our R&D team to develop and enhance product quality, and optimise costs.

Product Diversification

In our distribution portfolio, we expanded our product portfolio with the addition of seven new products. Additionally, our R&D team is working on developing dispersants for the ceramic binding industry and on developing polyacrylamide solid technology, further diversifying our offerings.

Expanding Global Presence

Obtaining the EU REACH registration opened doors to European Union markets. This registration not only facilitated exploring new opportunities and markets but also attracted new customers, bolstering our client base.

R&D Focus

We welcomed a Japanese technical advisor to drive the development of new products, ensuring we consistently deliver advanced solutions to meet evolving customer demands.

Powering Resurgence

The year 2022-23 was dedicated to consolidating our strengths and laying a solid foundation for substantial growth in the years ahead. Supported by our strengths, strategic initiatives, minimal debt, and financial discipline, we are poised for robust expansion. Planned investments in new projects are expected to enhance our product portfolio, improve margins, and strengthen our presence across the value chain.

Furthermore, the installation of a new boiler in 2023-24 is anticipated to significantly reduce energy costs, enhancing cost efficiency, and margins. We are also in the process of implementing solar panels at our plant to reduce power consumption from fossil fuels.

Acknowledgements

Before concluding, I wish to extend my heartfelt gratitude to our esteemed Board members for their unwavering support and guidance, especially during challenging times. I also want to express my appreciation to our dedicated employees and principals whose contributions have been pivotal in the Company's success and navigating turbulent waters. At Black Rose, we are privileged to have an exceptional team whose remarkable efforts shine through our resilience, instilling confidence in a bright future.

Lastly, I extend my sincere thanks to our loyal customers and investors for their unwavering faith and support. Together, we look forward to a promising future ahead.

Warm regards,

Anup Jatia
Director

Business Segment Review

Building resilience across segments

Originating from the chemical distribution sector, our Company has expanded its horizons by leveraging its robust business presence and established relationships with principals. This expansion led us into the realm of chemical manufacturing, all the while consistently augmenting our distribution portfolio. Over the years, our strategic evolution in the chemical industry has seen us diversify our product portfolio to cater to a broad spectrum of downstream sectors. This ongoing diversification has empowered us to continually enhance our capabilities and adaptability within the specialty and performance chemicals market, not only within India but also on a global scale.

Distribution business

Overview

Our distribution division offers an extensive array of products, servicing both domestic and international markets. We adeptly fulfil the diverse needs of our customers by nurturing enduring partnerships with our principals worldwide. We cater to the chemical requirements of various downstream sectors, including agrochemicals, pharmaceuticals, dyestuffs, petrochemicals, perfumeries, polymers, and specialty chemicals, among others.

Our market seeding approach has proven successful in reinforcing the robustness of our product lines, thereby strengthening our prominent position in the market. Furthermore, we have cultivated longstanding relationships with several Japanese manufacturers who have chosen us as their direct distribution partners, a departure from the conventional practice of Japanese manufacturers typically selecting Japanese intermediaries for distribution.

Challenges and mitigation

- During the fiscal, the distribution business was impacted by reduced demand in domestic markets. The strong and stable demand from the US oil and gas market helped us offset the fall in domestic demand.
- Business was adversely impacted by falling prices, thereby, impacting overall margins in 2022-23. Limited availability of key products also resulted in lower sales, thereby, impacting revenues from the business. However, with strong support from suppliers, volumes were increased in certain products.

Key takeaways for 2022-23

- During the fiscal, the overall sales of the distribution business stood at ₹ 196.54 crores compared to ₹ 233.98 crores in 2021-22, witnessing a y-o-y decline of ~16%
- The EBITDA for the distribution business during 2022-23 stood at ₹ 9.28 crores compared to ₹ 24.14 crores in 2021-22, registering a y-o-y decline of 61.56%
- The top 5 products carved a share of 79% of the distribution business revenues and 82% of the profits during the fiscal
- The year saw us add 42 new customers to the distribution business

Outlook

- Going forward, we are poised for growth on the back of strong offtake owing to the improved supplies, uptick in demand, stable prices, and competitive and timely supplies from our principals.
- Supplies of key products have been improving, and in the near future, and is expected to drive our revenues and margins.



Manufacturing business

Overview

Leveraging the networks and partnerships cultivated through our extensive experience in distribution, we embarked on the manufacturing of acrylamide in 2013. This strategic move allowed us to achieve a significant milestone: becoming the pioneer in South Asia to manufacture acrylamide, an accomplishment made possible through technology licensed from Mitsui Chemicals, Japan.

Challenges and mitigation

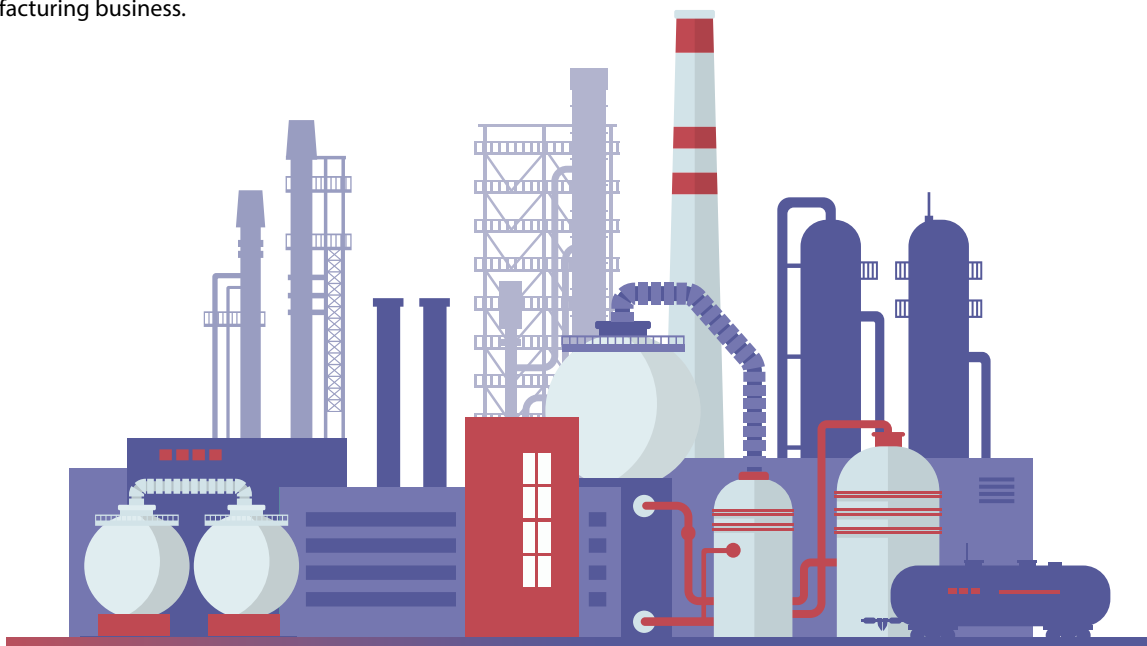
- During the fiscal, the manufacturing business was adversely impacted by falling raw material prices and the unabated dumping by Chinese suppliers, which not only reduced the sales of acrylamide but also eroded price realisation and margins for the product. To counter this, we focussed on exports, and the EU REACH registration further helped us grow our exports during the year.
- The slowdown and high gas prices impacted the sales of polyacrylamide liquids in the ceramic tile market in Morbi during 2022-23. Many small local players also mushroomed, putting further pressure in the already difficult market. To counter this, we decided against unhealthy price competition, and only focussed on supply to long-term business partners.

Outlook

- With the prices of acrylamide liquid on the fall and the Chinese dumping of acrylamide powder, going forward, we have planned on increasing our exports, which fetches better realisations than the domestic market.
- In addition to the ongoing research and development work on ceramic binders, dispersants, and polyacrylamide solids, we have also been conducting feasibility studies on a specialty chemical project in collaboration with a Japanese company during the fiscal.
- We are in discussions on two toll-manufacturing projects with US and European companies.

Key takeaways for 2022-23

- During the fiscal, the overall sales of the manufacturing business stood at ₹ 81.16 crores compared to ₹ 106.68 crores in 2021-22, clocking a y-o-y decline of ~24%.
- The EBITDA for the manufacturing business during 2022-23 stood at ₹ 11.01 crores compared to ₹ 24.10 crores in 2021-22, registering a y-o-y decline of 54.32%.
- We obtained the EU REACH registration during the fiscal, allowing us access to the European markets.
- The year saw us add 11 new customers to the manufacturing business.



Corporate social responsibility

Building a resilient community

As a responsible corporate, we are cognisant of our duties towards the communities we operate in. Led by our values and ethos, we strive to provide equal and fair opportunities to everyone by empowering the communities through education, improved educational infrastructure, and better health support, among others.

Education

Patang Scholars Programme

Objective

The Patang Scholars Programme is a scholarship programme for talented, ambitious, and less-privileged students who need financial support and wish to pursue higher education. The scholarship aims to support such underprivileged students and provide them the skills and resources they require to become well-developed, successful, and socially responsible leaders. The aspiration is to create a group of students who will help build the nation by becoming role models in their community. Their dedication, commitment, and empathetic nature will differentiate them from others, and enable them to help other students from similar backgrounds accelerate their growth and progress.

Chiranjilal P. Vyas Memorial Scholarship

Objective

We recently launched the Chiranjilal P. Vyas Memorial Scholarship, in honour of Late Chiranjilal P. Vyasji, the former General Manager - Accounts and Finance of the Company, whose ideas and knowledge were instrumental in the development of Black Rose. The objective of this scholarship is to provide financial assistance to students who are pursuing to be Chartered Accountant (CA) or Company Secretary (CS).

Vidya Sahyog Programme

Objective

The Vidya Sahyog Programme is a scholarship programme for bright, determined, and underprivileged students from rural parts of India who are in need of financial assistance to pursue higher education. The main objective of the scholarship is to provide an opportunity to meritorious students to achieve their academic goals without any financial constraints. The programme also helps the students in their career planning and other educational activities as well.



Gyankosh

Objective

Gyankosh Scholarship Programme is a need-based scholarship programme for students from financially weaker sections. The Gyankosh Scholarship Programme was launched with the objective of providing financial assistance to students for completing their education, which may not have been possible otherwise. The programme is open to Indian students of any grade from kindergarten to post-graduation. There is no formal recruiting done, and the programme relies on word-of-mouth means of communication, with interested students asked to fill out an application form to gauge eligibility.

EduMed

Objective

The programme aims to provide educational, health and other essential support to schools, health care centres, orphanage and other institutes enabling them to become productive members of society and other areas as well as to undertake any other activities that meets the objectives of the programme.

Biodiversity

Atma Van

Objective

We have received the proposal for the development of Green Belt under the Green GIDC initiative. The objective of the project is to plant, develop and maintain a Green Belt of 1,000 trees, in an area of 8,000 sq. mtr. allocated by GIDC outside our factory premises.



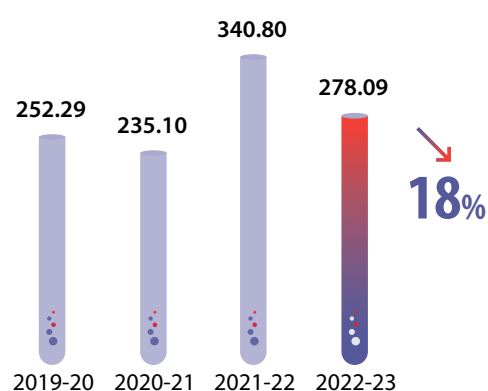
Key performance indicators

Our performance scorecard

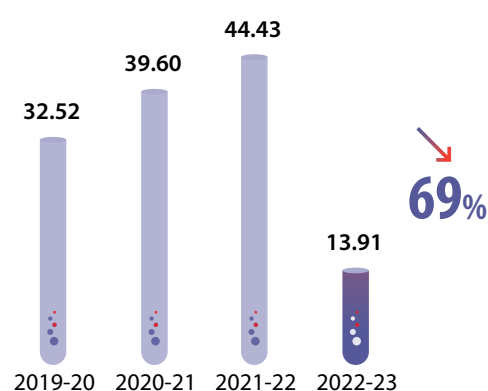
Despite the challenges faced during the fiscal and the slowdown in our growth trajectory, our longstanding and enduring relationships with customers and suppliers, research and development finesse and position in global market holds us in good stead for the years to come.

Profit and loss metrics

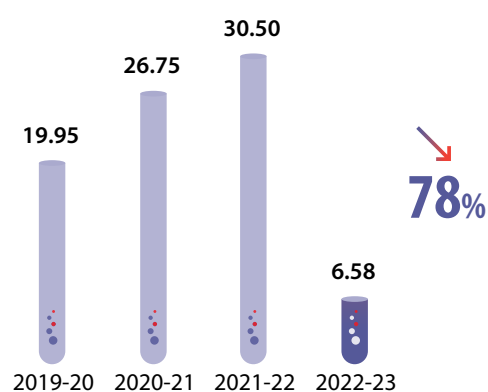
Standalone revenue from operations (₹ Crore)



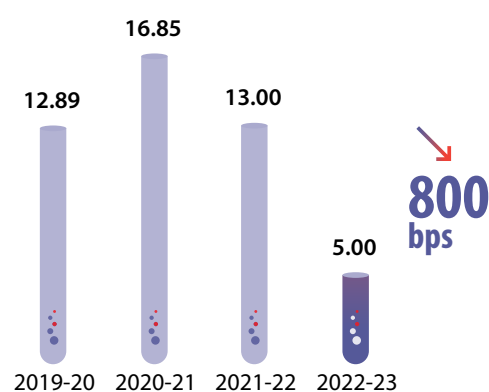
Standalone EBITDA (₹ Crore)



Standalone net profit (₹ Crore)



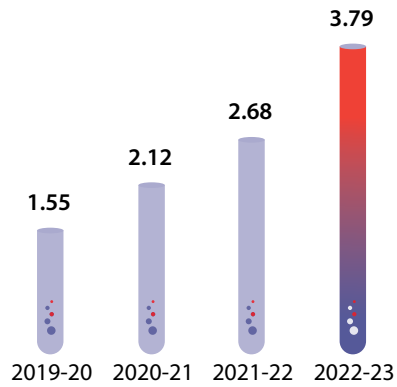
Standalone EBITDA margin (%)



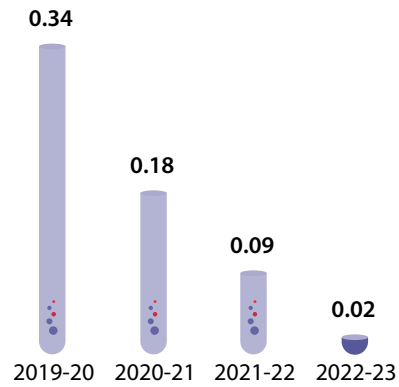
Y-o-y ↗

Balance sheet metrics
Current Ratio

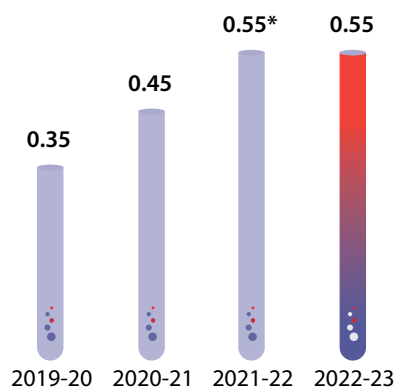
(%)


Standalone debt equity ratio

(X)


Dividend

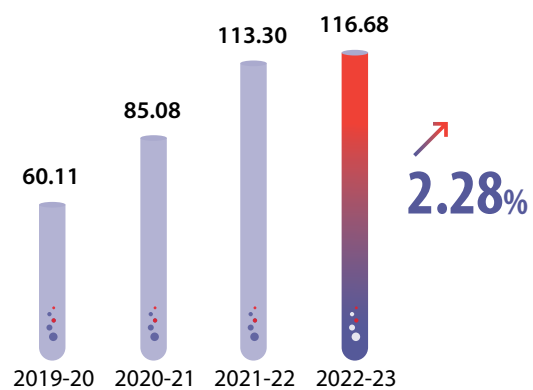
(₹)



*Final Dividend and additional ₹ 0.20 Special Dividend

Reserves

(₹ Crore)



Y-o-y ↗

BLACK ROSE

BLACK ROSE INDUSTRIES LIMITED

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E-mail: investor@blackrosechemicals.com Website: www.blackrosechemicals.com

Notice

Notice is hereby given that the Thirty Third Annual General Meeting of the members of the Company will be held on Friday, 29th September, 2023 at 11:30 a.m. (Indian Standard Time) through Video Conferencing/Other Audio Visual Means organized by the Company, to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at 145/A, Mittal Tower, Nariman Point, Mumbai 400021.

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Report of the Board of Directors and the Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023, together with the Report of the Auditors thereon.
2. To declare dividend of ₹ 0.55 paise per equity share for the financial year 2022-23.
3. To appoint a Director in place of Mr. Anup Jatia, (DIN 00351425), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Appointment of Mrs. Shruti Jatia (DIN 00227127) as Whole-time Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 152, 160, 161 and any other applicable provisions of the Companies Act, 2013 and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and/or any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mrs. Shruti Jatia (DIN 00227127) who has been appointed as an Additional

Director (Executive Director) of the Company with effect from 3rd September, 2023, and whose term of office expires at this Annual General Meeting, be and hereby appointed as a Director and the period of her office shall be liable to retirement by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 ("the Act") and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approval of the authorities, if any, the consent of the Members of the Company be and is hereby accorded for appointment of Mrs. Shruti Jatia (DIN 00227127), as the Whole-time Director, for a term of three consecutive years effective from 3rd September, 2023.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter or vary the scope of remuneration of Mr. Shruti Jatia including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by the resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and is hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

5. Appointment of Mr. Ambarish Daga (DIN 07125212) as Whole-time Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 152, 160, 161 and any other applicable provisions of the Companies Act, 2013 and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and/or any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the

recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Ambarish Daga (DIN 07125212) who has been appointed as an Additional Director (Executive Director) of the Company with effect from 26th July, 2023 and whose term of office expires at this Annual General Meeting, be and hereby appointed as a Director and the period of his office shall be liable to retirement by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013 ("the Act") and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approval of the authorities, if any, the consent of the Members of the Company be and is hereby accorded for appointment of Mr. Ambarish Daga (DIN 07125212), as the Whole-time Director, designated as Executive Director for a term of three consecutive years effective from 26th July, 2023.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to alter or vary the scope of remuneration of Mr. Daga, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by the resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and are hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution..

6. Re-appointment of Mr. Rishabh Saraf (DIN 00161435) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 (2A) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), Mr. Rishabh Saraf (DIN 00161435) who was appointed as a Non-Executive Independent Director of the Company and who holds office upto 21st September, 2023 and being eligible, be and is hereby re-appointed as a Non-Executive Independent Director of

the Company, not liable to retire by rotation, to hold office for a second consecutive term of 5 years commencing from 22nd September, 2023 till 21st September, 2028.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

7. Appointment of Mr. Abhishek Murarka (DIN 00876022) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act), Regulation 17 (1C), Regulation 25 (2A) and other applicable provisions, if any, of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable provisions (including any statutory modification or re-enactment thereof for the time being in force), based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Abhishek Murarka (DIN: 00876022) who was appointed as an Additional Director in the capacity of an Independent Director of the Company w.e.f. 26th July, 2023, and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act proposing his candidature for the office of an Independent Director, as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years i.e. from 26th July, 2023 till 25th July, 2028."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

8. Appointment of Mrs. Deepa Poncha (DIN 01916512) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 161(1) of the Companies Act, 2013 (the Act), Regulation 17 (1C), Regulation 25 (2A) and other applicable provisions, if any, of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and other applicable provisions (including any statutory modification

or re-enactment thereof for the time being in force), based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mrs. Deepa Poncha (DIN: 01916512) who was appointed as an Additional Director in the capacity of an Independent Director of the Company w.e.f. 3rd September, 2023, and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act proposing her candidature for the office of an Independent Director, as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years i.e. from 3rd September, 2023 till 2nd September, 2028."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

Place: Mumbai

Date: 2nd September, 2023

REGISTERED OFFICE:

145/A, Mittal Tower,
Nariman Point, Mumbai – 400 021.

9. Appointment of Cost Auditors

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

"RESOLVED THAT pursuant to Section 148(3) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including and statutory modification(s) or re-enactment thereof for the time being in force) and subject to such guidelines and approval as may be required from the Central Government the appointment of M/s. Poddar & Co., Cost Accountants (Firm Registration Number 101734) as the Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for the year ending on 31st March, 2024 at a remuneration and other terms as may be determined by the Audit Committee and finalised by the Board of Directors of the Company be and is hereby approved.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

**By order of the Board
For Black Rose Industries Limited**

Harshita Shetty
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto and forms a part of this Notice. Further, the relevant details as set out under Item No. 3, 4, 5, 6, 7, and 8 of the Notice pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment / re-appointment at this AGM are also annexed.
2. Pursuant to the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 and 10/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021, 5th May, 2022 and 28th December, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conducting of AGMs through Video Conferencing / Other Audio-Visual Means ("VC / OAVM") facility on or before 30th September, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020; Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022; and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 ("SEBI Circulars") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and Listing Regulations, the 33rd AGM of the Company is being conducted through VC / OAVM facility, without the physical presence of Members at a common venue. The deemed venue for the 33rd AGM shall be the Registered Office of the Company.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23rd September, 2023 to Friday, 29th September, 2023 (both days inclusive).

**PROCESS FOR DISPATCH OF ANNUAL REPORT AND
PROCESS FOR REGISTRATION OF EMAIL ID FOR
OBTAINING COPY OF ANNUAL REPORT:**

5. In compliance with the aforementioned Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members

whose email addresses are registered with the Company/ Depository Participant (DP). Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website at www.blackrosechemicals.com, websites of the Stock Exchange i.e. BSE Limited and on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com. In case any Member is desirous of obtaining hard copy of the Annual Report 2022-23 and Notice of the 33rd AGM of the Company, may send request to the Company's e-mail address at investor@blackrosechemicals.com mentioning Folio No./DP ID and Client ID

6. Process for registration of e-mail addresses for obtaining Notice of the AGM along with Annual Report for FY 2022-23:

Members holding shares in physical form at requested to visit the link <http://www.satellitecorporate.com/formprodure.php> and download Bank Mandate form. You are requested to duly fill the form and send a scanned copy of the form alongwith the required documents as mentioned in the form to the Registrar at service@satellitecorporate.com. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. In case of any queries/ difficulties in registering the e-mail address, members may write to service@satellitecorporate.com.

7. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company at investor@blackrosechemicals.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM:

8. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned below in the Notice for NSDL e-voting system. After successful login, Members may click on VC/OAVM link available under the 'Join General Meeting' menu against company name. The link for VC/OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the 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.
9. Members are encouraged to join the Meeting through laptops for better experience.
10. Members joining the AGM from their mobile devices or tablets or through laptops connecting 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 aforesaid glitches.
11. Facility for joining the AGM through VC/OAVM for Members shall open 15 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM proceedings.

12. 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shivharijalancs@gmail.com, with a copy marked to 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.
13. Members, who need assistance before or during the AGM, may send a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000
18. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, 22nd September, 2023 i.e. a day prior to commencement of book closure date, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
19. Members may cast their votes through electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. (IST) on Tuesday, 26th September, 2023 and will end at 5.00 p.m. (IST) on Thursday, 28th September, 2023. In addition, the facility for voting through e-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 meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>
20. The details of the process and manner for remote e-Voting are explained herein below:

PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

14. Members who would like to express their views or ask questions during the AGM may send their questions in advance to company mentioning their Name, DP ID and Client ID/Folio Number, Mobile Number at Company's e-mail ID at investor@blackrosechemicals.com. Questions/ queries received by the Company till 5.00 p.m. on Monday, September 25, 2023 shall only be considered and responded during the AGM. The questions will be suitably replied by the company.
15. The Company reserves the right to restrict the number of questions, depending on the availability of time for the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

16. All the shareholders of the Company are encouraged to attend and vote in the AGM to be held through VC/OAVM.
17. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India ("ICSI"), and Regulation 44 of Listing Regulations, (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Company is pleased to provide the facility remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.

Details on Step 1 are mentioned below:

I. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' 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 "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - 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. 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 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 & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
NSDL Mobile App is available on    	
Individual Shareholders holding securities in demat mode with CDSL	- 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. - 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 & voting during the meeting. Additionally, there is also links provided access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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..
Individual Shareholders (holding securities in demat mode) login through their depository participants	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 & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

II. 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.
4. 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.
5. 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***

6. Your password details 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 by NSDL. 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 e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on

your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the e-mail 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 Beneficiary 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. In case you have not registered your e-mail address with the Company/Depository, please follow instructions mentioned above in this notice.

7. 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.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, PAN, name and registered address.
 - d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on "Login" button.
10. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically 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 General 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.

THE 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.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

21. In case shares are held in physical mode, you are requested to provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card, address proof by email to investor@blackrosechemicals.com or visit the link <http://www.satellitecorporate.com/formprodure.php> and download Bank Mandate form. You are requested to duly fill the form and send a scanned copy of the form alongwith the required documents as mentioned in the form to the Registrar at service@satellitecorporate.com.
22. 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 investor@blackrosechemicals.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.

Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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.

General Guidelines for shareholders:

23. 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 to reset the password.
24. In case of any queries for e-Voting, 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 or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in.
25. Members who have cast their votes by remote e-Voting prior to the AGM may also attend/ participate in the Meeting through VC/OAVM but they shall not be entitled to cast their vote again.
26. Any person holding shares 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 of the cut-off date i.e. Friday, 22nd September, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company at investors@blackrosechemicals.com. 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 forgot 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 or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, 22nd September, 2023 may follow steps mentioned in the Notice of the AGM under point 20 "Access to NSDL e-Voting system."
27. M/s. Shiv Hari Jalan & Co., Practicing Company Secretary in Whole-time Practice (Membership No. 5703, COP: 4226), has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.
28. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
29. The results shall be declared within two working days from conclusion of the AGM.
30. The results along with the report of the Scrutinizer shall be placed on the website of the Company www.blackrosechemicals.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

Documents open for inspection

31. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on investor@blackrosechemicals.com
32. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice can be inspected in electronic mode by sending a request on email to investor@blackrosechemicals.com.

DIVIDEND RELATED INFORMATION:

33. Dividend for the financial year ended 31st March, 2023, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid within the statutory time limit, to those members whose names appear on the Register of Members as on Friday, 22nd September, 2023.
34. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
35. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.
36. Members holding shares in physical form are requested to intimate any change of address and/or bank mandate to Satellite Corporate Services Private Limited, Registrar and Share Transfer Agent of the Company by sending a request in Form ISR-1 at Satellite Corporate Services Private Limited, A/106-107, Dattani Plaza, East West Industrial Compound, Andheri Kurla Road, Near Safed Pool, Saki Naka, Mumbai – 400 072.
37. In case, the Company is unable to pay the dividend to any by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrants to such shareholder by post.
38. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company

shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members Having Valid Permanent Account Number (PAN)	10%* or as notified by the Government of India (GOI)
Members not having PAN / valid PAN	20% or as notified by the GOI

* As per the Finance Act, 2021, Section 206AB has been inserted effective 1st July, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under section 206AB of the Finance Act, 2021.

* As per section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all consequences under the IT Act and tax shall be deducted at the higher rates as prescribed under the IT Act.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2023-24 does not exceed ₹5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the GOI on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962

- Copy of the Tax Residency Certificate for financial year 2023-24 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders
- Electronic Form 10F as per notification no.03/2022 dated 16th July, 2022 issued by the Central Board of Direct Tax [Notification can be read under notification-no-3-2022-systems.pdf (incometaxindia.gov.in)]. Form 10F can be obtained electronically through the e-filing portal of the income tax website at <https://www.incometax.gov.in/iec/foportal>
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes, if applicable, duly attested by the shareholders In case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

** As per the Finance Act, 2021, Section 206AB has been inserted effective 1st July, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

Kindly note that the aforementioned documents are required to be submitted at service@satellitecorporate.com on or before Friday, 22nd September, 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained post Friday, 22nd September, 2023. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.

39. The MCA had notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose

dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividend during the prescribed period. The details of the unpaid/unclaimed amounts lying with the Company are available on the website of the Company at www.blackrosechemicals.com and on MCA's website. The details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2023 shall be updated in due course. The Member(s) whose dividend/shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>.

Members who have not claimed their dividend for last seven years are requested to write to the Company's Registrar and Share Transfer Agents and claim their dividends. The total amount of unclaimed dividend has been disclosed in the financial statements

OTHERS:

40. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.
41. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Satellite Corporate Services Private Limited at service@satellitecorporate.com, to receive copies of the Annual Report 2022-23 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend:

Type Of Holder	Process To Be Followed
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Satellite Corporate Services Private Limited either by email to service@satellitecorporate.com or by post to Satellite Corporate Services Private Limited, A/106-107, Dattani Plaza, East West Industrial Compound, Andheri Kurla Road, Near Safed Pool, Saki Naka, Mumbai – 400 072
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode
	Form ISR-1
	Update of signature of securities holder
	Form ISR-2
	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014
	Form SH-13
	Declaration to opt out
	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee
	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical form
	Form ISR-4
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP

SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by 1st October, 2023, vide its circular dated 16th March, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, Satellite Corporate Services Private Limited, at service@satellitecorporate.com. The forms for updating the same are available at www.blackrosechemicals.com

Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP.

In case a holder of physical securities fails to furnish PAN and KYC details before 1st October, 2023, in accordance with the SEBI circular dated 16th March, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31st December, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

ANNEXURE I TO NOTICE**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4:**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 3rd September, 2023 considered and approved appointment of Mrs. Shruti Jatia having DIN: 00227127 as an Additional Director of the Company. As per Section 161(1) of the Companies Act, 2013 ("the Act"), she holds office up to the date of the ensuing AGM of the Company. A notice has been received from a member proposing Mrs. Shruti Jatia as a candidate for the office of Director of the Company. Further, the Board of Directors appointed Mrs. Shruti Jatia as a Whole-time Director of the Company for a term of three consecutive years effective from 3rd September, 2023, upon the terms and condition recommended by the Nomination and Remuneration Committee hereinafter indicated subject to approval of the members at the ensuing AGM, and such other approval as may be required under applicable laws.

While appointing Mrs. Jatia as Director of the Company, the Board of Directors considered her qualification, rich experience in the field of accounts finance and business operations. The Board is of the opinion that her services will help the Company to achieve greater heights, by appointing her as Whole-time Director as mentioned in the resolution, subject to the approval of shareholders.

The principal terms and conditions of appointment of Mrs. Shruti Jatia as Whole-time Director are as follows:

1. **Period of Appointment:**
Three years commencing from 3rd September, 2023 as a Whole-time Director.
2. **Remuneration:**
Basic Salary: ₹ 36,00,000/- (Rupees Thirty Six Lakh only) per annum with such increments as may be approved by the Board of Directors from time to time.

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Director, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section 197, Schedule V any other applicable provisions of the Companies Act, 2013 as may for the time being be in force.

As the terms of appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013 and the schedule referred above, the Central Government approval is not required for this appointment.

Details of Mrs. Jatia are provided in the "Annexure II" to the Notice pursuant to the provisions of the Companies Act, 2013, Listing Regulations and Secretarial Standards issued by ICSI.

Except Mrs. Shruti Jatia and Mr. Anup Jatia, no other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions mentioned at Item No. 4 of the Notice.

The Board recommends the special resolutions set out at Item No. 4 to this notice for approval of members.

Item No. 5:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mr. Ambarish Daga, Joint Chief Financial Officer and Investor Relations Officer of the Company having DIN: 07125212 as an Additional Director of the Company with effect from 26th July, 2023. As per Section 161(1) of the Companies Act, 2013 ("the Act"), he holds office up to the date of the AGM of the Company. A notice has been received from a member proposing Mr. Ambarish Daga as a candidate for the office of Director of the Company. Further, at the meeting held on 26th July, 2023, the Board of Directors appointed Mr. Ambarish Daga as a Whole-time Director of the Company for a term of three consecutive years effective from 26th July, 2023, upon the terms and condition recommended by the Nomination and Remuneration Committee and the Board of Directors, subject to approval of the members, and such other approval as may be required under applicable laws.

While appointing Mr. Ambarish Daga as Whole-Time Director of the Company, the Board of Directors considered his qualification, rich experience of more than 20 years in corporate operations. He has a robust background in finance and operations management and is currently serving as Joint Chief Financial Officer and Investor Relation Officer of the Company. The Board is of the opinion that his services will help the Company to achieve greater heights, by appointing him as Whole-Time Director as mentioned in the resolution, subject to the approval of shareholders.

The principal terms and conditions of appointment of Mr. Ambarish Daga as Whole-time Director are as follows:

1. **Period of Appointment:**
Three years commencing from 26th July, 2023, as a Whole-time Director.
2. **Remuneration:**
In consideration of the performance of his duties, the Company shall pay to Mr. Ambarish Daga the fixed gross remuneration (other than the Provident Fund and Gratuity) of ₹ 2,974,636/- (Rupees Twenty Nine Lakh Seventy Four Thousand Six Hundred Thirty Six Only) per annum with such increments as may be approved by the Board of Directors from time to time.

The gross remuneration shall be categorized as follows:-

- i) **Basic Salary:**
₹ 1,164,000/- (Rupees Eleven Lakh Sixty Four Thousand Only) per annum

ii) Perquisites and Allowances:

₹ 1,700,136/- (Rupees Seventeen Lakh One Hundred Thirty Six Only) per annum on account of allowances and perquisites like House Rent Allowance/Flat Rent and Maintenance, Phone and Communication Allowance, Medical Allowance, Uniform Allowance, Newspaper and Periodicals Allowance, Transport (Commutation Allowance) and Ex-gratia.

iii) Bonus - ₹ 110,500/- (Rupees One Lakh Ten Thousand Five Hundred only)

In addition to Basic Salary and Perquisites and Allowances, Mr. Ambarish Daga shall be entitled to following benefits:

iv) Provident Fund:

Contribution to the Provident Fund shall be as per the rules of the Company.

v) Gratuity:

Gratuity payable in accordance with the rules and regulations in force in the Company from time to time and subject to applicable laws.

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Whole-Time Director, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section 197, Schedule V any other applicable provisions of the Companies Act, 2013 as may for the time being be in force.

As the terms of appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013 and the schedule referred above, the Central Government approval is not required for this appointment.

Details of Mr. Ambarish Daga are provided in the "Annexure II" to the Notice pursuant to the provisions of the Companies Act, 2013, Listing Regulations and Secretarial Standards issued by ICSI.

Except Mr. Ambarish Daga, no other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions mentioned at Item No. 5 of the Notice.

The Board recommends the special resolutions set out at Item No. 5 to this notice for approval of members.

Item No. 6:

At the 30th Annual General Meeting of the Company held on 29th September, 2020, Mr. Rishabh Saraf was appointed as Non-Executive Independent Director to fill the casual vacancy caused by resignation of Mr. Ameet Nalin Parikh, who shall hold the office only up to the date up to which the Mr. Ameet Nalin Parikh would have held office, if it would have not been vacated due to resignation.

The Nomination and Remuneration Committee after taking into account the performance evaluation of Mr. Rishabh Saraf

during his first term and considering his knowledge, expertise, experience and substantial contribution and time commitment, has recommended to the Board for his reappointment for a second term of 5 (five) years from 22nd September, 2023 till the 21st September, 2028.

The NRC has considered his diverse skills, leadership capabilities, expertise in governance, finance, regulatory advisory, business reorganization, and vast business experience, among others, as being key requirements for this role.

In view of the above, the Board of Directors on recommendations of the Nomination and Remuneration Committee, have approved the re-appointment (not liable to retire by rotation) of the said Independent Director subject to approval of the shareholders of the Company. The Board of Directors states that the re-appointment of Mr. Rishabh Saraf would be in the interest of the Company and its shareholders. The Company has received all statutory disclosures / declarations from Mr. Rishabh Saraf, including:

- (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board and based on its evaluation, Mr. Rishabh Saraf fulfils then conditions for appointment as Independent Director as specified in Companies Act, 2013 and the Listing Regulations. Mr. Rishabh Saraf is Independent of the management.

Details of Directors whose re-appointment as Independent Director is proposed at Resolution No. 6 is provided in the "Annexure II" to the Notice pursuant to the provisions of the Companies Act, 2013, Listing Regulations and Secretarial Standards issued by ICSI.

Copy of draft letter of appointment of Mr. Rishabh Saraf setting out the terms and conditions of appointment are available for inspection by the members at the Registered Office of the Company.

Except Mr. Rishabh Saraf, no other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the special resolution set out at Item No. 6 of this Notice for the approval of members.

Item No. 7:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Abhishek Murarka

(DIN- 00876022) as Additional Director in the capacity of Independent Director of the Company with effect from 26th July, 2023 pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013.

Mr. Abhishek Murarka is eligible to be appointed as an Independent Director for a term upto five consecutive years. The Company has received notice under Section 160 of the Act for Mr. Abhishek Murarka signifying his candidature as an Independent Director of the Company

The Company has received all statutory disclosures / declarations from Mr. Murarka, including:

- (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations,
- (iv) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.
- (v) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority

In the opinion of the Board, Mr. Abhishek Murarka fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is thereby eligible for appointment as an Independent of the Company and he is independent of the management.

Considering knowledge and experience of over 18 years in field of finance and investment, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from 26th July, 2023.

Copy of letter of appointment of Mr. Abhishek Murarka setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode. Additional information in respect of Mr. Murarka, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure II to this Notice.

Brief profile of Mr. Abhishek Murarka given at Annexure II to this Notice. Except Mr. Murarka, being the appointee, or his relatives,

none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at Item No. 7.

The Board recommends Special resolution set out at Item No. 7 of this Notice for the approval of members.

Item No. 8:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mrs. Deepa Poncha (DIN-01916512) as Additional Director in the capacity of Independent Director of the Company with effect from 3rd September, 2023 pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013.

Mrs. Deepa Poncha is eligible to be appointed as an Independent Director for a term upto five consecutive years. The Company has received notice under Section 160 of the Act for Mrs. Deepa Poncha signifying her candidature as an Independent Director of the Company

The Company has received all statutory disclosures / declarations from Mrs. Deepa Poncha, including:

- (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and
- (iii) A declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations,
- (iv) A declaration that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.
- (v) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and that she has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority

In the opinion of the Board, Mrs. Deepa Poncha fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is thereby eligible for appointment as an Independent of the Company and she is independent of the management.

Considering knowledge and experience of over 30 years in field of human resource, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years with effect from 3rd September, 2023.

Copy of letter of appointment of Mrs. Deepa Poncha setting out the terms and conditions of appointment is being made available for inspection by the members through electronic mode. Additional information in respect of Mrs. Deepa Poncha, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure II to this Notice.

Brief profile of Mrs. Deepa Poncha given at Annexure II to this Notice. Except Mrs. Deepa Poncha, being the appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at Item No. 8.

The Board recommends Special resolution set out at Item No. 8 of this Notice for the approval of members.

Item No. 9

Under the provisions of Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records of the Company be conducted by a Cost Accountant in Practice. The Board of your Company has, on the recommendation of the

Audit Committee, approved the appointment of M/s. Poddar & Co., Cost Accountants (Firm Registration Number 101734) as the Cost Auditors of the Company for the year ending 31st March, 2024, an annual remuneration of ₹ 100,000 plus applicable taxes and out-of-pocket expenses.

M/s. Poddar & Co., Cost Accountants have furnished a consent letter regarding their eligibility for appointment as Cost Auditors of the Company.

In compliance with the provisions of Section 148 of the Act, the appointment and remuneration of M/s. Poddar & Co., Cost Accountants as the Cost Auditors of the Company is now being placed before the members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the said resolution.

The Board recommends the ordinary resolution set forth in Item No. 9 of this Notice for the approval of members.

Annexure II

Details of Directors seeking appointment / re-appointment and fixation of remuneration at the forthcoming Annual General Meeting pursuant to Clause 1.2.5 of Secretarial Standards-2 on General Meetings

Name of the Director	Mr. Anup Jatia	Mr. Ambarish Daga
Date of Birth / Age	19 th April 1971 /52 years	15 th November, 1974/48 years
Qualification	B.Sc. Engineering and Applied Science (Chemical Engineering and Economics) from California Institute of Technology	Chartered Financial Analyst from Institute of Chartered Financial Analysts of India, Hyderabad
Expertise in specific functional areas	Mr. Jatia has a 3 decade of experience in the field of chemicals and textiles, with a deep understanding of international and local business.	Mr. Daga has a career spanning of more than 20 years in corporate operations. He has a robust background in finance and operations management and is currently serving as Joint Chief Financial Officer and Investor Relation Officer of the Company.
Date of Appointment on the Board	18 th January, 2007	26 th July, 2023
Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid	Mr. Jatia has consented to retire by rotation at the ensuing Annual General Meeting, for compliance with the requirement of Section 152 of the Companies Act, 2013, and being eligible, offers himself for re-appointment. He is eligible for sitting fees for attending meetings of Board and Committee thereof.	Mr. Daga was appointed as Additional Director on the Board of the Company with effect from 26 th July, 2023. Further, he was appointed as Whole-time Director, (Executive Director) of the Company subject to approval of members, liable to retire by rotation, for a term of three years with effect from 26 th July, 2023. Remuneration sought to be paid to Mr. Daga is ₹ 2,974,636/- per annum and provident fund and gratuity as per Company's policy.
Details of last drawn remuneration	₹ 83,33,333/- per annum	₹ 27,15,240/- per annum as Joint Chief Financial Officer and Investor Relations Officer
Directorship held in other companies alongwith listed entities from which person resigned in the past three years	1. Accent Industries Limited 2. Tozai Safety Private Limited 3. Fukui Accent Trading (India) Pvt. Ltd. 4. Asian Polyacrylamides Pvt. Ltd. 5. Atmasantosh Foundation 6. Livingrose Speciality Chemicals Private Limited 7. Tozai Enterprises Private Limited	Nil
Chairmanship / Membership in Committees of Board	Member of Audit Committee	NIL
Shareholding in the Company	NIL	1,100
Relationship with Directors and KMP inter – se	Mrs. Shruti Jatia - Spouse	None
Number of meetings of the Board attended during the F.Y. 2022-23	5/5	-

Name of the Director	Mr. Rishabh Rajendra Saraf	Mr. Abhishek Murarka
Date of Birth / Age	31 st January, 1979 / 44 years	29 th December, 1981 / 41 years
Qualification	Bachelor's degree in Business Management from the University of Nottingham in England	Master of Science in Finance from Manchester Business School, UK
Expertise in specific functional areas	Mr. Rishabh Rajendra Saraf has more than 20 years of experience in the field of manufacturing, marketing and export.	Mr. Abhishek Murarka possesses over 18 years of experience in the field on finance and investments.
Date of Appointment on the Board	22 nd November, 2019	26 th July, 2023
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Re-appointment as Non – Executive Independent Director, not liable to retire by rotation, for a term of five consecutive years. He is entitled to receive sitting fees.	Appointment as Non – Executive Independent Director, not liable to retire by rotation, for a term of five consecutive years. He is entitled to receive sitting fees.
Details of last drawn remuneration	NIL	NIL
Directorship held in other companies alongwith listed entities from which person resigned in the past three years	1. Remi Edelstahl Tubulars Limited 2. Remi Process Plant And Machinery Limited 3. Remi Portable Fans Private Limited 4. Aura Realinvest Private Limited	1. Gazelle Insurance and Financial Advisors Private Limited 2. Mata Securities India Private Limited 3. Tribune Corporate and Investment Advisory Services Private Limited 4. Mata Wealth Private Limited 5. Mata Advisory & Broking Services Private Limited 6. Reality Web India Private Limited 7. Mata Capital Advisory Services Private Limited 8. Neurosciences Training and Cooperation Foundation
Chairmanship / Membership in Committees of other Board	Remi Edelstahl Tubulars Limited - Stakeholders Relationship Committee (M)	None
Shareholding in the Company	NIL	Nil
Relationship with Directors and KMP inter – se	None	None
Number of meetings of the Board attended during the F.Y. 2022 - 23	3/5	-

Name of the Director	Mrs. Shruti Jatia	Mrs. Deepa Poncha
Date of Birth / Age	29 th December 1971 / 52 years	24 th December, 1963 / 59 years
Qualification	Bachelor of Commerce and Post Graduate Diploma Holder in Business Management	Masters in Management Studies, from the University of Mumbai, Sydenham Institute of Management; Bachelor in General Law, from the University of Bombay, Government Law College; Post graduate Diploma in Advertising & Public Relations from the K. C. College of Management Studies; Bachelor in Commerce, from the University of Bombay H.R. College of Commerce & Economics.

Name of the Director	Mrs. Shruti Jatia	Mrs. Deepa Poncha
Expertise in specific functional areas	Mrs. Shruti Jatia has a career spanning over 3 decades during which she has built a strong track record in managing finance, accounts and business operations of Companies engaged in manufacturing, trading and investments.	Mrs. Deepa Poncha is a senior Human Resources professional with over 30 years of work experience across a breadth of functions within the field of Human Resources. She has worked in HR leadership positions across leading domestic and international companies in diverse sectors.
Date of Appointment on the Board	3 rd September, 2023	3 rd September, 2023
Terms and conditions of appointment/re-appointment along with details of remuneration sought to be paid	Mrs. Jatia was appointed as Additional Director on the Board of the Company with effect from 3rd September, 2023. Further, she was appointed as Whole-time Director, (Executive Director) of the Company subject to approval of members, liable to retire by rotation, for a term of three years with effect from 3rd September, 2023. Remuneration sought to be paid to Mrs. Jatia is ₹ 36,00,000/- per annum.	Appointment as Non – Executive Independent Director, not liable to retire by rotation, for a term of five consecutive years. She is entitled to receive sitting fees.
Details of last drawn remuneration	Not applicable	Not applicable
Directorship held in other companies alongwith listed entities from which person resigned in the past three years	- Control Print Limited - Hercules Hoists Limited - Argo Trade Logistics Private Limited - Fukui Accent Trading (India) Private Limited - Black Rose Trading Private Limited - Atmasantosh Foundation - Tozai Enterprises Private Limited - Livingrose Speciality Chemicals Private Limited - Accent Industries Limited - Asian Polyacrylamides Private Limited	- Centrum Financial Services Limited - Centrum Investment Advisors Limited - Ek Ka Josh Foundation
Chairmanship / Membership in Committees of Board	Member of Audit Committee – Hercules Hoists Limited and Control Prints Limited	NIL
Shareholding in the Company	NIL	NIL
Relationship with Directors and KMP inter – se	Mr. Anup Jatia – Spouse	None
Number of meetings of the Board attended during the F.Y. 2022-23	Not applicable	Not applicable

**By order of the Board
For Black Rose Industries Limited**

Place: Mumbai
Date: 2nd September, 2023

Harshita Shetty
Company Secretary

REGISTERED OFFICE:
145/A, Mittal Tower,
Nariman Point, Mumbai – 400 021

Directors' Report

Dear Members,

Your Directors takes pleasure in presenting the 33rd Annual Report on the business and operations performance of the Company, together with the Audited Financial Statements, for the financial year ended 31st March, 2023.

1. Financial Results - Extract

The company's standalone and consolidated performance during the financial year ended 31st March, 2023, as compared to the previous financial year is summarised below:

₹ in Lakh

Particulars	Consolidated Year ended		Standalone Year ended	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Revenue from Operations and Other Income	43,248.27	48,878.84	27,809.19	34,278.61
Earnings Before Interest Depreciation Tax Amortisation and Exceptional Items (EBIDTAE)	1,582.55	4,650.18	1,391.45	4,442.94
Less: Exceptional Items	0	0	0	0
Earnings Before Interest Depreciation Tax and Amortisation (EBIDTA)	1,582.55	4,650.18	1,391.45	4,442.94
Less: Finance Cost	183.87	89.13	183.87	89.13
Profit before Depreciation and Tax (PBDT)	1,398.68	4,561.05	1,207.58	4,353.81
Less: Depreciation	303.51	261.93	303.51	261.93
Profit before Tax	1,095.17	4,299.12	904.07	4,091.88
Less: Provision for Tax	303.30	1,109.42	246.38	1,041.98
Profit after Tax	791.87	3,189.70	657.69	3,049.90
Total Comprehensive Income	790.88	3,191.35	656.70	3,051.55

2. Nature of Business

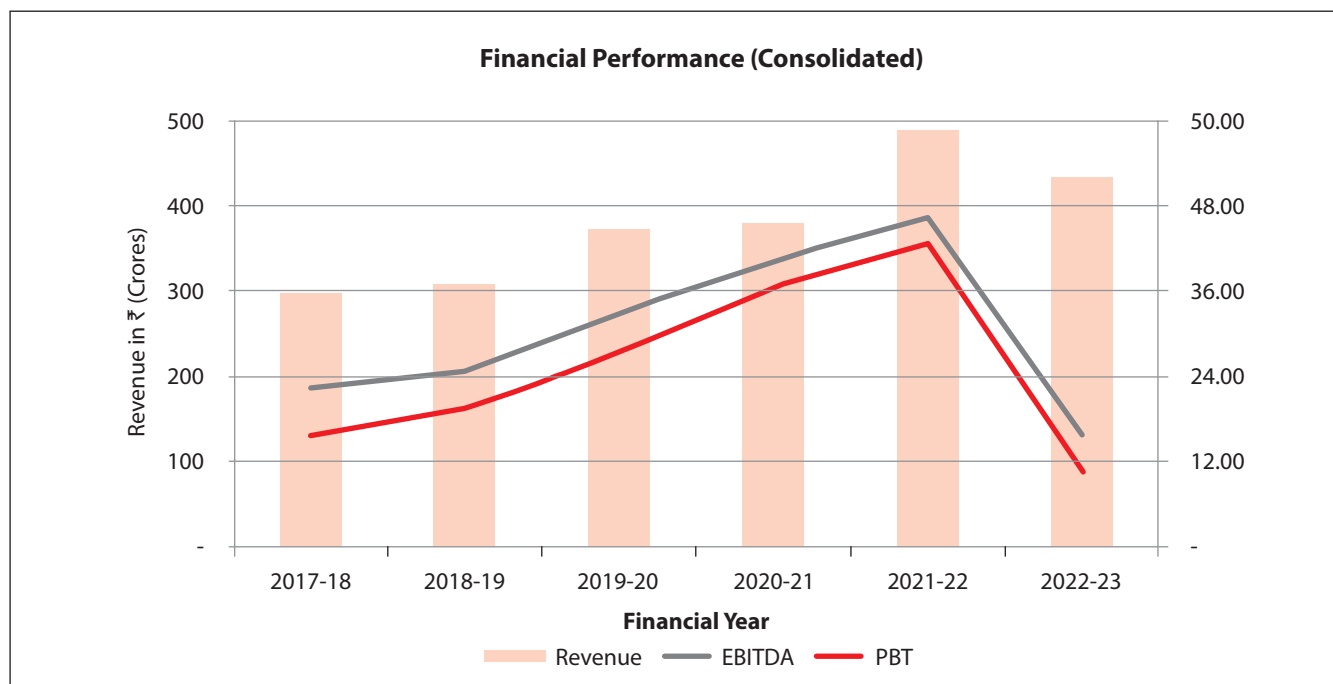
The company is primarily engaged in the business of chemical manufacturing and chemical distribution. The company also owns windmills for the production and sale of renewable energy.

The chemical manufacturing business focuses on the production and sale of acrylamide liquid, polyacrylamide liquid, and n-methylol acrylamide (NMA). During the year the company also commenced commercial production of acrylamide solid and will focus on adding polyacrylamide solid to its production portfolio in the future. The chemical distribution business mainly consists of the sales specialty and performance chemicals produced by overseas manufacturers. The renewable energy business supplies

electricity from wind power to the State Electricity Boards of Rajasthan and Gujarat.

3. Performance Review

Fiscal year 2022-2023 was a year of demand disruption worldwide. The sudden and sharp drop in chemical prices caused the company's profit and revenue to take a hit. In 2022-23, consolidated and standalone EBITDA decreased by 66% and 69%, respectively. The top 5 products of the distribution business accounted for nearly 79% of the division's revenue. Revenues at our subsidiary in Japan remained stable year-on-year. On a positive note, international shipping costs dropped significantly from the staggering highs in FY22 and supported export volumes. The company ended the financial year 2022 - 2023 with expectations of improvements in the coming fiscal.



A detailed analysis of the company's operations is provided later in the Management Discussion and Analysis Report.

4. Dividend

For FY 2022-23, based on the Company's performance, the Directors are pleased to recommend an equity dividend of ₹ 0.55 paise per equity shares of face value of ₹ 1 each for the year ended 31st March, 2023, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) is uploaded on the Company's website at www.blackrosechemicals.com.

5. Transfer to Reserves

The Directors have not proposed to transfer any amount to the general reserve and have decided to transfer ₹ 656.70 lakh to retained earnings for the FY 2022-23. The closing balance of retained earnings of the Company as at 31st March, 2023, after all appropriation and adjustments, was ₹ 10,868.20 lakh.

6. Business Scenario

The financial year 2022-2023 ended with reduced revenue and profits over the previous year due to the impact of the demand disruptions, global chemical price meltdown, continued geo-political disturbance in Europe, and the much-anticipated recovery of China post-COVID which never materialised. The Indian rupee which started the year at ₹76 per US Dollar remained volatile during the year, eventually closing at ₹82 - 83 at the end of the fiscal, mirroring the weakening of global sentiment.

The first signs of the impending slowdown were evident in the first quarter of the year. Both manufacturing and distribution sales declined as buyers began to adopt a wait-and-see attitude in the face of falling international prices of commodity and specialty chemicals. Profit margins declined in the second quarter due to high raw material inventory costs and sales of distribution products at reduced prices. In the third quarter, overall revenues improved due to a pickup in exports, but margins remained under pressure as prices continued to fall in the domestic market and the company still carried higher cost inventories. As prices began to stabilise and old inventories were depleted, there were signs of improvement in the fourth quarter, with EBITDA margins doubling from the previous quarter and manufacturing activity increasing.

The business scenario is discussed in more detail in the Management Discussion and Analysis Report.

7. Acrylamide Plant at Jhagadia, Gujarat

The company's acrylamide plant witnessed 1) lower capacity utilization due to decrease in domestic demand and 2) lower realisation on the back of continually falling raw material prices. The acrylamide powder plant was commissioned during the year but was unable to operate at meaningful levels due to the heavy dumping from Chinese producers.

An in-depth explanation about the acrylamide plant operations is given in the Management Discussion and Analysis Report.

8. Polyacrylamide Liquid Plant at Jhagadia, Gujarat

The ceramic tile industry in Morbi, Gujarat where the company sells its polyacrylamide liquid ceramic binder - BRILBIND CE01 – has been badly affected by the global demand slowdown, the increasing gas prices caused by the Ukraine war, and increased Chinese competition in international markets, impacting the overall revenue and capacity utilization during the year.

An in-depth explanation about the polyacrylamide liquid plant operations is given in the Management Discussion and Analysis Report.

9. N-Methylol Acrylamide (NMA) Plant at Jhagadia, Gujarat

The company has been producing n-methylol acrylamide (NMA), a specialty monomer used in the coatings and adhesive industry, since the end of FY22 with an installed capacity of 2,000 MTPA. The company sells the product to both domestic and multinational companies.

An in-depth explanation about NMA operations is given in the Management Discussion and Analysis Report.

10. Subsidiary – B.R. Chemicals Co., Ltd., Japan

The Company has one subsidiary as on 31st March, 2023. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

The nature of business of the subsidiary company remained unchanged during the year.

During the year under review, the turnover of the company's wholly owned subsidiary increased to ₹ 152 crores.

The performance and financial position of the company's subsidiary, B.R. Chemicals Co., Ltd., for the year ended 31st March, 2023 is attached to the financial statements hereto.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiary in Form No. AOC-1 is attached to the financial statements of the Company.

11. Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

12. Directors and Key Managerial Personnel

During the financial year 2022-23, the Board of Directors had appointed Mrs. Harshita Shetty as the Company Secretary of the Company w.e.f. 29th June, 2022.

Apart from the above, no other Director or Key Managerial Personnel were appointed or ceased during the financial year.

Following are the changes which took place after the end of the financial year till the date of this report:

- a) Mr. Sandeep Chokhani had resigned w.e.f. 11th May, 2023.
- b) Mr. Ratan Kumar Agrawal was appointed as Additional Director w.e.f. 11th May, 2023 and resigned w.e.f. 26th July, 2023.
- c) Mr. Ambarish Daga was appointed as Additional Director w.e.f. 26th July, 2023.
- d) Mr. Abhishek Murarka was appointed as Additional Director w.e.f. 26th July, 2023.
- e) Mr. Bhavesh Shah, General Manager Sales was appointed as Key Managerial Personnel of the Company w.e.f. 26th July, 2023.
- f) Mr. Sanket Desai, Associate Vice President – Manufacturing was appointed as Key Managerial Personnel of the Company w.e.f. 26th July, 2023.
- g) Mr. Garima Tibrawalla had resigned w.e.f. 2nd September, 2023.
- h) Mr. Anup Jatia was re-classified as Non-Executive Director w.e.f. 26th July, 2023 and now retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

13. Declaration from Independent Directors

The Company has received following declarations from all the Independent Directors confirming that:

- a) They meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Rules issued thereunder, as well as of Regulation 16 of the Listing Regulations.
- b) In terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs, Manesar.
- c) In terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

14. Board Meetings and Board Committees

a. Board Meetings

Five meetings of the Board of the Directors were held during the year under review. The Corporate Governance Report, which is part of this report, contains the details of the meetings of the Board.

b. Committees

Pursuant to Section 177 and 178 of the Companies Act, 2013 and the rules made thereunder and in accordance with Listing Regulations, the Board of Directors has constituted five Committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

All details pertaining to the composition of the Board and its committees are provided in the Corporate Governance Report, which is a part of this report.

The company has been employing women employees in various grades within its offices and factory premises. The company has constituted an Internal Compliant Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress any complaints received from employee(s) of the Company. The Company is strongly opposed to sexual harassment and all the employees are made aware about the consequences of such acts and the constitution of the Internal Compliant Committee.

During the year there was no complaint received from any employee and hence no complaint is outstanding as on 31st March, 2023.

c. Evaluations

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual directors to the board and committee

meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

d. Policy on Directors' Appointment and Remuneration and other details

The policy on Directors' remuneration is available on the website of the Company at www.blackrosechemicals.com. The remuneration paid to the Directors is as per the terms laid out in the said policy.

15. Auditors

a. Statutory Auditor

Members of the Company at the AGM held on 29th September, 2022 approved the appointment of M/s. M M Nissim & Co LLP, Chartered Accountants LLP (Registration No. 107122W/ W100672), Chartered Accountants, as the statutory auditors of the Company for a period of five years to hold the office for a period of 5 consecutive years from the conclusion of 32nd Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in the year 2027.

The report of the Statutory Auditor forms part of this Annual Report. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

b. Cost Auditor

Pursuant to the provisions of the Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to have the audit of its cost records.

M/s. Poddar & Co., Cost Accountants, Mumbai, was appointed as Cost Auditor of the Company for conducting the cost audit for the financial year 2022-23.

c. Secretarial Auditor

Secretarial Audit for the financial year 2022-23 was conducted by M/s. Shiv Hari Jalan & Co., Company Secretaries in Whole – Time Practice in accordance with the provisions of Section 204 of the Act. The Secretarial Auditors' Report forms part of this Annual Report.

16. Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2023 is available on the Company's website at www.blackrosechemicals.com.

17. Loans, Guarantees and Investments

The particulars of loans, guarantee or investments given/ made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 have been furnished in Annexure I which forms part of this Annual Report.

18. Deposits

The Company has not accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

19. Consolidated Financial Statements

In accordance with the provisions of Companies Act, 2013 (hereinafter referred to as 'the Act'), Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2022-23, together with the Auditor's Report, form part of this Annual Report. A statement containing the salient features of the Company's subsidiaries, associate and joint venture company in the prescribed Form AOC- 1.

20. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i) the annual financial statements for the year ended 31st March, 2023 have been prepared in accordance with the applicable accounting standards along with proper explanation relating to material departures, if any;
- ii) 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 at the end of the financial year and of the profit of the company for that period;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis;
- v) have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-23.

21. Internal Financial Controls and Compliance Framework

Internal financial control over financial reporting have been designed to provide reasonable assurance with regards to recording and providing reliable financial information and complying with applicable accounting standards. These controls are reviewed periodically, and the Company continuously tries to verify these controls to increase its reliability.

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational. This includes its design, implementation and maintenance, along with periodical internal review of operational effectiveness and sustenance, which are commensurate with the nature of its business and the size and complexity of its operations. This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems were adequate and operating effectively.

22. BRIL Employee Stock Option Scheme

The scheme was introduced for eligible employees of the company with an objective to motivate employees giving them opportunity to participate and gain from the company's performance thereby acting as a retention tool as well as align the efforts of such talent towards long term value creation of the organization.

The applicable disclosure, as stipulated under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as on 31st March, 2023 is available on the Company's website on www.blackrosechemicals.com.

23. Risk Management

In compliance with Regulation 21 of the Listing Regulations, a Risk Management Committee has been constituted by the Board. The Risk Management Committee, also known as Risk Management Oversight Committee, is entrusted with roles and powers as specified in Part D of Schedule II of Listing Regulations. The Company has laid out a risk management policy for identification and mitigation of risks. The Risk Management Committee identifies the key risks for the Company, develops and implements the risk mitigation plan, reviews and monitors the risks and corresponding mitigation plans on a regular basis and prioritises the risks, if required, depending upon the effect on the business/reputation.

The other details in this regard are provided in the Report on Corporate Governance which forms a part of this Annual Report.

24. Vigil Mechanism and Reporting of Frauds

The Company has framed Vigil Mechanism/Whistle Blower Policy ("Policy") to enable Directors and employees to report genuine concerns or grievances, unethical behavior and irregularities, fraud, if any, which could adversely affect the Company's operations to the Audit Committee Chairman.

Based on a complaint received from a logistics service provider on July 19, 2022, a police complaint was filed on 10th August, 2022 and 16th September, 2022 by the Company. Subsequent to the complaint, FIR No.0088/2023 dated 8th April 2023 was registered by the Cuffe Parade Police Station, Mumbai, under Section 408, 420, and 477A against Ganesan Muthiah Pillai, a former manager of the company who was in charge of logistics operations from the end of 2019 till the middle of 2022. Further investigations are ongoing.

25. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with rules made thereunder is provided in Annexure II which forms part of this Annual Report.

26. Contracts and Arrangements with Related Parties

All the contracts, arrangements and transactions entered by the company during the financial year with related parties were in the ordinary course of business and were on arm's length basis, hence Section 188(1) is not applicable and consequently no particulars in Form AOC - 2 are required to be furnished. During the year, the company had not entered into any contract, arrangements or transactions with related parties which could be considered material. All the contracts, arrangements and transactions with related parties are placed before the Audit Committee as also the Board, as may be required, for approval.

27. Business Responsibility and Sustainability Report ("BRSR")

Regulation 34(2) of the SEBI Listing Regulations, inter alia, provides that the Annual Report of the top 1000 listed entities based on market capitalization, should mandatorily include a Business Responsibility & Sustainability Report ("BRSR"). The BRSR for the financial year 2022-23, forms part of this report describing the initiatives taken by the Company from an environmental, social and governance perspective.

The BRSR for the financial year 2022-23 has also been hosted on the Company's website, which can be accessed at website at www.blackrosechemicals.com

28. Orders passed by Regulators or Courts or Tribunals

No significant and material orders have been passed by any regulators or courts or tribunals which can have an impact on the going concern status of the Company and its future operations.

29. Listing

The company's shares are listed on the BSE and the applicable listing fees have been paid.

30. Managerial Remuneration and Particulars of Employees

The Statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as none of the employees of the company are covered under the provisions of the said rules.

The ratio of the remuneration of each director to the median employees' remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in Annexure III which forms part of this Annual Report.

31. Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) forms an integral part of an overall business policy aligned with its business goals. The Company, from time to time, endeavors to utilize allocable CSR budget for the benefit of society.

Salient features of the CSR policy and the details of activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in Annexure IV forming part of this report. The CSR Policy is available on the website of the company.

32. Service of Documents through Electronic Means

All documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose e-mail IDs are registered in their demat

account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

33. Disclosure Requirements

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis including the Business Responsibility and Sustainability Report are attached, which form part of this report.

The Company has devised proper systems to ensure compliance with the provisions of all applicable secretarial standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i. The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- ii. During the year under review, there are no shares required to be transferred to the demat suspense account or unclaimed suspense account of the Company.
- iii. During the year, in terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016/Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, no amount of unpaid/unclaimed dividends were transferred during the financial year to the Investor Education and Protection Fund.
- iv. During the year under review, there were no instance of one-time settlement with banks or financial institutions and hence the differences in valuation as enumerated under Rule 8(5)(xii) of Companies (Accounts) Rules, 2014, as amended, do not arise

- v. During the financial year, no application has been made and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- vi. During the financial year, there is no agreements entered under clause 5A to para A of part A of Schedule III of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

34. Acknowledgements

The Board of Directors place on record sincere gratitude and appreciation to all the employees at all levels for their hard work, solidarity, cooperation, and dedication during the year.

The Board conveys its appreciation to its principal's, customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory, and government authorities for their continued support.

Cautionary Statement

Certain statements in this Directors' Report and in the Management Discussion and Analysis Report describing the company's objectives, estimates, and projections may be forward-looking statements and are based on certain expectations. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference in the company's operations include the availability of raw material/product, cost of raw material/product, changes in demand from customers, fluctuations in exchange rates, changes in government policies and regulations, changes in tax structure, economic developments within India and the countries in which business is conducted, and various other incidental factors. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in making any assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

For and on behalf of the Board

Anup Jatia

Director

DIN: 00351425

Ambarish Daga

Director

DIN: 07125212

Place: Mumbai

Dated: 2nd September, 2023

Annexure I

Particulars of Loans, Guarantees and Investments

₹ in lakh

Particulars of Investment made, Guarantee given and Loan given	Name of the Entity	Amount (₹)	Purpose for which Loan is proposed to be utilized by the recipient
Investment made in Subsidiary Company	B.R. Chemicals Co., Ltd., Japan	16.21	NA

Annexure II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

a) Steps taken or impact on conservation of energy:

- Company continues to select and install energy efficient variable frequency drives for agitated equipment for on going expansion. This shall further minimize power consumption.
- Maintained all previous installations.

b) Alternate source of energy – Company invested in installation of 511 KW capacity Solar Module Roof top plant at its Jhagadia Location.

c) The total capital investment allocated for Energy conservation equipment and 511 KW Solar module plant is ₹ 1.96 Crores.

B. TECHNOLOGY ABSORPTION

a) The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution:

Various improvements in process control have been implemented which has led to reduction in waste generation, and improvement in efficiency of the manufacturing plant.

Company has successfully developed indigenous technology for commercial production of products viz. Acrylamide Solid and N-Methylol Acrylamide (NMA)

Company's R&D department continues to work on several other products which are likely to be commercially introduced.

b) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

No technology was imported during the last three years reckoned from the beginning of the financial year.

c) Details of expenditure on Research and Development:

The company has spent ₹ 94.81 Lakh on the same during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- Foreign exchange outgo : ₹ 470.15 Lakh
- Foreign exchange earned : ₹ 7,624.22 Lakh

Annexure III

- A. Details pertaining to remuneration as required under 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, Chief Financial Officer and Company Secretary 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:

Sl. No.	Name of Director/KMP and Designation	Remuneration to Director/KMP for the financial year 2022-23 (₹)	Increase in Remuneration in the financial year 2022-23 (%)	Ratio of Remuneration of each Director / KMP to the median Remuneration of employees (times)
1	Mr. Anup Jatia * Executive Director	8,333,330	NIL	31.66
2	Mr. Sandeep Chokhani* Executive Director	4,348,200	NIL	13.72
3	Mr. Sujay Sheth Independent Director	NIL	NIL	NIL
4	Mr. Basant Kumar Goenka Independent Director	NIL	NIL	NIL
5	Ms. Garima Tibrawalla Independent Director	NIL	NIL	NIL
6	Mr. Rishabh Saraf Independent Director	NIL	NIL	NIL
7	Mr. Ratan Kumar Agrawal Chief Financial Officer	2,715,240	7%	8.94
8	Mr. Ambarish Daga Joint Chief Financial Officer	2,729,475	7%	9.02
9	Mrs. Harshita Shetty ** Company Secretary and Compliance Officer	658,886	NA	2.02

* The remuneration paid to Mr. Anup Jatia and Mr. Sandeep Chokhani excludes commission paid amounting to ₹5,000,000/- and ₹1,400,000/- respectively for the financial year 2021-22.

** Mr. Harshita Shetty, Company Secretary of the Company was appointed w.e.f. 29th June, 2022.

Sl. No.	Requirements	Disclosure
1	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees for the financial year was increased by 3.49% compared to the previous financial year.
2	The number of permanent employees on the rolls of the Company.	106 employees as on 31 st March, 2023
3	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.	The average percentile increase in the salaries of employees other than managerial personnel in the last financial year was 5.08% as compared with the percentile increase in the managerial remuneration of 6.19%.
4	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, the remuneration is as per the remuneration policy of the Company.

Annexure IV

Report on CSR Activities of the Company as per Companies (Corporate Social Responsibility Policy) Rules, 2014.

1. Brief outline on CSR Policy of the Company

The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of Directors of the Company, explains detailed framework for undertaking various CSR programmes in accordance with Section 135 of the Companies Act, 2013 and the rules made thereunder. Our Company contributes to the activities listed under Schedule VII of the Act for the benefit of the society by promoting education, providing educational infrastructure, providing health support, etc.

Overview of the projects or programmes undertaken / proposed to be undertaken either directly or through implementing agency:

a) Patang Scholars Program

The Patang Scholars Program is a scholarship program for talented, ambitious, and less-privileged students who need financial support and wish to pursue higher education. The scholarship aims to support such students and provide them with the skills and resources they require to become well-developed, successful, and socially responsible leaders. The aspiration is to create a group of students who will help build the nation by becoming role models in their community. Their dedication, commitment, and empathetic nature will differentiate them from others and enable them to help other students from similar backgrounds accelerate their growth and progress.

b) Vidya Sahyog Program

The Vidya Sahyog Program is a scholarship program for bright, determined, and under-resourced students from rural parts of India who need financial support and wish to pursue higher education. The main aim of the scholarship is to provide an opportunity to meritorious students who want to achieve their academic goals without any financial constraints. The program also helps the students in their career planning and other educational activities, if required.

c) Aviral Gyan Program

The program is to develop educational and social infrastructure for empowering communities in rural, under developed, and / or other areas where required. The objective of this program is to improve the quality of education by providing infrastructure facilities for organising and conducting technical courses and non-technical courses and also to enrich personal learnings, productivity and enhancing knowledge by setting up libraries, recreational centers, day care centers and other social infrastructures etc.

d) Edu-Med

The program aims to provide educational, health and other essential support to the children in Schools, Health care centers, orphanage and other institutes enabling them to become productive members of the society through this program.

e) Gyankosh

Gyankosh Scholarship Program is a need-based scholarship program for students from financially weaker sections. The Gyankosh Scholarship Program was launched, providing funds for students to obtain the education they may not have been able to access otherwise. The program is open to Indian students of any grade from kindergarten to post-graduation. There is no formal recruiting done, and the program relies on word-of-mouth means of communication, with interested students asked to fill out an application form to gauge eligibility.

f) Chiranjilal P. Vyas Memorial Scholarship

The company recently launched the Chiranjilal P. Vyas Memorial Scholarship, in honour of Late. Chiranjilal P. Vyas, former General Manager – Accounts and Finance of the Company, whose ideas and knowledge were instrumental in the development of the company. The objective of this scholarship is to provide monetary assistance to students who are pursuing either a Chartered Accountant (CA) or Company Secretary (CS) professional course. The scholarship will be managed by Atmasantosh Foundation.

g) Atma Van

The Company has received the proposal for the development of Green Belt under the Green GIDC initiative. The objective of the project is to plant, develop and maintain a Green Belt of 1000 trees, in an area of 8000 sq. mtr. allocated by GIDC outside our factory premises.

2. Composition of CSR Committee during the financial year 2022-23

Sl. No.	Name of Director	Designation / Nature of designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Anup Jatia	Chairman	1	1
2	Rishabh Saraf	Member	1	1
3	Sandeep Chokhani	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

CSR committee	https://www.blackrosechemicals.com/investor
CSR Policy	https://www.blackrosechemicals.com/api/uploads/investor_pdf/SYV6D_1622204288Corporate_Social_Responsibility_Policy.pdf
CSR projects	https://www.blackrosechemicals.com/investor

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

In terms of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the requirement of conducting an impact assessment of its CSR projects / programs is not applicable to the Company.

5. (a) Average net profit of the company as per Section 135(5) of the Companies Act, 2013: ₹ 3420.81 Lakh

(b) Two percent of average net profit of the company as per Section 135(5) of the Companies Act, 2013: ₹ 68.42 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year (5a+5b+5c+5d): ₹ 68.42 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 47.23 Lakh

(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: ₹ 47.23 Lakh

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

Total amount spent for financial year (₹ in Lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Companies Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Companies Act, 2013		
	Amount (₹ in Lakhs)	Date of transfer	Name of the fund	Amount	Date of Transfer
47.23	21.19	28 th April, 2023		NIL	

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

Sl. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the company as per Section 135(5)	₹ 68.42 Lakhs
ii.	Total amount spent for the Financial Year	₹ 47.23 Lakhs
iii.	Excess amount spent for the financial year [(ii)-(i)]	Not applicable
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not applicable
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Not applicable

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in lakhs)	Balance Amount in Unspent CSR Account under subsection (6) of Section 135 (₹ in lakhs)	Amount spent in the reporting Financial Year (₹ in lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ in lakhs)	Deficiency, if any
					Name of the Fund	Amount (in ₹)	Date of transfer		
1	2021-22	24.92	Nil	24.92	Not Applicable			0	0

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
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
Ambarish Daga

Director

DIN: 07125212

Anup Jatia

Director / Chairman of Corporate

Social Responsibility Committee

DIN: 00351425

Place: Mumbai

Date: 2nd September, 2023

Management Discussion and Analysis Report

A. The Industry Structure and Developments

Chemical

Specialty and performance chemicals constitute the majority of the company's distribution products and account for the main share of its revenues. The company's manufacturing unit located in Jhagadia, Gujarat, at the start of the year was engaged in the production of a) acrylamide liquid with an installed capacity of 32,000 MTPA (of which 20,000 MTPA is available for merchant sales and balance for the company's captive requirement), b) polyacrylamide liquid with an installed capacity of 40,000 MTPA, and c) N-methylol acrylamide (NMA) with an installed capacity of 2,000 MTPA. During the year, the company commenced commercial production of acrylamide powder with an installed capacity of 3,600 MTPA at the same unit.

The chemical industry drives India's economic growth and supplies a wide range of end-user industries, expanding the country's position in the global chemical supply chain. India's strategic location advantage, skilled and competent workforce, good governance, sound investment policies and reforms have made it a preferred global manufacturing hub. Moreover, the 'Europe plus one' policy, modelled on 'China plus one', has opened up new markets and opportunities for the Indian chemical industry as global chemical buyers look to India as a new and reliable source for their needs.

Renewable Energy and Textile

The company has two windmills of 0.8MW each, one in Rajasthan and the other in Gujarat. Long term Power Purchase Agreements have been entered into with the respective State Electricity Boards and all power generated is sold accordingly. The company also has a very minor operation in the textile sector as a manufacturer of fabrics and textile made-ups.

Both these businesses put together account for less than 1% of the total revenue of the company.

B. Opportunities, Threats, and the Company's Response

Chemical Distribution

A large part of the company's revenue comes from its chemical distribution business. The company enjoys strong and transparent relationships directly with leading global chemical manufacturers, enabling us to maintain a fair pricing policy and provide uninterrupted service to our long-standing customers while capitalising on new opportunities and expanding our presence in the Indian chemical sector.

The Indian chemical industry faced several challenges, such as the crash in chemical prices, weak demand both in the

domestic market and globally due to high inflation, China's failure to recover after COVID, and high energy costs as a result of the war between Russia and Ukraine. Despite these obstacles, the company was able to mitigate the impact of these factors through proactive measures in supply chain management, logistics and a robust distribution strategy combined with the introduction of new products and a larger customer base. The reduction in international freight costs from the high levels of the previous year boosted the company's export volumes.

Chemical Manufacturing

Acrylamide Liquid and Solid

The domestic market has a demand of approximately 13,000MT of acrylamide monomer on a 100% basis, or 26,000MT based on acrylamide 50% solution. The company plays a significant role by being the major producer and supplier of acrylamide solution in the Indian market. The price of acrylamide is primarily influenced by the cost of its main raw material, acrylonitrile, which is also utilized in the production of ABS polymers and acrylic fibers.

Throughout the year, the price of acrylonitrile experienced a steady decline, starting at \$1,900/MT and ending at \$1,400/MT. The price of acrylamide is also impacted by changes in supply and demand in both domestic and international markets. Profits from the acrylamide liquid business experienced a decline in the first three quarters of the year, attributed to higher-priced raw material inventories. Nevertheless, with the reduction in freight costs and the company obtaining EU REACH certification, export volumes witnessed resurgence in the latter half of the year.

In the solid form, acrylamide is imported from China by various chemical traders and end users, with import duties of 7.5% applicable to this material. The company achieved a significant milestone by becoming the sole manufacturer of acrylamide powder outside of China, commencing production in the second quarter of FY23. However, sales of this product were severely constrained due to extensive dumping of this product by China.

Polyacrylamide Liquid

The domestic market demand for polyacrylamide liquid stands at approximately 120,000MT. Polyacrylamide liquids are a class of water-dissolved polymers derived from acrylamide in combination with other monomers. In India, they find wide applications as binders for manufacturing ceramic tiles.

With an installed capacity to produce 40,000 MTPA of polyacrylamide liquids, the company currently focuses on the catering to the ceramic tile industry in Morbi.

However, the year saw challenges due to high energy costs and an economic slowdown induced by inflation, impacting the overall demand for the product.

Nevertheless, the company has diligently worked on enhancing product performance and establishing itself as a reputable brand in the Morbi ceramic tile market. Additionally, ongoing research and development efforts aim to develop new grades as well as dispersants, which would contribute to boosting sales in the future.

n-Methylol Acrylamide (NMA)

NMA, a downstream product of acrylamide monomer, serves as a valuable specialty monomer in the production of cross-linkable emulsion polymers across various industries.

Towards the end of the previous year, the company successfully initiated commercial production of NMA with an installed capacity of 2,000MT per annum. Presently, NMA is predominantly imported into India from Europe. However, the company's product has garnered acceptance among numerous end-users, and trials are currently underway with specific major consumers in India and overseas.

Renewable Energy and Textiles

The revenue generated by this business is contingent upon the level of power generation, which is influenced by natural conditions throughout the year. While the field of renewable energy offers abundant opportunities, the company currently does not have any plans to pursue additional renewable energy projects, except for meeting its own energy requirements.

As for the textile sector, the company does not have any intentions to allocate further resources to this line of business.

C. Analysis of Performance

Chemical Distribution

The distribution business faced challenges due to declining prices and reduced demand in the domestic market. However, it experienced favorable conditions with steady demand from the US oil and gas market. Margins were initially impacted in Q1-Q3 as higher-priced inventory was sold, but improved in Q4 with the acquisition of fresh stocks at competitive prices. Limited availability of essential products like ethanolamines and meta cresol resulted in lower sales. However, with strong supplier support, the company was able to increase volumes in products such as resorcinol and methacrylamide.

Acrylamide Liquid

The company faced challenges in terms of falling price realization and reduced domestic demand, leading to a decline in revenue and operating margins, particularly in Q2 and Q3. Throughout the year, raw material prices, specifically acrylonitrile, dropped from around US\$1,900/MT at the beginning of the year to approximately US\$1,400/MT by

year-end. The significant decrease in freight costs enabled viable global exports once again. Moreover, the company's decision to obtain EU REACH registration opened doors to the European market.

Acrylamide Solid

Although the company successfully commissioned the acrylamide solid plant, sales remained limited due to continuous dumping of Chinese suppliers in the Indian market. Notably, the company holds a unique position as the only non-Chinese producer of acrylamide powder. This allows the company to cater to customers seeking alternatives to Chinese sources for their crucial raw materials.

Polyacrylamide Liquid

The company operates in the ceramic tile industry in Morbi, Gujarat, where it sells its polyacrylamide liquid ceramic binder known as BRILBIND CE01. Unfortunately, this market has been heavily impacted by multiple factors, including a global demand slowdown and escalating gas prices resulting from the Ukraine war.

Despite the decline in sales, the company managed to increase profitability compared to the previous year, primarily due to the decrease in raw material prices.

n-Methylol Acrylamide (NMA)

The company has been producing n-Methylol Acrylamide (NMA), a specialty monomer used in the coatings and adhesive industry, since the end of FY22 with an installed capacity of 2,000 MTPA. The company sells the product to both domestic and multinational companies. The sales of NMA have increased every quarter with repeat orders being received from key clients. The product is expected to be a significant contributor during FY23-24.

D. Financial Review

Analysis of the profit and loss statement

Revenues: Standalone revenue from operations reported a 18.40% dip from ₹ 341.80 crore in 2021-22 to ₹ 278.09 crore in 2022-23. Other incomes of the Company reported a 27.06% dip and accounted for a 0.52% share of the Company's revenues reflecting the Company's dependence on its core business operations.

Expenses: Total expenses of the Company decreased by 10.39% from ₹ 301.87 crore in 2021-22 to ₹ 270.50 crore in 2022-23 due to decrease in operational scale/volume. Cost of material consumed decreased by 18.95% from ₹ 70.03 crore in 2021-22 to ₹ 56.76 crore in 2022-23. Employee benefit expenses increased by 24.60% from ₹ 6.97 crore in 2021-22 to ₹ 8.68 crore in 2022-23.

Analysis of the Balance Sheet Sources of funds:

The capital employed by the Company decreased by 5.02% from ₹ 132.10 crore as on 31st March, 2022 to ₹ 125.47 crore as on 31st March, 2023 owing to repayments of borrowings. Return on capital employed, a measure of returns derived

from a rupee invested in the business decreased by 22.98% from 31.65% in 2021-22 to 8.67% in 2022-23.

The net worth of the Company increased by 2.85 % from ₹ 118.40 crore as on 31st March, 2022 to ₹ 121.78 crore as on 31st March, 2023 owing to increase in reserves and surpluses. The Company's equity share capital comprising 51,000,000 equity shares of Re. 1 each remained unchanged during the year under review.

Long-term debt of the Company decreased from ₹ 0.52 crore as on 31st March, 2022 to ₹ 0.49 crore as on 31st March, 2023 owing to repayments of loan. Long-term debt-equity ratio of the Company stood at 0.00406 in 2022-23 compared to 0.00441 in 2021-22.

Finance costs of the Company increased by 106.29% from ₹ 0.89 crore in 2021-22 to ₹ 1.84 crore in 2022-23 due to additional loans taken during the year which have seen been repaid. The Company's interest cover stood at 5.92x in 2022-23 (46.98 x in 2021-22).

Applications of funds:

Fixed assets (gross) of the Company increased by 9.87% from ₹ 59.71 crore as on 31st March, 2022 to ₹ 65.60 crore as on 31st March, 2023 owing to purchase of fixed assets. Depreciation on tangible assets increased by 11.66% from ₹ 2.34 crore in 2021-22 to ₹ 2.61 crore in 2022-23 owing to an increase in fixed assets during the year under review.

Working capital management:

Current assets of the Company decreased by 13.88 % from ₹ 120.53 crore as on 31st March, 2022 to ₹ 103.81 crore as on 31st March, 2023. The current and quick ratios of the Company stood at 3.79 and 2.59, respectively in 2022-23 compared to 2.68 and 1.59, respectively in 2021-22.

Inventories including raw materials, work-in-progress and finished goods among others decreased by 36.17 % from ₹ 46.27 crore as on 31st March, 2022 to ₹ 29.53 crore as on 31st March, 2023 owing to reduced inventory costs and a conscious effort to decrease stocks. The inventory cycle changed from 62.47 days of turnover equivalent in 2021-22 to 60.16 days of turnover equivalent in 2022-23.

Trade receivables decreased by 11.14% from ₹ 66.31 crore as on 31st March, 2022 to ₹ 58.92 crore as on 31st March, 2023. More than 99.52% of receivable were considered good. The Company contained its debtor turnover cycle within 82.34 days of turnover equivalent in 2022-23 compared to 59.02 days in 2021-22.

Cash and bank balances of the Company increased by 134.47 % from ₹ 5.13 crore as on 31st March, 2022 to ₹ 12.02 crore as on 31st March, 2023.

Loans and advances made by the Company increased from ₹ 1.19 crore as on 31st March, 2022 to ₹ 2.15 crore as

on 31st March, 2023 on account of increase in advances paid to suppliers.

Margins

The EBIDTA margin of the Company decreased by approximately 800 basis points from 13.04 % in 2021-22 to 5.00%, while the net profit margin of the Company decreased by 659 basis points.

E. Key Ratios

Particulars	2021-22	2022-23
EBIDTA/Turnover (%)	13.04%	5.00%
Debt-Equity Ratio*	0.10	0.02
Return On Equity (%)**	29.24%	5.48%
Book Value Per Share (₹)	1	1
Earnings Per Share (₹)	5.98	1.29
Debtors Turnover (Days)	59	82
Inventory Turnover (Days)**	62	60
Interest Coverage Ratio (X)	46.91	5.92
Current Ratio* (X)	2.68	3.79
Debt Equity Ratio (X)	0.10	0.02
Operating Profit Margin (%)	12.27%	3.91%
Net Profit Margin (%)	8.95%	2.37%

Note:

*Repayment of Borrowing leads to reduction in debt

** Dip in revenue and earning before tax.

F. Outlook

India's chemical industry has consistently outperformed global benchmarks and generated substantial wealth over the past decade. With a solid foundation and large market, India is finally now emerging as a prominent chemicals manufacturing hub. By 2040, the industry aims to triple its global market share to about 20% with an expected growth rate of 10% annually. Several factors contribute to this anticipated growth, including increasing domestic consumption, with India's domestic demand expected to rise from \$170 billion to \$180 billion in 2023 to \$850 billion to \$1,000 billion by 2040. Additionally, changing consumer preferences towards bio-friendly products present opportunities for India as a leading producer of such chemicals. Furthermore, the evolving geopolitical scenario and the trend to diversify from existing core manufacturing markets have prompted companies to enhance the resilience of their supply chains, leading to potential shifts in supply chain dynamics.

The specialty chemicals sector in India holds a significant share of approximately 20% in the overall chemicals market, representing substantial value. As India establishes itself as a preferred destination for specialty chemicals manufacturing, the sector is projected to experience a robust growth rate of 12%, reaching an estimated value of \$80 billion by 2028. This growth is fueled by the industry's response to the increasing demand for sustainable products, circular

economy practices, and the recovery of materials at the end of their life cycle. As a result, there is a growing opportunity to serve emerging sectors with innovative products and solutions. The Indian specialty chemicals industry is poised to leverage these prevailing trends and align its strategies with global market dynamics.

Chemical Distribution

During demand slowdown and intense competition, distributors play a crucial role as suppliers rely on their networks to boost sales and gain market share. Our company, with strong cash flows and market expertise, is well-positioned to achieve two objectives: supporting primary suppliers with increased volume purchases and providing competitive and timely supplies to end-users. While domestic demand recovery is gradual, lower chemical prices have eased margin pressure. Availability of previously scarce products like meta cresol and the resumption of ethanolamines supply in Q2 FY24 contribute to a positive outlook. Resorcinol and isophthalic acid are projected to contribute significantly to overall distribution revenue. However, geopolitical as well as economic changes may affect exports to the US oil and gas industry as oil prices correct.

Acrylamide Liquid

Throughout FY23 and into the first quarter of FY24, domestic market prices for acrylamide liquid experienced a continuous decline along with the raw material prices. However, export markets offer more favorable pricing, leading the company to push exports while maintaining its leadership position in the domestic market. Leveraging the advantage of low freight costs, the company aims to further expand its presence internationally while still maintaining its market share in India. Capacity utilization and production volumes have been increasing in FY24.

Acrylamide Solid

Chinese dumping of acrylamide solid into India continues. The company's focus has been on exports and the product has been approved by several international customers, including in Japan. The company hopes to ramp up production for export markets during Q2 with the addition of new machinery and equipment.

Polyacrylamide Liquid

Sales of the company's polyacrylamide liquid ceramic binder have remained stable during Q1 FY24. The company intends to prioritise quality, service, and realisation over volume growth. Market share is expected to grow during the ensuing quarters with introduction of new products.

n-Methylol Acrylamide

Repeat orders are being received from regular clients while the approval process is ongoing at other clients, both in India and overseas. The company expects volumes to increase four-fold during Q2 as key approvals begin coming in towards the middle of the year.

G. Risk and Concerns

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The risk management policy has been posted on website of the Company.

Given the nature of the Company's business and changing market dynamics, it is exposed to various risks during its daily course of operations. Some of the key risks and mitigation strategies adopted by the company is illustrated below:

- Health and safety risk

Health and safety is closely monitored, this is done predominantly due to the nature of the job; manufacturing of chemicals that are hazardous in nature. The Company is aware of and adheres to different laws and regulations in order to keep its employees safe, and company compliant. Your Company identifies potential safety hazards and conducts regular workplace inspections to help prevent incidents and injuries.

- Environmental and Social risk

The company deals with environmental and social risk with the same care and discipline as any other business risk, and thus undertake to robust review of process to take the social and environmental impact in our business decisions. We prefer to address the issue by working on ways to appropriate safeguards to the environment and more sustainable practices. By facilitating the adoption of more sustainable practices, we are able to better serve the society and the environment in which they operate.

- Raw material supply and price fluctuations

Timely supply of raw materials are key to any manufacturing business. Also, raw material costs can fluctuate for a variety of reasons. Manufacturers rely on raw materials for their production and as a result are naturally impacted by supply and price volatility of the raw materials they require. The company maintains good relations with its key raw material suppliers and enters into supply contracts with global leaders whenever possible. The purpose of contracts is to protect the company from supply disruptions as well as price volatility.

- Execution

Execution risk is the risk that a company's business plans will not be successful when they are put into action, due to internal or external factors such as change in prevailing conditions, cost overruns, etc. The Company tries to mitigate

such risks through acquiring adequate resources, careful communications, effective governance, and adaptive execution processes.

- **Quality Risk**

The Company aims to produce and supply quality products in conformance to required specifications. The Company employs strong process discipline and quality control at its manufacturing plant to constantly monitor the quality of its products. Customer complaints or concerns are promptly investigated for continuous improvement. With regard to its distribution products, the company only works strictly with renowned international suppliers who stand by their product quality.

- **Currency Volatility**

Currency fluctuations are a natural outcome of floating exchange rates. Numerous factors influence exchange rates, including a country's economic performance, the outlook for inflation, interest rate differentials, capital flows and so on. As currency rates play an important role in the company's activities, the company reviews and revises the prices of its products in the event of significant currency movement and also systematically hedges its trade exposures using forward contracts. Wherever possible, transactional currencies are aligned to the reporting currency in order to obviate exchange fluctuation impact.

- **Economic Downturn**

Currently the world is witnessing high inflation, mainly due to geo-political tensions and a changing international economic scenario. The current trend where inflation impacts both consumer sentiment and margins is expected to continue in the near term. The company continuously aligns its procurement and sales strategies by assessing the status of the economies that affect its business.

- **Competition**

The Company faces competition from domestic as well as international players. The Company strives to deliver new and innovative solutions and keep up with dynamic changes in the market. Further, competition may also result in pricing pressure leading to an impact on its margins and profitability.

- **Financing**

Financial risks strike at the heart of a business, starving it of resources and hampering cash flow. Financial risk can appear in many forms – from customers who fail to pay for their purchases, suppliers who fail to ship inventory, high interest costs, etc. The Company efficiently evaluates the business operation and ensures that required finances are available for carrying on its activities.

- **Information security risk**

Information security risk involves risk to the confidentiality, integrity and availability of an organization's assets. The Company focuses on mitigating this risk through selection, implementation, maintenance, and continuous monitoring of preventive, detective, and corrective security controls to protect information assets from compromise and to limit the damage to the organization.

- **Attracting and retaining talent**

The Company continues to build on its relations with the employees with the mantra of trust, transparency and togetherness. In order to ensure smooth operations and long-term sustainability, it is vital to have a dedicated and committed team at its plants and offices. The company also identifies employees who deserve to be rewarded and retained through its employee stock option plan.

H. Internal Control Systems

During the year, the Company has reviewed its Internal Financial Control systems and has continually contributed to the establishment of a more robust and effective internal control framework, prescribed under the ambit of Section 134(5) of Companies Act, 2013. The control criteria ensures the orderly and efficient conduct of the Company's business, including adherence to its policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has an adequate Internal Financial Controls system, operating effectively as at 31st March, 2023.

The Company's internal controls ensure compliance with all applicable laws and regulations, and facilitates optimum utilization of available resources and protects the interests of all stakeholders.

I. Internal Audit

The Internal Audit function is carried out by professionally qualified accountants / specialists adequately skilled and resourced to deliver audit assurances at highest levels. The Audit Committee reviews the Report provided by Internal Auditors.

The Audit Committee is regularly apprised of the internal audit findings and regular updates are provided of the action taken on the internal audit reports. The Audit Committee reviews the quarterly, half yearly and the annual financial statements of the Company.

J. Human Resources and Industrial Relations

The employees of the company are an integral part to company's business operations. The company has supported its employees at all times and is determined to provide a safe place and healthy work environment. Training, upgrading skills and developing a stellar workplace attitude are key focus areas for the development of the employees. The employees are driven by purpose and are fully empowered to excel in an evolving and dynamic business environment. It has been the continuous endeavour of the Company's Human Resources function to attract the right talent, develop the right capabilities and skills, and continuously encourage them by providing the right culture and work environment.

The Company continues to conduct periodic review of employee performance and enable actionable feedback. It believes that everything is made possible by its people – the Company's biggest strength.

No man-days were lost on account of strike or dispute during the year. The relations between the company and its employees remained cordial and harmonious throughout the year. The company's grievance redressal mechanisms ensure that employees can raise issues and concerns and have them addressed in time.

K. Capital Expenditure and Expansion Plans**Ongoing and Upcoming Projects**

Besides the ongoing research and development work on ceramic binders, acrylic dispersants, and polyacrylamide solids, the company is conducting feasibility studies on a specialty chemical project in collaboration with a Japanese company and is in discussions on two toll-manufacturing projects with US and European companies. The company will share more details whenever the same becomes available.

The company will continue to concentrate on and grow its existing businesses while looking for new projects in the areas in which it operates.

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
Black Rose Industries Limited
145 A Mittal Tower,
Nariman Point, Mumbai - 400021.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Company Secretary in practice have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Black Rose Industries Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 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:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the review period)
- (g) 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 period under review)
- (h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the company during the review period)
- (i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the review period)
- (j) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- (vi) Other laws applicable specifically to the Company namely:
 - (a) Factories Act, 1948
 - (b) Industrial Disputes Act, 1947
 - (c) Employees Compensation Act, 1923
 - (d) Payment of Wages Act, 1936
 - (e) Payment of Gratuity Act, 1972
 - (f) Maternity Benefit Act, 1961
 - (g) Industries (Development & Regulation) Act, 1951
 - (h) Employees Provident Fund and Miscellaneous Provisions Act, 1952

- (i) Employees State Insurance Act, 1948
- (j) Indian Contracts Act, 1872
- (k) Income Tax Act, 1961 and Indirect Tax Laws
- (l) Environment (Protection) Act, 1986
- (m) Water (Prevention and Control of Pollution) Act, 1974
- (n) Indian Stamp Act, 1899.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

Whereas in terms of Para A.4 of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding delay of 1 minute and 14 seconds for submission of outcome of Board Meeting held on 10th February, 2023 w.r.t. submission of unaudited financial results for the quarter ended 31st December, 2022. The Company has also received email from BSE Ltd on 13th February, 2023 to provide clarifications and explanation for the aforesaid non-compliance. The Company has submitted the clarification to BSE Ltd on 13th February, 2023 that the Company was continuously trying to file the results in due time. However, due to unfortunate network error resulted in receiving delayed OTPs. The Company had received OTPs from BSE listing center at 5:28 p.m. 5:29 p.m. and 5:30 p.m. (Screenshot were attached in the clarification letter). Further, these OTPs would expire before they were able to submit the results. The Company regret the inadvertent delay in the communication. However, the Company had put in place all efforts to complete the same and submit within the prescribed time. Post submission of clarification letter by the Company to the BSE Ltd there is no further action taken by the BSE Limited.

I 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. During the period under review there has been no changes in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance in accordance with the provisions of Companies Act, 2013 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

I further report that there are adequate 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.

I further report that during the audit period the company had no specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Shi Hari Jalan & Co.**
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor

Place: Mumbai
Date: 2nd September, 2023
UDIN: F005703E000918001

FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

This report is to be read with my letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

'Annexure A'

To,
The Members,
Black Rose Industries Limited
145 A Mittal Tower,
Nariman Point Mumbai - 400021.

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provision of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My 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 Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai
Date: 2nd September, 2023
UDIN: F005703E000918001

For Shi Hari Jalan & Co.
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor
FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars/ Activities	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L17120MH1990PLC054828
2.	Name of the Listed Entity	Black Rose Industries Limited
3.	Year of incorporation	1990
4.	Registered office address	145/A, Mittal Tower, Nariman Point, Mumbai – 400021.
5.	Corporate address	145/A, Mittal Tower, Nariman Point, Mumbai – 400021.
6.	E-mail	investor@blackrosechemicals.com
7.	Telephone	+91 22 43337200
8.	Website	https://www.blackrosechemicals.com/investor
9.	Financial year for which reporting is being done	1 st April, 2022 to 31 st March, 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd.
11.	Paid-up Capital	INR 5.10 Crore (51,000,000 Equity Shares of INR 1 each)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mrs. Harshita Shetty Black Rose Industries Limited 145/A, Mittal Tower, Nariman Point, Mumbai – 400021 Email: investor@blackrosechemicals.com Tel: +91 22 4333 7200 Fax: +91 22 22873022
13.	Reporting boundary	Disclosures made in this report are on standalone basis.

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing & Distribution of Chemicals	Manufacturing & Distribution	99.64%

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Acrylamide, Polyacrylamide	Manufacturing	29.07 %
2	2-Acrylamido -2-Methylpropanesulphonic Resorcinol Ethanolamines Meta Cresol Acrylonitrile Purified Isophthalic acid Methacrylamide	Distribution	61.64 %
Total			90.71%

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	2	14	16
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	11 countries

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

The contribution of exports was 29.90% of the total turnover of the Company for the financial year ended 31st March, 2023.

c. A brief on types of customers

The company is engaged in the distribution and manufacturing of speciality and performance chemicals. The customer portfolio is diversified, ranging from large global customers to small and medium-sized enterprises. The company serves a wide range of customers from various industries such as paints and coatings, water/wastewater treatment, ceramic binders, construction chemicals, surfactants and adhesives, oil and gas, textiles, paper, leather chemicals and other industries.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	68	53	78%	15	22%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	68	53	78%	15	22%
WORKERS						
4.	Permanent (F)	38	37	97%	01	3%
5.	Other than Permanent (G)	06	06	100%	-	-
6.	Total workers (F + G)	44	43	98%	01	2%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	1	1	100%	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

19. Participation/Inclusion/Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel*	3	1	33.33%

* Key Managerial Personnel other than Board of Directors

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	38%	27%	35%	19%	8%	17%	5%	43%	7%
Permanent Workers	14%	-	13%	33%	-	32%	15%	-	15%

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.	B. R. Chemicals Co., Ltd., Japan	Wholly Owned Subsidiary	100%	No

Note - Business responsibility initiatives disclosed are pertaining to Black Rose Industries Limited on standalone basis and do not include the information/initiatives undertaken, if any, by its subsidiary.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover : INR 27,809.19 Lakhs

(iii) Net worth: INR 12,177.54 Lakhs

VII. Transparency and Disclosures Compliances
23. Complaints/Grievances 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 Current Financial Year			FY 2021 – 22 Previous Financial Year		
		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
Communities	Yes	NIL	NIL	None	NIL	NIL	None
Investors (other than shareholders)	Yes	NIL	NIL	None	NIL	NIL	None
Shareholders	Yes	3	0	None	4	0	None
Employees and workers	Yes	NIL	NIL	None	NIL	NIL	None
Customers	Yes	NIL	NIL	None	NIL	NIL	None
Value Chain Partners	Yes	NIL	NIL	None	NIL	NIL	None
Other (please specify)	-	-	-	-	-	-	-

A grievance redressal Mechanism is in place. The web link for the same <https://www.blackrosechemicals.com/investor>

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability 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, as per the following format

Sr. 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	Management of hazardous chemicals	Risk	Appropriate management of hazardous chemicals is crucial for reducing health and safety hazards while also minimising environmental consequences.	The company has an integrated Q-HSE policy which is communicated to all employees handling such hazardous chemicals. All workers are provided regular training associated with risk, handling practices, and emergency response.	Negative
2	Climate change leading to stricter environmental regulations	Opportunity	The company is using a sustainable bio-catalytic process with zero discharge and zero by-products	Not applicable	Positive
3	Social unrest	Risk	Property damage or business interruption can arise from social unrest, whereas insider threats might result in sensitive information being released or illegal access to crucial systems.	The company has a framework for prioritizing employee protection, securing the facilities and taking adequate insurance coverage for any losses, and has a business continuity plan in place.	Negative

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 Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, as applicable								
c. Web Link of the Policies, if available	Certain Policies are uploaded on the website of the Company at https://www.blackrosechemicals.com/investor . Other policies being internal documents are available on the internal network.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes, wherever required								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, wherever required								

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 Company's manufacturing facility is certified with ISO 9001 (Quality Management System), ISO 14001 (Environmental Management Systems), and ISO 45001 (Occupational Health and Safety Management System).
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-
Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Executive Director
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Executive Director
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.	Yes, Executive Director

** The Company seeks to maintain the highest levels of integrity and behaviour, as well as compliance with the law and internal policies.

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 Executive Director of the Company reviews the sustainability initiatives of the Company on an annual basis.																		
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has been compliant with the statutory requirements of relevance to the principles.																		
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, certain policies have been evaluated by ECOVADIS																		

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)									
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)									
Any other reason (please specify)									

Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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	%age of persons in respective category covered by the awareness programmes
Board of Directors	NIL	We regularly organize diverse engagement programs, including ‘Giving Back to the Community,’ First Aid training, and Environmental Awareness campaigns. Factory employees also receive training on pollution control, emergency plans, and other topics to enhance engagement and well-being.	NA
Key Managerial Personnel	2		33%
Employees other than BoD and KMPs	58		32%
Workers	58		89%

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, in the following format (Note: the entity shall make disclosures on the basis of 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 INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Settlement	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Compounding fee	Nil	Not Applicable	Nil	Not Applicable	Not Applicable

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Penalty/ Fine	Nil	Not Applicable	Nil	Not Applicable	Not Applicable

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
	Not Applicable

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.

Yes, the Company has an Anti-Corruption Policy that is available on the Company’s internal network.

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 – 2023 (Current Financial Year)	FY 2021 – 2022 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 2022 – 2023 (Current Financial Year)		FY 2021 – 2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

Leadership Indicators: NA

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.

Particulars	Current Financial Year FY2022-23	Previous Financial Year FY2021-22	Details of improvements in environmental and social impacts
R & D	NIL	NIL	NA
Capex	5.30%	23.31%	Renewable energy (solar panels), reduction of electricity consumption, etc. (includes Capital Work-in-process)

2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
No formal procedures are in place. However, the company considers sustainability as an important aspect during its sourcing process.
- B. If yes, what percentage of inputs were sourced sustainably?
Not applicable
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:
- Plastics (including packaging)
 - E-waste
 - Hazardous waste and
 - other waste

Company ensures compliance under Hazardous Waste Management Rules, and all waste generated are disposed of to State Pollution Control Board (SPCB) authorised waste disposal service providers through online manifest system. Annual returns are filed as per provisions of SPCB.

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.

Extended Producer Responsibility is applicable to Company's business activities. Yes, the waste collection plan is in line with the plan submitted to the PCB.

Leadership Indicators: NA

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:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	% (B / A)	Number	% (C / A)	Number	% (D / A)	Number	% (E / A)	Number	% (F / A)
		(B)		(C)		(D)		(E)		(F)	
Permanent employees											
Male	53	22	42%	29	55%	NA	NA	NA	NA	NA	NA
Female	15	0	0%	0	0%	0	0%	0	0%	0	0%
Total	68	22	32%	29	43%	0	0%	0	0%	0	0%
Other than Permanent employees											
Male	0	0	0%	0	0%	NA	NA	NA	NA	NA	NA
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

- (b) Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	% (B / A)	Number	% (C / A)	Number	% (D / A)	Number	% (E / A)	Number	% (F / A)
		(B)		(C)		(D)		(E)		(F)	
Permanent workers											
Male	37	33	89%	33	89%	NA	NA	NA	NA	NA	NA
Female	01	01	100%	01	100%	0	0%	0	0%	0	0%
Total	38	34	89%	34	89%	0	0%	0	0%	0	0%
Other than Permanent workers											
Male	06	0	0%	06	100%	NA	NA	NA	NA	NA	NA
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	06	0	0%	06	100%	-	NA	NA	NA	NA	NA

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

Benefits	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	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.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	0	0%	NA	0	0%	NA
Others – please specify	0	0%	NA	0	0%	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?

Yes, the Company's offices and factories are accessible to differently abled employees.

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.

Yes, the Company's policy on hiring does not discriminate against persons with disabilities.

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
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

Note: There were no such cases during the year.

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)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

Yes. The workers and employees can raise grievances with their reporting managers and/or with HR personnel or by way of a letter addressed to the Vigilance Officer of the Company.

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

Category	FY 2022-2023 (Current Financial Year)			FY2021-2022 (Previous Financial Year)		
	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)
Total Permanent Employees	68	0	0%	70	0	0%
- Male	53	0	0%	58	0	0%
- Female	15	0	0%	12	0	0%
Total Permanent Workers	38	0	0%	34	0	0%
- Male	37	0	0%	33	0	0%
- Female	1	0	0%	1	0	0%

8. Details of training given to employees and workers:

Category	FY 2022 - 2023 Current Financial Year					FY 2021 - 2022 Previous Financial Year				
	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)
Employees										
Male	53	22	42%	22	42%	58	24	41%	24	41%
Female	15	0	0%	0	0%	12	0	0%	0	0%
Total	68	22	32%	22	32%	70	24	34%	24	34%
Workers										
Male	37	33	89%	33	89%	33	30	91%	30	90%
Female	1	1	100%	1	100%	1	1	100%	1	100%
Total	38	34	89%	34	89%	34	31	91%	31	91%

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

Category	FY 2022 - 2023 Current Financial Year			FY 2021 - 2022 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	53	53	100%	58	58	100%
Female	15	15	100%	12	12	100%
Total	68	68	100%	70	70	100%
Workers						
Male	37	37	100%	33	33	100%
Female	01	01	100%	01	01	100%
Total	38	38	100%	34	34	100%

10. Health and safety management system:

- 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's manufacturing unit is ISO 45001: 2018 certified.
- 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 maintains a Hazard Identification and Risk Assessment register.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)
Yes
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
Yes

11. Health and safety management system:

Safety Incident/Number	Category	FY 2022 - 2023 Current Financial Year	FY 2021 - 2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

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

The Company has implemented Integrated Management System covering ISO 9001, ISO 14001, and ISO 45001 to ensure compliance of EHS standards. A well-defined and documented Hazard Identification and Risk assessment is practiced for routine and non-routine activities. Accident Incident Management System is in place and as per the system employees are expected to report all accidents, incident, near miss and even unsafe conditions/unsafe acts of workplace. All such cases are adequately investigated and preventive/corrective actions implemented. Training of all categories of employees is an essential element of our safety system. Best practices like Risk assessment, Workplace exposure measurement, regular medical checkups, accident / incident reporting etc., along with process safety practices like HAZOP study, Pre Safety Start up Reviews (PSSR) always keeps our employees safe and healthy at workplace. Adequate emergency preparedness is in place to mitigate any unforeseen eventualities.

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

	FY 2022 - 2023 (Current Financial Year)			FY 2021 - 2022 (Previous Financial Year)		
	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	None	NIL	NIL	None
Health & Safety	NIL	NIL	None	NIL	NIL	None

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%
Working Conditions	100%

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 have been no significant risks / concerns arising from assessments of health and safety practices and working conditions

Leadership Indicators: NA

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.

Stakeholder engagement is a process that starts with identifying internal and external stakeholders. We then analyze how each stakeholder group affects our business and vice versa. After this assessment, the company prioritizes key stakeholders to grasp their expectations and concerns. By maintaining regular interactions through different channels, the company has successfully strengthened relationships and improved its overall strategy.

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 & Marginalized 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
Customers	No	- Telephone - Email - Personal visits - Advertisements - Exhibitions / workshops / seminars and conferences	Ongoing	- Building long-lasting customer relationships - To understand customer requirements - New product development - Efficient service - Grievance handling and transparency
Employees and Workers	No	- Trainings - Meetings - Email interaction - Employee engagement activities - Open forums - Live chat	Ongoing	- Skill development - Workplace satisfaction - Healthy and safe operations - Employee engagement and involvement - Career progression - Emotional and mental well-being
Shareholders and Investor	No	- Press releases - Quarterly and Annual reports - Investor meets - Webinars and Earnings Calls - Annual General Meeting - Company website	Ongoing	- Financial performance - Business growth - Business strategy - Future outlook - Transparency - Good governance practices
Suppliers	No	- Personal interaction - Telephonic conversation - Email communication - Conferences, exhibitions, and seminars	Ongoing	- Build long-lasting association - Monitoring Supplier Performance - Ensure supplier competency and compliance
Government and Regulatory Authorities	No	Statutory Reporting and compliances	Need based	- Compliance with legal and statutory requirements - Understanding potential legal and regulatory changes relevant to the business

Leadership Indicators : NA

Principle 5: Businesses should respect and promote human rights
Essential Indicators

- 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 Current Financial Year			FY 2021 - 22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	68	21	30.88%	70	23	32.85%
Other permanent than	-	-	-	-	-	-
Total Employees	68	21	30.88%	70	23	32.85%
Workers						
Permanent	38	10	26.31%	34	09	26.47%
Other permanent than	-	-	-	-	-	-
Total Workers	38	10	26.31%	34	09	26.47%

- Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022 - 2023 Current Financial Year					FY 2021 - 2022 Previous Financial Year				
	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)
Employees										
Permanent	68	0	0%	68	100%	70	0	0%	70	100%
Male	53	0	0%	53	100%	58	0	0%	58	100%
Female	15	0	0%	15	100%	12	0	0%	12	100%
Other than Permanent	0	0	0%	-	-	-	0	0%	0	0%
Male	0	0	0%	-	-	-	0	0%	0	0%
Female	0	0	0%	-	-	-	0	0%	0	0%
Total	68	0	0%	68	100%	70	0	0%	70	100%
Workers										
Male	37	0	0%	37	100%	33	0	0%	33	100%
Female	01	0	0%	01	100%	01	0	0%	01	100%
Total	38	0	0%	38	100%	34	0	0%	34	100%

- 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
Board of Directors (BoD)	2	6,340,765	-	-
Key Managerial Personnel	2	2,846,177	1	6,45,553
Employees other than BoD and KMP	68	3,62,319	18	219,177
Workers	42	1,85,334	1	1,57,024

Note: It represents Median remuneration of those joined and left during the year.

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

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

The Company is committed to providing a safe and conducive work environment to all of its employees and workers. Transparency and openness are organisational values practiced across all levels. 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 if they so choose to.

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

	FY 2022 - 2023 Current Financial Year			FY 2021 - 2022 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	None	NIL	NIL	None
Discrimination at workplace	NIL	NIL	None	NIL	NIL	None
Child Labour	NIL	NIL	None	NIL	NIL	None
Forced Labour/ Involuntary Labour	NIL	NIL	None	NIL	NIL	None
Wages	NIL	NIL	None	NIL	NIL	None
Other human rights related issues	NIL	NIL	None	NIL	NIL	None

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

The Company has put proper policies in place to address complaints related discrimination and harassment of any kind. The Code of Conduct of the Company guides its employees. There is an Internal Committee constituted by the Company to address complaints relating to sexual harassment (POSH). Additionally, the company also has a Labour Practices and Human Rights Policy.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

Not Applicable

Leadership Indicators: NA

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 - 2023 (Current Financial Year)	FY 2021 - 2022 (Previous Financial Year)
Total electricity consumption (A)	5810 Million KJ	6129 Million KJ
Total fuel consumption (B)	757 Million KJ	989 Million KJ
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	6567 Million KJ	7118 Million KJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00000234 Million KJ	0.00000209 Million KJ
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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.

Yes, Energy Meters are installed by DGVCL (Government Electricity Supply Company) for Jhagadia Site and readings are taken and verified by DGVCL officers and billed accordingly.

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.

No

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

Parameter	FY 2022 - 2023 (Current Financial Year)	FY 2021 - 2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water* (GIDC)	25498 KL	28458 KL
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	25498 KL	28458 KL
Total volume of water consumption (in kilolitres)	25498 KL	28458 KL
Water intensity per rupee of turnover (water consumed / turnover)	0.00000918 KL	0.00000837 KL
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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.

Yes – Water meters are installed by GIDC (Gujarat Industrial Development Corporation). Readings are taken and verified by GIDC officers and billed accordingly.

*Water is supplied by GIDC.

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

Our Jhagadia manufacturing site is a Zero Liquid Discharge site. Effluent collected is treated in Effluent treatment plant (Primary treatment and Secondary Treatment). Treated Effluent is passed through Industrial RO system. Permeate collected is recycled back in plant. Rejects from RO are feed to Multiple Effect Evaporator (MEE), wherein condensate received is recycled back to plant and sludge is dried and disposed as inorganic waste to Government authorised land fill site.

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

Parameter	Please specify unit	FY 2022 - 2023 (Current Financial Year)	FY 2021 - 2022 (Previous Financial Year)
NOx	Kg	27.9	21.4
SOx	Kg	41.4	31.1
Particulate matter (PM)	Kg	48.3	74.4
Persistent organic pollutants (POP)	Kg	-	-
Volatile organic compounds (VOC)	Kg	-	-
Hazardous air pollutants (HAP)	Kg	-	-
Others – please specify	NH3, Kg	54.6	-

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.

Yes – Envi Cure Environmental Consultant & Engineers (NABL Accredited External Environment Monitoring and Testing Laboratory)

Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity: Not yet measured

Parameter	Unit	FY 2022 - 2023 (Current Financial Year)	FY 2021 - 2022 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

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.

6. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. - Company has installed a 511 KW Roof mounted Solar power plant at its Jhagadia location and is awaiting permission to use the same.

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

Parameter	FY 2022 – 2023 (Current Financial Year)	FY 2021 – 2022 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	17.87	24.7
Other Non hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	17.87	24.7

Parameter	FY 2022 – 2023 (Current Financial Year)	FY 2021 – 2022 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration/co-processing	20.23	21.28
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	20.23	21.28

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.

Yes – Hazardous waste disposal via Online Manifest system established by Gujarat Pollution Control Board (GPCB)

8. 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 adopts the strategy of Reduce, Reuse and Recycle for its waste management.

9. 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	Type 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.
NA			

10. 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
-	-	-	-	-	-

11. 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, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes – Entity has valid Consolidated Consent and Authorization and valid Environment Clearance.

Leadership Indicators: NA

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 had affiliations with 7 trade and industry chambers / associations.

- 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	All India Rubber Industries Association (AIRIA)	National
2	Indian Chemical Council	National
3	Federation of Indian Export Organisations (FIEO)	National
4	Indian Dental Association (IDA)	National
5	Indian Speciality Chemical Manufacturers' Association (ISCMA)	National
6	Jhagadia Industries Association (JIA)	Localised
7	Shri Laxmi Industrial Manufacturers Association	Localised

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

Name of authority	Brief of the case	Corrective action taken
No adverse orders have been received from regulatory authorities in respect to anti-competitive conduct by the Company.		

Leadership Indicators: NA

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
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: - Not applicable

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

Not Applicable

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

	FY 2022 - 2023 (Current Financial Year)	FY 2021 - 2022 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	0.34%	0.27%
Sourced directly from within the district and neighbouring districts	0.77%	1.39%

Leadership Indicators: NA

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

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

We are ISO 9001:2015 certified Company and we have a process to seek feedback and suggestions from customers as per guidelines laid down by the standard.

Further, the Company also has a system in place to register complaints and provide feedback to customer about the root cause analysis, corrective actions, and measures undertaken by the business to prevent its recurrence.

- 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%

- Number of consumer complaints in respect of the following:

	FY 2022 - 2023 (Current Financial Year)		Remarks	FY 2021 - 2022 (Previous Financial Year)		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	None	Nil	Nil	None
Advertising	Nil	Nil	None	Nil	Nil	None
Cyber-security	Nil	Nil	None	Nil	Nil	None
Delivery of essential services	Nil	Nil	None	Nil	Nil	None
Restrictive Trade Practices	Nil	Nil	None	Nil	Nil	None
Unfair Trade Practices	Nil	Nil	None	Nil	Nil	None
Other	Nil	Nil	None	Nil	Nil	None

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

- 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 has a Data Privacy Policy

- 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, as there were no issues or concerns related to advertising, delivery of essential services, cyber security, penalties or actions initiated by regulatory authorities for safety of Company's products.

Leadership Indicators: NA

Report on Corporate Governance

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the company's affairs and being fair to all stakeholders.

Good Corporate Governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over the longer term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administrated, controlled or managed.

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A Company's philosophy on the Code of Governance

Black Rose believes that Good Corporate Governance creates goodwill amongst stakeholders, thus, helps the company to achieve its long term corporate goals, brings consistent sustainable growth and generates competitive return for the investors.

Composition and Categories of Board of Directors

Director	Category	Board Meeting attended / held	Attendance at the AGM	Directorship in other Companies (*)	Membership / Chairmanship of the Board of other Companies (**)		Directorship held in other Listed Entities along with Category
					Member	Chairman	
Mr. Anup Jatia	Executive Director	5/5	Yes	1	0	0	-
Mr. Sandeep Chokhani #	Executive Director	5/5	Yes	0	0	0	-
Mr. Basant Kumar Goenka	Independent / Non-executive	3/5	Yes	2	0	0	-
Mrs. Garima Tibrawalla	Independent / Non-executive	4/5	No	2	0	0	-
Mr. Sujay Sheth	Independent / Non-executive	4/5	Yes	1	0	2	Non-executive Independent Director of Black Box Limited
Mr. Rishabh Saraf	Independent / Non-executive	3/5	Yes	2	1	0	Managing Director of Remi Edelstahl Tubulars Limited

Mr. Sandeep Chokhani has ceased to be an Executive Director of the Company w.e.f. 11th May, 2023.

(*) Excludes Directorships in Black Rose Industries Limited, Private Limited Companies, Foreign Companies and Companies registered under section 8 of the Companies Act, 2013.

(**) Includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (excluding the membership and chairmanship in Black Rose Industries Limited).

Black Rose also believes that Transparency, Accountability and Compliance of various laws are the key elements for achieving Good Corporate Governance.

B Board of Directors

The Company has a broad – based Board of Directors commensurate with the size of the Company, constituted in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") and is in accordance with best practices in Corporate Governance.

The Board of Directors comprises of six members as at 31st March, 2023 of which two are Executive Directors and remaining four are Non – Executive Independent Directors including a Woman Director.

In view of the above 66.67% of the Board of Directors of the Company comprises of Non – Executive Independent Directors.

During the financial year 2022-23, five meetings of the Board of Directors were held on 4th May, 2022, 29th June, 2022, 12th August, 2022, 14th November, 2022 and 10th February, 2023.

Disclosures of relationships between directors inter-se

As at 31st March, 2023, the Board comprises of 6 directors. None of the Directors are related to each other.

Equity Shareholding of the Non – Executive Directors in the Company as on 31st March, 2023

Sl. No.	Name of the Non – Executive Director	No. of Shares
1	Mr. Rishabh Saraf	NIL
2	Mr. Basant Kumar Goenka	NIL
3	Mrs. Garima Tibrawalla	NIL
4	Mr. Sujay Sheth	NIL

Details of familiarization programmes imparted to independent directors

The details of familiarization programmes imparted to independent directors is provided on the Company's website www.blackrosechemicals.com.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

Sl. No.	Name of Director(s)	Skill / Expertise / Competencies			
		Sales & Marketing	General management / Governance:	Financial Skills:	Legal and Regulatory expertise
1	Mr. Anup Jatia	✓	✓	✓	✓
2	Mr. Sandeep Chokhani		✓	✓	✓
3	Mr. Rishabh Saraf	✓	✓	✓	
4	Mr. Sujay Sheth		✓	✓	✓
5	Mr. Basant Kumar Goenka	✓	✓	✓	
6	Mrs. Garima Tibrawalla	✓	✓	✓	

Declarations

The Company has received declarations from the Independent Directors that they meet the criteria of independence laid down under the Act and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and the Act and are independent of the management of the Company. Based on intimations/disclosures received from the Directors periodically, the Directors of the Company hold positions of, memberships/ Chairmanships of the committees which are not more than the prescribed limits.

None of the Independent Director(s) of the Company resigned before the expiry of their tenure.

Confirmation on the conditions specified in Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Key Board qualifications, expertise and attributes

The company's core business includes chemical distribution and chemical manufacturing.

The chemical distribution business consists mainly of import and sales of speciality and performance chemicals manufactured by overseas and domestic principals. The chemical manufacturing consists of production of Acrylamide, Polyacrylamide Liquid, N-Methylol Acrylamide and Acrylamide Solid.

In order to effectively discharge its duties, it is necessary that collectively the Directors hold the appropriate balance of skills, experience and expertise. The Board seeks a complementary diversity of skills and experience across its members, ensuring that the Board is in compliance with the highest standards of corporate governance.

C COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulations, which concern the Company and need a closer review.

Currently Black Rose has five Committees of the Board viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The terms of reference of these committees is decided by the Board of Directors of the Company in line with the provisions of the Listing Regulations, Companies Act, 2013 and the rules made thereunder.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The role and composition including the number of meetings and related attendance are given below.

1 AUDIT COMMITTEE

The Company has an Independent Audit Committee. The composition, procedure, role/function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

a. The brief terms of reference of the Audit Committee includes the following:

- 1) To oversee the company's financial reporting process and disclosures of financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) To recommend Board of Directors of the Company for appointment, re-appointment and removal of statutory auditors and to fix their audit fees and approve payment for any other services rendered by the statutory auditors.
- 3) To review with the management, quarterly, half yearly, nine-months and annual financial statements including of subsidiaries / associates, before submission to the board for approval.
- 4) To review with the management performance of statutory and internal auditors and adequacy of internal control system.
- 5) To review the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 6) To discuss with internal auditors any significant findings and also reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularities or failure of internal control systems of material nature and reporting the matter to the board.
- 7) To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- 8) To review Management Discussion and Analysis of financial condition and results of operations,

Statement of significant related party transactions, Management letters / letters of internal control weaknesses issued by the statutory auditors and Internal Audit Reports relating to internal control weaknesses.

- 9) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
- 10) To review the Company's financial and risk management policies.
- 11) Disclosure of any related party transactions including approval of transactions of the Company with related parties and any subsequent modification(s) of such transactions.
- 12) Qualifications in the draft audit report.
- 13) Review the functioning of the whistle blower mechanism.
- 14) To perform such other functions as may be delegated by the Board of Directors of the Company.

b. Composition, Meeting and Attendance

Name of the Member	Designation	Category	Meetings held	Meetings attended
Mr. Sujay Sheth	Chairman	Independent / Non – Executive Director	4	4
Mr. Rishabh Saraf	Member	Independent / Non – Executive Director	4	3
Mr. Anup Jatia	Member	Executive Director	4	4
Mr. Basant Kumar Goenka	Member	Independent / Non – Executive Director	4	3

Mr. Basant Kumar Goenka, Non – Executive Independent Director, was appointed as Member of the Audit Committee w.e.f. 2nd April, 2022.

Mrs. Harshita Shetty, Company Secretary of the Company acted as Secretary to the Committee.

During the financial year 2022 - 23, four meetings of the Audit Committee were held on 4th May, 2022, 12th August, 2022, 14th November, 2022 and 10th February, 2023.

2 STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has constituted Stakeholders Relationship Committee of the Board of Directors to look into the redressal of Shareholders'/Investors' Complaints/Grievances pertaining to transfer, transmission or credit of shares, non receipt of annual reports, dividend payments, bonus shares and any other allied connected matters.

The Committee reviews performance of the Registrar and Share Transfer Agents of the company periodically and recommends measures for overall improvements in the quality of investors / shareholders related services.

The brief terms of reference of the Stakeholders' Relationship Committee includes the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

b. Composition, Meeting and Attendance

Name of the Member	Designation	Category	Meetings held	Meetings attended
Mr. Rishabh Saraf	Chairman	Independent / Non – Executive Director	1	1
Mr. Anup Jatia	Member	Executive Director	1	1
Mr. Basant Kumar Goenka	Member	Independent / Non – Executive Director	1	1

During the year, Mr. Sujay Sheth, ceased to be member of Stakeholders' Relationship Committee and Mr. Basant Kumar Goenka was appointed as member of Committee in place of Mr. Sheth on 4th May, 2022.

Mrs. Harshita Shetty, Company Secretary of the Company acted as Secretary to the Committee.

During the financial year 2022 - 23, one meeting of the Stakeholder Relationship Committee was held on 10th February, 2023.

M/s. Satellite Corporate Services Private Limited is the Registrar and Share Transfer Agents both for physical as well as electronic mode.

The table below gives the number of complaints received, resolved and pending during the year –2022 - 23.

Number of Complaints		
Received	Resolved	Pending
3	3	NIL

3 NOMINATION AND REMUNERATION COMMITTEE

a. Terms of Reference

1. To formulate criteria for determining qualifications, positive attributes and independence of a Director;
2. To formulate criteria for evaluation of Independent Directors and the Board;
3. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in this policy and recommend to the Board of Directors their appointment and removal.
4. To carry out evaluation of Director's performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board, policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. To devise a policy on Board diversity, composition and size.
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable and to perform such other functions as may be necessary or appropriate for the performance of its duties.

b. Composition, Meeting and Attendance

Name of the Member	Designation	Category	Meetings held	Meetings attended
Mr. Rishabh Saraf	Chairman	Independent / Non – Executive Director	4	3
Mr. Sujay Sheth	Member	Independent / Non – Executive Director	4	3
Mrs. Garima Tibrawalla	Member	Independent / Non – Executive Director	4	4
Mr. Basant Kumar Goenka	Member	Independent / Non – Executive Director	3	2

During the year, Mr. Basant Kumar Goenka was appointed as member for the Nomination and Remuneration Committee on 4th May, 2022.

Mrs. Harshita Shetty, Company Secretary of the Company acted as Secretary to the Committee.

During the financial year 2022 - 23, four meetings of the Nomination and Remuneration Committee were held on 4th May, 2022, 28th June, 2022, 12th August, 2022 and 14th November, 2022.

c. Performance evaluation criteria for independent directors

While evaluating the performance of the Directors, the following parameters were considered:

- Attendance at the meeting of the Board and Committee.
- Participating in Board Meetings or Committee Meetings actively.
- Preparation for the Board Meetings.
- Contribution to strategic decision making.
- Contribution to areas relating to risk assessment and risk mitigation.
- Review of financial statements and business performance.
- Contribution to the enhancement of brand image and positive growth of the company.
- Updation of knowledge of his / her area of expertise.
- Manner of communication with other Board Members.

d) Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on the website of the company at www.blackrosechemicals.com.

The remuneration policy followed by the Company takes into consideration performance of the Company during the year and for the Executive Director on certain parameters, such as condition of the industry, achievement of budgeted targets, growth and diversification, remuneration in other companies of comparable size and complexity, performance of the directors at meetings of the Board and of the Board Committees, etc.

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted pursuant to Section 135 of the Companies Act, 2013.

a. Terms of Reference

- Formulate and recommend to the Board, a CSR Policy.
- Recommend to the Board CSR activities to be undertaken by the Company.
- Monitor the CSR Policy of the Company from time to time and ensure its compliance.

b. Composition, Meeting and Attendance

Name of the Member	Designation	Category	Meetings held	Meetings attended
Mr. Anup Jatia	Chairman	Executive Director	1	1
Mr. Rishabh Saraf	Member	Independent / Non – Executive Director	1	1
Mr. Sandeep Chokhani	Member	Executive Director	1	1

During the year, Mr. Sujay Sheth ceased to be member of Corporate Social Responsibility Committee and Mr. Sandeep Chokhani was appointed as member on 4th May, 2022.

Mrs. Harshita Shetty, Company Secretary of the Company acted as Secretary to the Committee.

During the financial year 2022 - 23, one meeting of the Corporate Social Responsibility Committee was held on 14th November, 2022.

5. RISK MANAGEMENT COMMITTEE

The Risk Management Committee is constituted pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2021.

a. Terms of Reference

1. To formulate a detailed risk management policy.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

b. Composition, Meeting and Attendance

Name of the Member	Designation	Category	Meetings held	Meetings attended
Mr. Sandeep Chokhani	Member	Executive Director	2	2
Mr. Anup Jatia	Member	Executive Director	2	2
Mr. Basant Kumar Goenka	Member	Independent / Non – Executive Director	2	1
Mr. Ratan Agrawal	Member	Chief Financial Officer	2	2

D. REMUNERATION TO DIRECTORS

- a) During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non – Executive Directors apart from sitting fees.
- b) The criteria for making payments to Non-Executive Directors is placed on the website of the Company at www.blackrosechemicals.com
- c) The Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the meetings of the Board and Committee meetings.
- d) The Company has not granted Stock Options to any of its Directors.

e) Remuneration Paid to Directors during –2022-23

Sl. No.	Name of Director	Salary and Perquisites ₹	Commission ₹	Sitting Fees ₹	Total ₹	Service Contract/ Notice period/ Severance Fees
1	Mr. Anup Jatia	8,333,333/-	5,000,000/-	-	13,333,330/-	-
2	Mr. Sandeep Chokhani	4,348,200/-	1,400,000/-	-	5,748,200/-	Tenure valid till 25 th June, 2023. However, Mr. Cokhani had resigned w.e.f. 11 th May, 2023.
3	Mr. Basant Kumar Goenka	-	-	195,000/-	195,000/-	Present tenure valid till 33 rd AGM
4	Mrs. Garima Tibrawalla	-	-	180,000/-	180,000/-	Present tenure valid till 35 th AGM
5	Mr. Rishabh Saraf	-	-	210,000/-	210,000/-	Present tenure valid till 21 st September, 2023.
6	Mr. Sujay Sheth	-	-	225,000/-	225,000/-	Present tenure valid till 33 rd AGM

Note:

During the financial year 2022-23, in light of the inadequate profit, Mr. Anup Jatia, Executive Director was compensated according to the prescribed limit outlined in Schedule V of the Companies Act, 2013. Additionally, Mr. Anup Jatia was re-designated as Non - Executive Director w.e.f. 26th July, 2023.

- f) Details of fixed components and performance linked incentives along with the Performance Criteria: Remuneration of the Executive Directors is determined by the Board on the recommendation of the Nomination & Remuneration Committee, subject to the approval of the Shareholders. The Executive Directors are entitled to commission, payable annually for each financial year based on the Net Profit of the Company, as may be determined by the Board.

E General Body Meeting

1. Location and time of last three Annual General Meetings

YEAR	VENUE	DAY AND DATE	TIME
2021 – 2022	Conducted through Video Conferencing/	Thursday, 29 th September, 2022	11:30 a.m.
2020 – 2021	Other Audio Visual Means. Deemed venue is	Wednesday, 29 th September, 2021	11:30 a.m.
2019 – 2020	the Registered Office of the Company at 145/A, Mittal Tower, Nariman Point, Mumbai – 400 021.	Tuesday, 29 th September, 2020	11:30 a.m.

2. Special Resolutions passed in previous three Annual General Meetings

At the AGM held on 29th September, 2022 two special resolutions were passed by the shareholders with respect to Increase of borrowing powers of the Board and Creation of mortgage / charge on the properties / undertakings of the Company.

At the AGM held on 29th September, 2021 two special resolutions were passed by the shareholders with respect to revision in terms of remuneration of Mr. Anup Jatia, Executive Director and Mr. Sandeep Chokhani, Whole-time Director.

At the AGM held on 29th September, 2020 two special resolutions were passed by the shareholders with respect to approval of BRIL Employee Stock Option Scheme 2020 and re-appointment of Mrs. Garima Tibrawalla as Independent Director for the second term.

3. Special Resolution passed through postal ballot

No special resolution was passed through postal ballot during the financial year 2022 - 2023. Further, no special resolution is proposed to be passed through Postal Ballot as on date of this report.

F MEANS OF COMMUNICATION WITH SHAREHOLDERS

1. The quarterly, half yearly and annual financial results of the Company are published in widely circulated newspapers such as Business Standard / Financial Express (in English language) and Mumbai Lakshadweep (in Marathi language). The results are also displayed on the Company's website www.blackrosechemicals.com.

2. Official News Releases

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investor Relations' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, Quarterly / Half yearly / Nine-months and Annual financial results along with the applicable policies of the Company.

Press reports are given on important occasions to the Stock Exchange. The Company's official news releases

and Investor Presentations are published on the Company's website www.blackrosechemicals.com.

G General Shareholders' Information

1. Annual General Meeting

Date	Day	Time	Venue
29 th September, 2023	Friday	11:30 a.m.	The Company is conducting meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) as permitted under the various circulars issued by Ministry of Corporate Affairs.

2. **Financial Year:** April 1 – March 31

3. **Dividend Payment Date:** Within the Statutory Time Limit

4. Listing on Stock Exchange

The equity shares of the company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.

The company has paid annual listing fees for the financial year 2023 – 2024 to the exchange where the shares of the Company are listed.

5. **Stock Code:** 514183

6. Market Price Data

Month	High Price (₹)	Low Price (₹)
April, 2022	223.85	194.00
May, 2022	207.50	173.50
June, 2022	193.00	165.00
July, 2022	187.70	176.30
August, 2022	209.95	176.00
September, 2022	205.00	182.25
October, 2022	188.80	179.80
November, 2022	184.50	170.00
December, 2022	178.95	155.00
January, 2023	169.00	155.55
February, 2023	163.10	130.00
March, 2023	140.00	94.95

7. Black Rose Share Performance

Month	BSE Sensex (Closing Points)	Closing Price (₹)
April, 2022	57,060.87	200.40
May, 2022	55,566.41	180.15
June, 2022	53,018.94	183.00
July, 2022	57,570.25	183.95
August, 2022	59,537.07	188.45
September, 2022	57,426.92	184.95
October, 2022	60,746.59	181.35
November, 2022	63,099.65	175.15
December, 2022	60,840.74	167.25
January, 2023	59,549.90	158.90
February, 2023	58,962.12	134.75
March, 2023	58,991.52	106.25

8. Registrar and Share Transfer Agents

M/s. Satellite Corporate Services Private Limited
Office No. A - 106 & 107, Dattani Plaza,
East West Compound,
Andheri Kurla Road, Safedpul,
Sakinaka, Mumbai – 400072.
Tel: 022 – 28520461, 28520462.
Fax: 022-28511809
E-mail: service@satellitecorporate.com
The Registrars can be contacted between 10:00 a.m. to 05:00 p.m.

9. Share Transfer System

With effect from 1st April, 2019, Securities and Exchange Board of India ("SEBI") has barred physical transfer of shares of listed companies and mandated transfers only in demat mode. SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors has mandated the listed entities to issue securities for the following service requests only in dematerialized form: 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.

Further, during the year under review SEBI has also simplified the process for transmission of shares and issue of duplicate share certificates to make it more efficient and investor friendly.

The manner and process of making application as per the aforesaid revised framework and operational guidelines thereto can be availed from our RTA by writing an email at service@satellitecorporate.com

The Company on a yearly basis files with the Stock Exchanges:

- a compliance certificate duly signed by both, the Compliance Officer of the Company and the authorised representative of the RTA certifying

that all activities in relation to share transfer facility is maintained by Satellite Corporate Services Private Limited, Registrar and Share Transfer Agent registered with the SEBI.

- a certificate of compliance from a Company Secretary in practice confirming issue of share certificates within a period of 30 days of lodgement of the investor service request as prescribed under Regulation 40(9) of the Listing Regulations.

SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by 1st October, 2023, vide its circular dated 16th March, 2023. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, Satellite Corporate Services Private Limited, at service@satellitecorporate.com. The forms for updating the same are available at www.blackrosechemicals.com

Members holding shares in electronic form are, therefore, requested to submit their PAN to their DP.

In case a holder of physical securities fails to furnish PAN and KYC details before 1st October, 2023, in accordance with the SEBI circular dated 16th March, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31st December, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

10. Distribution of Shareholding as at 31st March, 2023

Nominal Values (in ₹)	Number of Shareholders	Number of Shares Held	Percentage to Capital
UPTO - 5,000	79,523	7,802,927	15.30
5,001 - 10,000	80	597,744	1.17
10,001 - 20,000	34	486,889	0.95
20,001 - 30,000	15	378,418	0.74
30,001 - 40,000	3	101,828	0.20
40,001 - 50,000	3	130,283	0.26
50,001 - 100,000	10	753,196	1.48
100,001 & Above	10	40,748,715	79.90
TOTAL	79,678	51,000,000	100.00

11. Dematerialisation of Shares and liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the shareholders should

open a demat account with a Depository Participant (DP). The shareholders are required to fill in a Demat Request Form and submit the same along with the original share certificates to his DP. The DP will allocate a demat request number and shall forward the request physically and electronically through NSDL / CDSL to Registrar and Share Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialized and an electronic credit of the shares is given in the account of the shareholder.

The Company's has availed demat facility with National Securities Depositories Limited (NSDL) and Central Depositories Securities Limited (CDSL) and the Company's ISIN is INE761G01016.

As on 31st March, 2023, 96.73% of the total paid up equity share capital of the Company are in dematerialisation form.

12. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in past and hence as on 31st March, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

13. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The company has the policy of systematically hedging its trade exposures using forward contracts. Wherever possible transactional currencies are aligned to the reporting currency in order to obviate exchange fluctuation impact.

14. Plant Locations

Plot No. 675, GIDC, Jhagadia Industrial Estate, Jhagadia – 393110. Dist. – Bharuch. Gujarat.	Shree Laxmi Co-Op. Industrial Estate Ltd. Plot No. 11 to 18, Hatkanangale – 416109. Dist – Kolhapur. Maharashtra.
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15. Address for Correspondence

Mrs. Harshita Shetty Company Secretary and Compliance Officer M/s. Black Rose Industries Limited 145-A, Mittal Tower, Nariman Point, Mumbai-400021. Tel: 022-43337200 E-mail id: investor@ blackrosechemicals.com	M/s. Satellite Corporate Services Private Limited Office No. A 106 & 107, Dattani Plaza, East West Compound, Andheri Kurla Road, Safedpul, Sakinaka, Mumbai – 400 072. Tel: 022 – 28520461, 28520462. Fax: 022-28511809 E-mail: service@ satellitecorporate.com
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- Credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2023.

The ratings given by CRISIL for short-term borrowings and long-term borrowings of the Company during the year are CRISIL A2 (Upgraded from CRISIL A3+) and CRISIL BBB+/ Stable (Upgraded from "CRISIL BBB/ Positive") respectively. There was no revision in the said ratings thereafter.

H DISCLOSURES:

1. Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 during FY 2022-23 were in the ordinary course of business and on arm's length pricing basis and therefore no approval of the Board of Directors or Shareholders is applicable under the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant related party transactions of the Company which have potential conflict with the interest of the Company.

Suitable disclosures as required by Indian Accounting Standards (Ind AS 24) have been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which can be accessed at the Company's website www.blackrosechemicals.com.

2. Statutory Compliance, Penalties and Strictures

The Company has complied with all the requirements of regulatory authorities. Thereafter, no penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years.

3. Vigil Mechanism Policy / Whistle Blower Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Company has adopted a Vigil Mechanism policy in order to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper

practice, acts or activities. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee.

During the year under review, no employee was denied access to the Audit Committee.

Based on a complaint received from a logistics service provider, and subsequent investigations by the company, FIR No.0088/2023 dated 8th April 2023 was registered by the Cuffe Parade Police Station, Mumbai, under section 408, 420, and 477A against Ganesan Muthiah Pillai, a former manager of the company who was in charge of logistics operations from the end of 2019 till the middle of 2022. Further investigations are ongoing.

4. Mandatory and Non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, Part E of Regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reporting of Internal Auditors: The internal auditor reports directly to the audit committee and they attend the meetings of the Audit Committee and presents their internal audit observations to the Audit Committee.

Modified Opinion in auditors Report: Company's financial statements for the year ended 31st March, 2023 do not contain any modified audit opinion.

5. The policy for determination of Material Subsidiary and Related Party Transactions is available on company's website www.blackrosechemicals.com.
6. The Company has duly complied with the requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) – Not Applicable.
8. Certificate from M/s. Shiv Hari Jalan & Co., Company Secretaries in Whole-Time Practice is attached (which forms integral part of this report) confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Board / Ministry of Corporate Affairs of any such statutory authority.

9. There was no such instance during FY 2022 – 23 when the board has not accepted any recommendation of any committee of the board.

10. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is apart is given below:

Payment to Statutory Auditors	FY 2022-23
Audit Fees	₹ 600,000/-
Other Services including reimbursement of expenses	₹ 28,651/-
Total	₹ 628,651/-

11. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

12. In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

13. During the financial year 2022-23, the Company and its Subsidiaries have not given any loans and advances in the nature of loans to firms/companies in which Directors are interested.

14. M/s. B.R. Chemicals Co., Ltd., Japan, incorporated on 1st April, 2011 is the material subsidiary of the Company and the law of the country of its incorporation does not mandatorily requires to get its financial statements audited and hence details of its Statutory Auditors are not applicable.

15. There was no instance during FY 2022-23 of Non – Compliance of any requirement of corporate governance report of sub-para (2) to (10) of Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Disclosure with respect to demat suspense account/unclaimed suspense account:

In accordance with the requirements of Regulations 34 and 39 read with Schedule V(F) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, details of equity shares which were transferred to Unclaimed Suspense Account are as follows:

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	0	0
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0	0
Number of shareholders to whom shares were transferred from suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	2	300

Note: The voting rights on the shares outstanding in the suspense account as on 31st March, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

17. Code of Conduct

The company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company and all the Board Members and Senior Management have affirmed their adherence to the Code. The Model Code of Conduct is available on the website of the company www.blackrosechemicals.com. The declaration from the Executive Director of the company to this effect forms a part of this Annual Report.

18. Code of Conduct for Prevention / Prohibition of Insider Trading

For prevention/prohibition of Insider Trading in securities by the Promoters, Directors and Designated/ Specified Employees, the Company has adopted a Code of Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 2015.

19. Executive Director and Chief Financial Officer (CFO) Certification

A Certificate duly signed by Executive Director and CFO of the Company was placed at the Board Meeting of the Company held on 26th May, 2023. A copy of the certificate is annexed to this Annual Report.

I TRANSFER OF UNCLAIMED / UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the provisions of Section 124, 125 and other applicable provisions, if any, of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit,

Transfer and Refund) rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended 31st March, 2011 have been transferred to the IEPF. The details of the unclaimed dividend so transferred are available on the Company's website www.blackrosechemicals.com.

Members who have not encashed the divided warrant(s) for dividend declared by the Company for the year ended 31st March, 2017, 31st March, 2018, 31st March, 2019, 31st March, 2020, 31st March, 2021 and 31st March, 2022 may forward their claims to the Company's Registrar and Share Transfer Agent before they due to be transferred to the IEPF.

In accordance with Section 124(6) of the Companies Act, 2013, read with the IEPF rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended 31st March, 2011 and remained unpaid or unclaimed are transferred to the IEPF. The Company had sent notices to all such members in this regard and published a newspaper advertisement and thereafter transferred the shares to the IEPF during financial year 2018-19. The details of such shares transferred have been uploaded on the Company's website www.blackrosechemicals.com.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The members / claimant are required to make an online application to the IEPF Authority in Form No. IEPF – 5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The members / claimant can file only one consolidated claim in a financial year as per the IEPF rules.

The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

Financial year ended	Date of payment of dividend	Last date for claiming unpaid dividend
31 st March, 2017	12/10/2017	12/10/2024
31 st March, 2018	10/10/2018	10/10/2025
31 st March, 2019	30/09/2019	30/09/2026
31 st March, 2020	20/10/2020	20/10/2027
31 st March, 2021	20/10/2021	20/10/2028
31 st March, 2022	19/10/2022	19/10/2029

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Black Rose Industries Limited
145 A Mittal Tower,
Nariman Point Mumbai - 400021.

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Company Secretary in practice have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Black Rose Industries Limited having CIN L17120MH1990PLC054828 and having registered office at 145 A Mittal Tower, Nariman Point Mumbai - 400021 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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. Rishabh Rajendra Saraf	161435	22/11/2019
2	Ms. Garima Tibrawalla	203909	24/03/2015
3	Mr. Basant Kumar Goenka	227217	28/03/2003
4	Mr. Anup Jatia	351425	18/01/2007
5	Mr. Sandeep Omprakash Chokhani	2346782	01/04/2020
6	Mr. Sujay Rajababu Sheth	3329107	02/02/2013

*The date of appointment is as per the MCA Portal, however date of appointment of Mr. Anup Jatia is stated as original date of appointment in the Company as per Form No.32 made available to us by the Company.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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 **Shiv Hari Jalan & Co.**
Company Secretaries
FRN: S2016MH382700

Shiv Hari Jalan
Proprietor

FCS No: 5703

C.P.NO: 4226

PR No. 1576/2021

Place: Mumbai
Date: 2nd September, 2023
UDIN: F005703E000918111

Declaration of Code of Conduct

2nd September, 2023

The Board of Directors
Black Rose Industries Limited
 145/A, Mittal Tower,
 Nariman Point,
 Mumbai – 400021.

Dear Sirs,

Sub: Declaration regarding affirmation of Code of Conduct

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Anup Jatia, Executive Director of the Company hereby confirm and declare that all Board Members and Senior Management Executives have affirmed compliance with the “Code of Business Conduct for Directors and Senior Management Executives of the Company” for the year ended 31st March, 2023.

Thanking You,
 For **Black Rose Industries Limited**

Ambarish Daga
 Director
 DIN: 07125212

CEO/CFO CERTIFICATION

26th May, 2023

The Board of Directors
 Black Rose Industries Limited
 145/A, Mittal Tower,
 Nariman Point, Mumbai – 400021.

We, the undersigned in our respective capacities as Executive Director and Chief Financial Officers, certify to the Board in terms of requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that:

- A. we have reviewed the audited financial statements and the cash flow statements for the year ended 31st March, 2023 and to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity's during the quarter which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. For the purpose of financial reporting, we accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and also have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We further certify that:
 - (1) significant changes in internal control over financial reporting during the year have been indicated to Auditors and Audit Committee;
 - (2) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements;
 - (3) there has been no instances of significant fraud of which we are aware during the year.

Anup Jatia
 Executive Director

Ratan Agrawal
 Additional Director
 and Chief Financial Officer

Ambarish Daga
 Joint Chief Financial Officer

CERTIFICATION ON CORPORATE GOVERNANCE

To,

The Members of Black Rose Industries Limited

I, Shiv Hari Jalan, Proprietor of Shiv Hari Jalan & Co., Company Secretary in practice have examined the compliance of conditions of Corporate Governance by **Black Rose Industries Limited** ('the Company') for the year ended 31st March, 2023 as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2023.

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

Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Shiv Hari Jalan & Co.**
Company Secretaries
FRN: S2016MH382700

Place: Mumbai
Date: 2nd September, 2023
UDIN: F005703E000918142

Shiv Hari Jalan
Proprietor
FCS No: 5703
C.P.NO: 4226
PR No. 1576/2021

Independent Auditor's Report

To

The Members of

Black Rose Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

- 1) We have audited the accompanying Standalone Financial Statements of **BLACK ROSE INDUSTRIES LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended 31st March, 2023 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- 2) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the 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 Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit and total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

- 3) We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

- 4) Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the year ended 31st March 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sr No.	Key Audit Matter	Our Response
1.	Share based payments: The Company issued options to employees including key management personnel, which were accounted as per IND AS 102: "Share Based Payments". Share based payments are a complex accounting area including assumptions utilised in the fair value calculations and judgements regarding the options issued during the year. Refer note 1 (m) to the Standalone financial statements.	Our procedures included: - Evaluating management's assessment of the valuation and recognition of the options. - Obtaining an understanding of the key terms and conditions of the options by inspecting relevant agreements. - Holding discussions with management to understand the share-based payments arrangements in place. - Verifying / reviewing the inputs used in the valuation report by the independent valuer (merchant banker). - Reviewing the adequacy of the Company's disclosure in respect of the accounting treatment of share-based payments in the financial statements, including the significant judgements involved, and the accounting policy adopted.

Sr No.	Key Audit Matter	Our Response
2.	Identification and disclosures of Related Parties: The Company has related party transactions which include, amongst others, sale and purchase of goods/services and lending and borrowing to its other related parties. Focused on identification and disclosure of related parties as a key audit matter.	Our audit procedures amongst others include: • Obtained a list of related parties from the management. • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. • Obtained a list of related parties from the Company's Management and traced the related parties to declarations given by directors, where applicable, and to Note 38 of the standalone Ind AS financial statements. • Read minutes of the meetings of the Board of Directors and Audit Committee. • Tested material creditors / debtors, loan outstanding / loans taken to evaluate existence of any related party relationships; tested transactions based on declarations of related party transactions given to the Board of Directors and Audit Committee. • Evaluated the disclosures in the standalone Ind AS financial statements for compliance with Ind AS 24.

Other Information

- 5) 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 standalone financial statements and our auditor's report thereon. The Company's Annual Report is expected to be made available to us after the date of this auditor's report.
- 6) Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 7) In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- 8) When we read the Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management and Board of Directors' Responsibilities for the Standalone Financial Statements

- 9) The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair

view of the financial position, the financial performance, total comprehensive income, 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) prescribed under Section 133 of the Act.

- 10) This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 11) In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

- 12) Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- 13) 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 Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
 - Obtain an understanding of internal financial controls 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 standalone financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial
- 14) 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.
- 15) 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.
- 16) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Other Matters

- 17) The Standalone Financial Statements of the Company for the previous year ended 31st March, 2022, were audited by another auditor who had expressed unmodified opinion vide report dated 4th May, 2022.

Report on Other Legal and Regulatory Requirements

- 18) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 19) (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.
 - (c) The Standalone Balance sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and the Standalone Statement

of Cash Flow dealt with by this report are in agreement with the relevant books of account.

- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.
- (B) In accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer note 42 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There is no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- 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 clause (iv) (a) and (iv) (b) contain any material misstatement.

(C) The dividend declared/ paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.

(D) With respect to the other matters to be included in the Auditor's Report as per Section 197 (16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of Section 197 of the Act.

(E) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **M M Nissim & Co LLP**

Chartered Accountants

Firm Registration No. 107122W/W100672

N. Kashinath

Partner

Place: Mumbai

Dated: 26th May, 2023

Membership. No. 036490

UDIN: 23036490BGXRYE8749

Annexure "A" to the Independent Auditor's Report

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

- i. In respect of the Company's Property, Plant and Equipment (PPE) and Intangible Assets:
 - a. (A) The Company has maintained memorandum of records showing descriptions of PPE. Details relating to quantity, location, identification number etc. of PPE are under process of updation.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a regular program of physical verification of its PPE and right of use assets by which it's PPE and right of use assets are verified in a phased manner by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its PPE and right of use assets. Since the PPE register is under updation we are unable to comment on the discrepancies, if any which could have arisen on such verification.
 - c. Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - d. The Company has not revalued any of its Property, Plant and Equipment or intangible assets.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate.

The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- 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 been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks on the basis of security of current assets. In our opinion, the Company's net current assets reported in quarterly returns or statements filed with banks or financial institutions is lower compared to the books of accounts and the differences are not material.
- iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence reporting under clauses (iii) (a), (b), (c), (d), (e) and (f) of the order are not applicable.
- iv. The Company has not granted any loans to or given any guarantee or provided any security to parties covered under Section 185 of the Act during the year. The Company has complied with the provisions of Section 186 of the Act, as applicable, in respect of investments made in a subsidiary company.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. In respect of statutory dues:
 - a. In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There are no arrears of outstanding statutory dues in respect of above as on last day of the financial year for a period of more than six months from the date they became payable.

- b. According to the records of the Company, the dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute, are as follows:

Statute	Financial year to which the matter pertains	Nature of Dues	Forum where the dispute is pending	₹ Lakhs
Income Tax Act, 1961	2015-16	Demand	Commissioner of Income Tax (Appeals)	104.06

- viii. There were 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 (43 of 1961).
- ix. a. The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender during the year.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d. On overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not used during the year for long term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b. To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. a. Based on the information and explanation provided to us and our audit procedure, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. 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 Companies Act, 2013 are not applicable to the Company.
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. According to the information and explanation provided to us during the course of audit, the group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 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 the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(viii) of the order is not applicable.
- xix. 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 standalone 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 audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Act, in compliance with second proviso to sub-section 5 of section 135 of the Act.
- b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **M M Nissim & Co LLP**

Chartered Accountants

Firm Registration No. 107122W/W100672

N. Kashinath

Partner

Place: Mumbai

Dated: 26th May, 2023

Membership. No. 036490

UDIN: 23036490BGXRYE8749

Annexure “B” to the Independent Auditor’s Report

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

Opinion

- 1) We have audited the internal financial controls with reference to standalone financial statements of **Black Rose Industries Limited** (the “Company”) as of 31st March, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
- 2) In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial were operating effectively as at 31st March, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (the “ICAI”).

Managements’ Responsibility for Internal Financial Controls

- 3) The management of the Company is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the 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.

Auditor’s Responsibility

- 4) Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

- 5) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
- 6) We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

- 7) A company’s internal financial control with reference to standalone financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that:
 - i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and
 - iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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

Place: Mumbai
Dated: 26th May, 2023

For **M M Nissim & Co LLP**
Chartered Accountants
Firm Registration No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490
UDIN: 23036490BGXRYE8749

Standalone Statement of Assets and Liabilities

As at 31st March, 2023

		₹ in Lakh	
PARTICULARS	Note No.	As At 31-03-2023	As At 31-03-2022
I. ASSETS			
1 Non Current Assets			
Property, Plant & Equipments	2	3,614.68	3,331.82
Capital Work-in-Progress	2	612.86	736.04
Right of Use Lease Assets	2	354.94	367.31
Intangible Assets	2	43.61	15.13
Intangible Assets Under Development	2	186.59	91.78
Financial Assets			
(i) Investments	3	16.21	16.21
(ii) Other Financial Assets	4	0.32	0.32
Other Non-Current Assets	5	200.60	218.10
Sub-Total: Non-Current Asset		5,029.80	4,776.70
2 Current Assets			
Inventories	6	2,953.28	4,626.53
Financial Assets			
(i) Trade Receivables	7	5,892.06	6,630.67
(ii) Cash and Cash Equivalents	8	72.92	53.66
(iii) Bank Balances Other Than Cash & Cash Equivalents	9	1,128.98	458.94
(iv) Loans	10	1.90	6.49
(v) Other Financial Assets	11	45.27	85.00
Other Current Assets	12	286.26	192.14
Sub-Total: Current Asset		10,380.68	12,053.43
TOTAL ASSETS :		15,410.48	16,830.13
II. EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	14	510.00	510.00
Other Equity	SOCE	11,667.54	11,330.11
Sub-Total: Equity		12,177.54	11,840.11
2 Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	15	49.41	52.25
(ii) Lease Liabilities	16	13.48	11.89
Provisions	17	81.98	68.86
Deferred Tax Liabilities (Net)	18	346.74	362.13
Sub-Total: Non-Current Liabilities		491.61	495.13
Current Liabilities			
Financial Liabilities			
(i) Borrowings	19	203.35	1,062.69
(ii) Trade Payables	20		
a. Total Outstanding Dues of Micro Enterprises And Small Enterprises		31.42	42.35
b. Total Outstanding Dues of Creditors Other Than Micro Enterprises And Small Enterprises		2,096.85	2,986.24
(iii) Other Financial Liabilities	21	261.66	285.40
Other Current Liabilities	22	77.26	101.78
Provisions	23	9.97	8.09
Current Tax Liabilities (Net)	13	60.84	8.34
Sub-Total: Current Liabilities		2,741.33	4,494.89
TOTAL EQUITY AND LIABILITIES :		15,410.48	16,830.13

Significant Accounting Policies

1

Notes on accounts are an integral part of the Financial Statements
As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP

Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath

Partner
Membership No. 036490

For and on behalf of the Board of Directors
Anup Jatia

Executive Director
DIN : 00351425

Ratan Agrawal

Director & Chief Financial Officer
DIN : 10157423

Place : Mumbai

Date : 26th May, 2023

Ambarish Daga

Joint Chief Financial Officer

Harshita Shetty

Company Secretary

Standalone Statement of Profit and Loss

For the year ended 31st March, 2023

₹ in Lakh

PARTICULARS	Note No.	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
I. INCOME			
Revenue From Operations	24	27,809.19	34,080.03
Other Income	25	144.85	198.58
Total Revenue		27,954.03	34,278.61
II. EXPENDITURE			
Cost of Materials Consumed	26	5,676.04	7,003.07
Purchase of Traded Goods	27	17,515.97	18,861.90
Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods	28	(136.51)	954.35
Employee Benefits Expense	29	868.46	697.00
Finance Cost	30	183.87	89.13
Depreciation and Amortization Expenses	31	303.51	261.93
Other Expenses	32	2,638.64	2,319.34
Total Expenditure		27,049.96	30,186.73
III. Profit Before Tax (I-II)		904.07	4,091.88
Less: Tax Expenses			
Current Tax		260.33	1,039.44
Deferred Tax		(15.39)	2.54
Earlier Years Adjustments		1.44	-
		246.38	1,041.98
IV. Profit For The Period		657.69	3,049.90
Other Comprehensive Income			
A. Items that will not be classified to statement of Profit & Loss account			
Actuarial Gain/(Loss) on Employee Benefits		(1.32)	(0.36)
Income tax relating to items that will not be classified to Profit & Loss account		0.33	0.09
B. Items that will be classified to statement of Profit & Loss account			
Gain/(Loss) on Hedging Instruments		-	2.57
Income tax relating to items that will be classified to Profit & Loss account		-	(0.65)
V. Total Comprehensive Income For The Period		656.70	3,051.55
Earnings Per Equity Share (Nominal Value of Share ₹ 1/- Each)	40		
Basic		1.29	5.98
Diluted		1.29	5.98

Significant Accounting Policies

1

Notes on accounts are an integral part of the Financial Statements
As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No.107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ambarish Daga
Joint Chief Financial Officer

Ratan Agrawal
Director & Chief Financial Officer
DIN : 10157423

Harshita Shetty
Company Secretary

Standalone Statement of Cash Flows

For the year ended 31st March, 2023

	₹ in Lakh	
	Year Ended 31-03-2023	Year Ended 31-03-2022
A. Cash Flow From Operating Activities		
Net Profit Before Tax and Extraordinary Items	904.07	4,091.88
Adjustments for:		
Depreciation	303.51	261.93
(Profit)/Loss on sale of property plant and equipment	-	7.42
Interest expenses	183.87	81.51
Interest income	(34.00)	(24.96)
Unrealised foreign exchange (Gain)/Loss	(14.83)	(26.93)
Sundry balances written back	(7.72)	(2.22)
Rental income	(21.25)	(19.32)
Provision/(Reversal) for expected credit loss	(0.08)	0.05
Provision for doubtful advances & deposits	2.02	-
Accrual of share based payment reserve	63.22	-
Operating profit before working capital changes	1,378.80	4,369.36
Adjustments for:		
(Increase)/Decrease in receivables & other assets	894.76	(1,003.18)
(Increase)/Decrease in Inventories	1,673.25	(97.90)
Increase/(Decrease) in payables, provisions & other liabilities	(1,511.05)	(1,127.47)
Cash generated from operating activities	2,435.75	2,140.81
Less : Direct taxes (Net of refund)	182.84	1,245.61
Net cash flow from / (used in) operating activities	2,252.91	895.20
B. Cash Flow From Investing Activities		
Purchase of property plant and equipment	(560.64)	(643.21)
Sale of property plant and equipment	-	37.51
Fixed deposits (Placed)/Matured	(659.76)	(9.62)
Interest received	24.70	24.96
Rental income	21.25	19.32
Net cash flow from / (used in) investing activities	(1,174.45)	(571.04)
C. Cash Flow From Financing activities		
Proceed/(Repayment) of short term borrowings from banks	(861.13)	(268.61)
Repayment of long term borrowings	(31.04)	(58.22)
Proceed of long term borrowings	30.00	65.00
Unsecured loan taken	1,500.00	1,275.00
Unsecured loan repaid	(1,500.00)	(1,275.00)
Lease liability paid off	(13.16)	(19.20)
Interest paid	(183.87)	(81.51)
Net cash flow / (used in) from financing activities	(1,059.20)	(362.54)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	19.26	(38.37)
Cash and cash equivalent as at the beginning of the year	53.66	92.04
Cash and cash equivalent as at the end of the year	72.92	53.66

Standalone Statement of Cash Flows

For the year ended 31st March, 2023

₹ in Lakh

	Year Ended 31-03-2023	Year Ended 31-03-2022
Notes:		
1) Cash and cash equivalents comprises of		
a) Cash in hand	1.85	1.11
b) Bank balance in current accounts	71.07	28.99
c) In fixed deposit account	-	23.57
	72.92	53.66

- 2) The above Cash Flow Statement has been prepared under the Indirect Method as per IND AS 7 - Cash Flow.
- 3) Direct Tax paid are treated as arising from operating activity and not bifurcated in investment and financing activities
- 4) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
- 5) Refer Note No. 43 for amount spent during the years ended 31st March, 2023 and 2022 relating to CSR activities.
- 6) Refer Note No. 45 for reconciliation of liabilities from financing activities.
- 7) Figures in brackets represent outflows.

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ratan Agrawal
Director & Chief Financial Officer
DIN : 10157423

Ambarish Daga
Joint Chief Financial Officer

Harshita Shetty
Company Secretary

Standalone Statement of Changes in Equity

For The Year Ended 31st March, 2023

A EQUITY SHARE CAPITAL

For the Year Ended 31st March, 2023

₹ in Lakh

Balance as at 1 st April, 2022	Changes in equity share capital during the period	Balance as at 31 st March, 2023
510.00	-	510.00

B OTHER EQUITY

For the Year Ended 31st March, 2023

₹ in Lakh

Particular	Reserves and Surplus						Effective Portion of Cash Flow Hedges	Total Equity
	Capital Reserve	General Reserve	Securities Premium Reserve	Shares Option Outstanding Account	Retained Earnings	Remeasurement Benefits		
Balance as at 01 st April, 2022	30.00	62.40	644.70	-	10,591.36	(0.27)	1.93	11,330.11
Profit for the period	-	-	-	-	657.69	-	-	657.69
Other Comprehensive Income for the period	-	-	-	-	-	(0.99)	-	(0.99)
Total	30.00	62.40	644.70	-	11,249.05	(1.26)	1.93	11,986.82
Transferred to Retained Earnings	-	-	-	-	1.66	0.27	(1.93)	-
Dividend	-	-	-	-	(382.50)	-	-	(382.50)
Shares Based Payments	-	-	-	63.22	-	-	-	63.22
Balance as at 31st March, 2023	30.00	62.40	644.70	63.22	10,868.20	(0.99)	-	11,667.54

For the Year Ended 31st March, 2022

₹ in Lakh

Particular	Reserves and Surplus						Effective Portion of Cash Flow Hedges	Total Equity
	Capital Reserve	General Reserve	Securities Premium Reserve	Shares Option Outstanding Account	Retained Earnings	Remeasurement Benefits		
Balance as at 01 st April, 2021	30.00	62.40	644.70	-	7,770.23	(0.12)	0.85	8,508.06
Profit for the period	-	-	-	-	3,049.90	-	-	3,049.90
Other Comprehensive Income for the period	-	-	-	-	-	(0.27)	1.93	1.66
Total	30.00	62.40	644.70	-	10,820.13	(0.40)	2.78	11,559.61
Transferred to Retained Earnings	-	-	-	-	0.73	0.12	(0.85)	-
Dividend	-	-	-	-	(229.50)	-	-	(229.50)
Balance as at 31st March, 2022	30.00	62.40	644.70	-	10,591.36	(0.27)	1.93	11,330.11

Standalone Statement of Changes in Equity

For The Year Ended 31st March, 2023

General Definitions:

General Reserve	This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.
Securities Premium Reserve	This Reserve represents the premium on issue of shares in excess of its par value and can be utilized in accordance with the provisions of the Companies Act, 2013
Shares Option Outstanding Account	This Reserve relates to stock options granted by the Company to employees under Employee Stock Option Schemes accumulated over the vesting period of the plan. This Reserve is transferred to Securities Premium or Retained Earnings on exercise or lapse of vested options.
Retained Earnings	Retained earnings are the profits that the Company has earned till date, add/(less) any transfers from/(to) general reserve, securities premium reserve, dividends or other distributions paid to shareholders.
Effective Portion of Cash Flow hedges	This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policies.
Capital Reserve	This capital reserve represents the capital subsidy received against setting up factory in backward area. The same can be utilized in accordance with the provisions of the Companies Act, 2013.
Remeasurement Benefits	Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ambarish Daga
Joint Chief Financial Officer

Ratan Agrawal
Director & Chief Financial Officer
DIN : 10157423

Harshita Shetty
Company Secretary

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

1 Company Overview and Significant Accounting Policies

Corporate Information :

Black Rose Industries Limited (the Company) is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is primarily engaged in manufacturing and distribution of chemicals.

Significant Accounting Policies:

a) Statement of Compliance:

These separate financial statements (also known as Standalone Financial Statements) have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities (including derivative instruments), and
- ii) Employee's Defined Benefit Plan as per actuarial valuation

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and all values are rounded to nearest lakhs ('00,000), except when indicated other wise.

Whenever the company changes the presentation or classification of items in its financial statements materially, the company reclassifies comparative amounts, unless impracticable. No such material reclassification has been made during the year.

The financial statements of the Company for the year ended 31st March, 2023 were authorised for issue in accordance with a resolution of the Board of Directors on 26th May, 2023.

c) Property, Plant and Equipment (PPE)

The Company has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of transition date measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

d) Depreciation

Depreciation on property, plant and equipment is provided using straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

Depreciation on property plant and equipment added/disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Description of Asset	Estimated Useful Life
Tangible	
Building Factory	10-30 years
Plant and Machinery	10-20 years
Electrical Installation	10 years
Factory Equipments	10 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Computers	3 years
Vehicles	8 years
Windmills	22 years
Intangible	
License Fees	10 years
Computers Softwares	3 years

e) Intangible Assets

- (i) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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 entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

- (ii) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

- (iii) Licensed Software & Technical Know-how are amortised on straight line basis over the estimated useful life of the asset which is estimated at 5 years and Licence Fees are amortised prorata, on SLM basis over the useful life of 10 years.

f) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a first in first out (FIFO) method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

h) Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

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

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

i) Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized.

However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

j) Revenue Recognition

The company derives revenues primarily from sale of goods, products and related services.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the Company as part of the contract.

(i) Income from rendering of services

Income from rendering of services and related expenses are recognised on accrual basis in the year in which the services are rendered at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services. The timing of when the Company transfers the goods or provide services may differ from the timing of the customer's payment.

Amounts disclosed as revenue are net of goods and service tax (GST).

(ii) Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(iii) Other income

The Company recognises income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

k) Leases

A right-of-use asset representing the right to use the underlying asset and a lease liability representing the obligation to make lease payments is recognized for all leases over 1 year on initial recognition basis. Discounted committed & expected future cash flows and depreciation on the asset portion on straight-line basis & interest on liability portion (net of lease payments) on EIR basis is recognized over the expected lease term. No right-of-use asset is created for short term leases (i.e. lease term less than 1 year) and leases of low value items (i.e. lease of asset with original cost of less than ₹1 lakh).

l) Retirement and other employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Post-Employment Benefits

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

m) Share Based Payment

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

n) Income Taxes

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

o) Earnings Per Share

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares."

p) Foreign Currency Transactions

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations.

q) Investment in Subsidiaries, Associates

The Company's investment in its Subsidiary Company is carried at cost.

r) Financial Instruments

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

Initial Recognition:

The Company recognizes a financial asset in its financial statements when it becomes party to contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the Capital Work-In-Progress, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

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

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

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or amortised cost.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Amortised Cost :

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

s) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

t) Financial liabilities and equity instruments

• Classification as debt or equity:

Debt and equity instruments issued by the 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 a Company are recognized at the proceeds received.

u) Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately excluding derivatives designated as cash flow hedge.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

v) Hedge accounting

The Company designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the entity 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 effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

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 and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively 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 recognized immediately in profit or loss.

w) Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

x) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such basis. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

y) Current versus Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

i) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the 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.

All other assets are classified as non-current.

ii) A liability is current when:

- It is expected to be settled in the 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.

All other liabilities are classified as non-current.

iii) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iv) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

z) Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Grants in the form of non-monetary assets are recognised at fair value and presented as deferred income which is recognized in the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

Government Grants related to or used for assets, are deducted from carrying amount of assets. Government grants related to income are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit and Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Useful Lives of Property, Plant & Equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

ii) Lease term of right-to-use assets

Management reviews its estimate of the lease term of right-to-use assets at each reporting date, based on the expected utility of the leased property. Uncertainties in this estimate relate to business obsolescence/discontinuance that may change the lease term for certain right-to-use assets.

iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

iv) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature,

v) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

vi) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

vii) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

viii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash 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.

ix) Share based Payment

The Company reviews the share-based payment expenses at each reporting date for the estimates pertaining to number of options that will be exercised by the employees, number of options that will lapse. Significant management judgement is required to determine the same.

Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA) on 31st March, 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023.

a) IND AS 1 – Presentation of Financial Statements

This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward.

The Company does not expect this amendment to have any material impact in its financial statements.

b) IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Company does not expect this amendment to have any material impact in its financial statements.

c) IND AS 12 – Income Taxes

This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Company does not expect this amendment to have any material impact in its financial statements.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

2. Property, Plant & Equipments

Particular	GROSS BLOCK			Cost as at 31-03-2023	DEPRECIATION / AMORTIZATION			NET BLOCK	
	Cost as at 01-04-2022	Additions	Other Adjustments/ Disposals		As at 01-04-2022	For the Period	Adjustment / Disposals	As at 31-03-2023	As at 31-03-2022
Tangible assets:									
Factory Building *	1,456.91	93.65	-	1,550.56	533.23	43.82	-	577.04	923.68
Office Equipments	30.57	2.27	-	32.84	26.88	1.40	-	28.28	3.69
Electric Installation	91.21	-	-	91.21	60.07	3.87	-	63.94	31.15
Factory Equipments	18.94	6.31	-	25.25	7.95	1.77	-	9.72	10.99
Plant & Machinery	2,904.22	396.48	-	3,300.70	963.95	155.85	-	1,119.80	1,940.28
Furniture & Fittings	55.49	1.69	-	57.18	45.82	1.75	-	47.57	9.68
Computers	43.61	1.27	-	44.87	39.49	2.03	-	41.52	4.11
Printer	1.13	-	-	1.13	0.78	0.15	-	0.93	0.34
Vehicles	172.34	42.62	-	214.96	43.83	23.14	-	66.96	128.51
Wind Mills	873.52	-	-	873.52	594.13	27.65	-	621.78	279.39
Total (a)	5,647.94	544.29	-	6,192.22	2,316.12	261.42	-	2,577.54	3,331.82
Capital work in progress:	736.04	361.64	484.82	612.86	-	-	-	612.86	736.04
Right of use assets									
Leasehold Land	375.48	-	-	375.48	32.36	3.80	-	36.17	343.12
Leasehold Premises	77.06	13.48	-	90.53	52.86	22.05	-	74.91	24.19
Total	452.54	13.48	-	466.01	85.23	25.85	-	111.08	367.31
Intangible assets:									
Software	29.05	-	-	29.05	28.05	0.16	-	28.21	1.01
Technical Know-how	293.61	-	-	293.61	279.49	12.92	-	292.41	14.12
Licence Fees	-	44.72	-	44.72	-	3.15	-	3.15	-
Total (B)	322.67	44.72	-	367.38	307.54	16.24	-	323.77	15.13
Total (A+B)	5,970.60	589.00	-	6,559.61	2,623.66	277.66	-	2,901.32	3,346.95
Intangible asset under development:	91.78	94.81		186.59	-	-	-	186.59	91.78

Note :

* including part of Factory Building given on Leave & License for temporary purpose.

CWIP - Ageing Schedule (FY 2022-2023)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	
Projects in Progress **	340.86	31.70	59.53	180.77	612.86
Projects temporality suspended	-	-	-	-	-

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Intangible Asset under Development - Ageing Schedule (FY 2022-2023)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
Projects in Progress **	94.81	50.10	41.68	-	186.59
Projects temporality suspended	-	-	-	-	-

Note :

** There were no material projects with respect to Capital Work in Progress and Intangible Asset under Development which have exceeded their original planned cost and timelines.

Particular	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK	
	Cost as at 01-04-2021	Additions	Other Adjustments/ Disposals	Cost as at 31-03-2022	As at 01-04-2021	For the Period	Adjustment / Disposals	As at 31-03-2022	As at 31-03-2021
Tangible assets:									
Factory Building *	1,456.91	-	-	1,456.91	489.16	44.07	-	533.23	967.75
Office Equipments	29.79	0.78	-	30.57	25.65	1.23	-	26.88	4.15
Electric Installation	87.46	3.75	-	91.21	56.32	3.75	-	60.07	31.14
Factory Equipments	18.94	-	-	18.94	6.71	1.24	-	7.95	12.23
Plant & Machinery	2,489.49	414.73	-	2,904.22	829.73	134.22	-	963.95	1,659.77
Furniture & Fittings	53.53	1.96	-	55.49	43.53	2.28	-	45.82	10.00
Computers	42.39	1.21	-	43.61	37.58	1.92	-	39.49	4.81
Printer	0.78	0.34	-	1.13	0.64	0.14	-	0.78	0.14
Vehicles	186.24	74.57	88.48	172.34	69.55	17.82	(43.54)	128.51	116.69
Wind Mills	873.52	-	-	873.52	566.68	27.44	-	594.13	306.83
Total (A)	5,239.06	497.35	88.48	5,647.94	2,125.54	234.12	(43.54)	2,316.12	3,113.52
Capital work in progress:	640.27	95.77	-	736.04	-	-	-	736.04	640.27
Previous Year	238.01	402.26	-	640.27	-	-	-	640.27	238.01
Right of use assets									
Leasehold Land	375.48	-	-	375.48	28.56	3.80	-	32.36	346.92
Leasehold Premises	77.06	-	-	77.06	33.58	19.29	-	52.86	43.48
Total	452.54	-	-	452.54	62.13	23.09	-	85.23	390.40
Intangible assets:									
Software	29.05	-	-	29.05	27.88	0.16	-	28.05	1.17
Technical Know-how	293.61	-	-	293.61	274.93	4.56	-	279.49	18.68
Total (B)	322.67	-	-	322.67	302.82	4.72	-	307.54	19.85
Total (A+B)	5,561.73	497.35	88.48	5,970.60	2,428.36	238.84	(43.54)	2,623.66	3,133.37
Intangible asset under development:	41.68	50.10	-	91.78	-	-	-	91.78	41.68

Note :

* including part of Factory Building given on Leave & License for temporary purpose.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

CWIP - Ageing Schedule (FY 2021-2022)

(₹ in Lakh)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
Projects in Progress **	95.77	402.26	233.80	4.21	736.04
Projects temporality suspended	-	-	-	-	-

Intangible Asset under Development - Ageing Schedule (FY 2021-2022)

(₹ in Lakh)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
Projects in Progress **	50.10	41.68	-	-	91.78
Projects temporality suspended	-	-	-	-	-

Note :

** There were no material projects with respect to Capital Work in Progress and Intangible Asset under Development which have exceeded their original planned cost and timelines.

3 Non Current Investments

₹ in Lakh

	31-03-2023	31-03-2022
Unquoted Trade		
Investments measured at cost		
Investment in Wholly-Owned Foreign Subsidiary		
60 (31 st March, 2022 : 60) Capital Stock of JPY 50,000 each fully paid up in B.R.Chemicals Co. Ltd., Osaka Japan	16.21	16.21
	16.21	16.21
Aggregate amount of Unquoted Investments	16.21	16.21

4 Other Financial Non-Current Assets

₹ in Lakh

	31-03-2023	31-03-2022
Fixed deposits with Bank with original maturity of more than 12 months*	0.32	0.32
	0.32	0.32

* Lodged as Security towards Margin money.

5 Other Non-Current Assets

₹ in Lakh

	31-03-2023	31-03-2022
Unsecured, Considered Good		
Balances with Government authorities	69.09	59.20
Unsecured, Considered Doubtful		
Balances with Government authorities	0.88	-
Less : Provisions for Doubtful Deposits	(0.88)	-
	69.09	59.20
Advances Tax	595.21	2,200.75
Less : Provisions for Income Tax	(463.69)	(2,041.85)
	131.52	158.90
	200.60	218.10

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

6 Inventories

	₹ in Lakh	
	31-03-2023	31-03-2022
Raw Materials and Components	1,033.87	2,652.00
Work-in-Progress	423.71	230.66
Finished Goods	100.64	118.16
Traded Goods	1,293.51	1,523.54
[includes in transit ₹ 30.84 Lakh (31 st March, 2022 - ₹ 360.92 Lakh)]		
Stores and Spares & Packing Materials	101.55	102.17
	2,953.28	4,626.53
Cost of Revenue Recognised as Expenses	23,698.38	27,386.30
Write Down of Inventories Charged to P&L (Difference Between Cost and NRV)	-	-
Reversals of Write Down	-	-

7 Trade Receivables

	₹ in Lakh	
	31-03-2023	31-03-2022
Trade Receivable Considered Good - Unsecured	5,892.25	6,630.95
Less: Provision for Expected Credit Loss	(0.19)	(0.27)
	5,892.06	6,630.67
Trade Receivable - Credit Impaired	28.39	28.39
Less: Provision for Doubtful Debts	(28.39)	(28.39)
	5,892.06	6,630.67

Movement in Changes in allowance for expected credit loss and credit impairment

	₹ in Lakh	
	31-03-2023	31-03-2022
Balances at the beginning of year	28.66	28.62
Changes in allowances for expected credit loss and credit impairment during the year	(0.08)	0.05
Trade Receivable written off during the year	-	-
Balances at the end of year	28.58	28.66

Trade Receivables - Ageing Schedule (FY 2022-2023)

Particulars	Outstanding for following periods from due date of period						Total
	Not Due	Less than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable - Considered Good	3,970.21	1,903.77	6.47	6.99	1.73	3.09	5,892.25
(ii) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	28.39	28.39
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total	3,970.21	1,903.77	6.47	6.99	1.73	31.48	5,920.64
Provision for Doubtful Debts	-	-	-	-	-	-	(28.39)
Provision for Expected Credit Loss	-	-	-	-	-	-	(0.19)
Total	3,970.21	1,903.77	6.47	6.99	1.73	31.48	5,892.06

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Trade Receivables - Ageing Schedule (FY 2021-2022)

Particulars	Outstanding for following periods from due date of period						Total
	Not Due	Less than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable - Considered Good	5,608.43	1,003.67	1.82	2.81	0.96	13.24	6,630.95
(ii) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	28.39	28.39
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total	5,608.43	1,003.67	1.82	2.81	0.96	41.63	6,659.34
Provision for Doubtful Debts	-	-	-	-	-	-	(28.39)
Provision for Expected Credit Loss	-	-	-	-	-	-	(0.27)
Total	5,608.43	1,003.67	1.82	2.81	0.96	41.63	6,630.67

8 Cash and Cash Equivalents

	₹ in Lakh	
	31-03-2023	31-03-2022
Cash on hand	1.85	1.11
Other Bank Balances		
In Current Accounts	71.07	28.99
Fixed Deposits with original maturity for less than 3 months*	-	23.57
	72.92	53.66

9 Bank Balances other than Cash & Cash Equivalents

	₹ in Lakh	
	31-03-2023	31-03-2022
Fixed Deposits *	1099.91	440.15
Earmarked Balance with Bank for Unpaid Dividends	29.07	18.79
	1128.98	458.94

* Fixed Deposit amounting ₹ 5.25 crore lodged as Security with Banks as Margin money for Trade Credit and Letter of Credit facilities.

10 Loans - Current

	₹ in Lakh	
	31-03-2023	31-03-2022
Unsecured, Considered Good		
Loans to Employees	1.90	6.49
	1.90	6.49

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

11 Other Financial Current Assets

	₹ in Lakh	
	31-03-2023	31-03-2022
Interest accrued but not due on Bank Deposits	3.21	2.13
Interest accrued on Security Deposits with MSEB and Dakshin Gujarat	1.82	1.62
Interest Subsidy Receivable	36.11	62.11
Other Receivables	4.12	19.15
	45.27	85.00

12 Other Current Assets

	₹ in Lakh	
	31-03-2023	31-03-2022
Unsecured, Considered Good		
Advances recoverable in cash or kind	112.26	29.60
Prepaid Expenses	54.77	37.64
Security Deposits to others	4.34	5.84
Balances with Statutory Government authorities	86.60	86.28
Export Entitlements	28.28	32.77
Unsecured, Considered Doubtful		
Security Deposits to others	0.13	-
Less - Provision for doubtful deposits	(0.13)	-
Advances recoverable in cash or kind	46.41	45.39
Less - Provision for doubtful debts	(46.41)	(45.39)
	286.26	192.14

13 Current Tax Assets/(Liabilities) (Net)

	₹ in Lakh	
	31-03-2023	31-03-2022
Advances Tax	199.16	1031.66
Less : Provisions for Income Tax	260.00	1040.00
	(60.84)	(8.34)

14 Equity Share Capital

	₹ in Lakh	
	31-03-2023	31-03-2022
Authorised Shares		
800 Lakh (31 st March, 2022: 800 Lakh)	800.00	800.00
Equity Shares of ₹ 1/- each		
	800.00	800.00
Issued, Subscribed and fully paid up shares		
510 Lakh (31 st March, 2022: 510 Lakh)	510.00	510.00
Equity Shares of ₹ 1/- each		
	510.00	510.00

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	31-03-2023		31-03-2022	
	Nos.	₹ in Lakh	Nos.	₹ in Lakh
At the beginning of the period	51,000,000	510.00	51,000,000	510.00
Add: Shares issued during the period	-	-	-	-
Outstanding at the end of the period	51,000,000	510.00	51,000,000	510.00

b) Shares held by holding company:

Equity Shares:	31-03-2023	31-03-2022
	Nos.	Nos.
Name of the Company		
Wedgewood Holdings Limited, Mauritius	28,800,000	28,800,000
Equity Shares of ₹ 1/-each fully paid	28,800,000	28,800,000

c) Details of shareholders holding more than 5% share in the company

Equity shares of ₹ 1/- each fully paid	31-03-2023		31-03-2022	
	Nos.	% of holding	Nos.	% of holding
Name of the shareholder :				
Wedgewood Holdings Limited, Mauritius	28,800,000	56.47%	28,800,000	56.47%
Triumph Worldwide Limited, Hong Kong	9,210,000	18.06%	9,210,000	18.06%

d) Terms/Rights attached to equity shares:

The company has only one class of equity share having a par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share and dividend per share on pari passu basis. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors except interim dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

e) Details of shares held by promoters of the company:

Equity shares of ₹1/- each fully paid	31-03-2023			31-03-2022		
	Nos.	% of holding	% Change	Nos.	% of holding	% Change
Name of the Promoter :						
Tozai Enterprises Private Limited	239,850	0.47%	0.00%	239,850	0.47%	0.00%
Wedgewood Holdings Limited, Mauritius	28,800,000	56.47%	0.00%	28,800,000	56.47%	0.00%
Triumph Worldwide Limited, Hong Kong	9,210,000	18.06%	0.00%	9,210,000	18.06%	0.00%

Note: The above list of Promoters are disclosed by the management and relied upon by the auditors.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

15 Non-Current Borrowings

	₹ in Lakh	
	31-03-2023	31-03-2022
Secured		
a) Term Loans		
Loan from Banks	77.08	78.13
[Refer Note no.15(a)(i), (ii), (iii), (iv), (v), (vi) & (vii)]		
Total Secured	77.08	78.13
Less: Current maturities of long term borrowings disclosed under the head Current Borrowings (Refer Note no. 19(b))	(27.68)	(25.88)
	49.41	52.25

Note :15 (a)

(i) Secured Loan:

Vehicle Loan

From Daimler Financial Services Pvt. Ltd.

Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 10.6434 % p.a.

Terms of Repayment

Equated monthly installment of ₹85,881/- commencing from 4th August, 2018 and ending on 4th July, 2021.

(ii) Secured Loan:

Vehicle Loan

From HDFC Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 8.70 % p.a.

Terms of Repayment

Equated monthly installment of ₹64,444/- commencing from 12th December, 2019 and ending on 7th November, 2022.

(iii) Secured Loan:

Vehicle Loan

From HDFC Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 9.1111 % p.a.

Terms of Repayment

Equated monthly installment of ₹21,970/- commencing from 16th November, 2019 and ending on 7th December, 2022.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

(iv) **Secured Loan:**

Vehicle Loan

From HDFC Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 8.10 % p.a.

Terms of Repayment

Equated monthly installment of ₹40,522/- commencing from 5th October, 2020 and ending on 5th September, 2023.

(v) **Secured Loan:**

Vehicle Loan

From ICICI Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 7.75 % p.a.

Terms of Repayment

Equated monthly installment of ₹31,262/- commencing from 1st March, 2021 and ending on 1st February, 2024.

(vi) **Secured Loan:**

Vehicle Loan

From Kotak Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 7.32 % p.a.

Terms of Repayment

Equated monthly installment of ₹1,28,710/- commencing from 9th September, 2021 and ending on 1st August, 2026.

(vii) **Secured Loan:**

Vehicle Loan

From Bank of Baroda

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 8.20 % p.a.

Terms of Repayment

Equated monthly installment of ₹93,595/- commencing from 10th September, 2022 and ending on 10th August, 2025.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

16 Lease Liabilities

	₹ in Lakh	
	31-03-2023	31-03-2022
Lease Liabilities (Refer Note 37)	13.48	11.89
	13.48	11.89

17 Non-Current Provisions

	₹ in Lakh	
	31-03-2023	31-03-2022
Provisions for employees benefits		
Provision for Gratuity (Refer Note 38)	71.26	59.22
Provisions for Leave Encashment Benefits	10.72	9.65
	81.98	68.86

18 Deferred Tax Liabilities (Net)

	₹ in Lakh	
	31-03-2023	31-03-2022
Items leading to Deferred Tax Liability		
Difference in Property Plant and Equipment as per Income Tax and Books of Accounts	398.50	386.04
Right to Use Asset	(3.81)	(0.29)
Items leading to Deferred Tax		
Expenses allowable on Payment basis	(47.95)	(23.62)
Net (Deferred Tax Liability)	346.74	362.13

19 Current Borrowings

	₹ in Lakh	
	31-03-2023	31-03-2022
a) Secured [Refer note no-19(a)]		
Working capital loan from bank	175.67	1036.81
	175.67	1036.81
b) Current Maturities of Long Term Borrowings		
Vehicle Loans	27.68	25.88
	203.35	1062.69

Note No :19(a)

Nature of security

- a) Working capital facilities from Axis Bank, HDFC Bank & Kotak Bank is secured by first pari-pasu charge on all existing & future current assets & tangible property plant and equipment of the Company (Other than Vehicles). The Company has also provided collateral security of factory land and building at Jhagadia, Gujarat and Hatkanangale, Maharashtra. The rate of interest is ranging between 7.50% to 8.75% [Previous Year - 7.50 % to 7.65%]

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

20 Trade Payables

₹ in Lakh

	31-03-2023	31-03-2022
Trade payables (Refer Note no.44)		
Total outstanding dues of Micro Enterprises and Small Enterprises	31.42	42.35
Total outstanding dues of other than Micro Enterprises and Small Enterprises	2,096.85	2,986.24
	2,128.27	3,028.59

Trade Payables - Ageing Schedule (FY 2022-2023)

Particulars	Outstanding for following periods from due date of period					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	31.42	-	-	-	-	31.42
(ii) Others	1,946.20	140.65	3.03	6.92	0.05	2,096.85
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	1,977.62	140.65	3.03	6.92	0.05	2,128.27

Trade Payables - Ageing Schedule (FY 2021-2022)

Particulars	Outstanding for following periods from due date of period					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	42.35	-	-	-	-	42.35
(ii) Others	2,868.63	98.85	8.46	2.24	8.05	2,986.24
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	2,910.98	98.85	8.46	2.24	8.05	3,028.59

21 Other Financial Current Liabilities:

₹ in Lakh

	31-03-2023	31-03-2022
Unpaid Dividend *	29.07	18.79
Employee Benefit Payable	54.77	50.74
Payable for Other Expenditure	170.32	208.37
Interest Free Security Deposits	7.50	7.50
	261.66	285.40

* Amount due to be credited to Investor Education and Protection Fund is Nil (Previous Year - Nil)

22 Other Current Liabilities:

₹ in Lakh

	31-03-2023	31-03-2022
Advance from Customers (Contract Liabilities)	5.35	52.09
Statutory Dues	71.91	49.70
	77.26	101.78

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Movement of Contract Liabilities is as under:

	₹ in Lakh	
	31-03-2023	31-03-2022
Balances at the beginning of year	52.09	22.46
Recognised as revenue from contract with customers	(52.09)	(22.46)
Advances from customer received during the year	5.35	52.09
Balances at the end of year	5.35	52.09

23 Current Provisions

	₹ in Lakh	
	31-03-2023	31-03-2022
Provisions for employee benefits:	7.99	6.39
Gratuity	1.97	1.71
Leave benefits	9.97	8.09

24 Revenue from Operations

	₹ in Lakh	
	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
a) Sale of Products	27,658.52	33,912.82
Sale of Renewable Energy	96.39	97.84
[Refer Note 24(a)]	27,754.91	34,010.67
b) Other Operating Revenue		
Export Entitlement	41.98	53.51
Commission Income	12.31	15.85
	54.28	69.36
Revenue from Operations	27,809.19	34,080.03
Note No 24(a)		
Gross Sales (Contracted Price)	27,772.96	34,028.76
Discount	18.05	18.10
Revenue Recognised	27,754.91	34,010.67

25 Other Income

	₹ in Lakh	
	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Interest income		
From Bank	28.60	23.45
From Others	5.41	1.51
	34.00	24.96
Profit on Sale of Property Plant and Equipment	-	1.59
Gain on Foreign Exchange Transaction	39.48	87.50
Net Gain on Fair Value Changes on Financial Instruments	4.12	2.57
Rental Income	21.25	19.32
Other Non-Operating Income	45.99	62.64
	144.85	198.58

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

26 Cost of Materials Consumed [Refer Note no.26(a)]

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Inventory at the beginning of the year	2,652.00	1,505.21
Add: Purchases	3,689.11	8,048.92
Add: Transferred from traded goods	368.80	100.94
	6,709.91	9,655.07
Less: Inventory at the end of the year	1,033.87	2,652.00
	5,676.04	7,003.07
Note No 26(a)		
(i) Details of Materials Consumed		
Chemical	5,676.04	7,003.07
Others	-	-
	5,676.04	7,003.07
(ii) Details of Inventory of Raw Materials		
Chemical	1,032.88	2,651.01
Others	0.99	0.99
	1,033.87	2,652.00

27 Purchase of Traded Goods

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Purchases	17693.75	18926.43
Less: Consumed in manufacturing	177.79	64.53
	17515.97	18861.90

28 (Increase)/Decrease in Inventories

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Opening traded goods	1,523.54	2,592.29
Consumed in manufacturing	191.01	36.41
Closing traded goods [Refer Note no.28(a)(i)]	1,293.51	1,523.54
	39.01	1,032.34
Opening Work-in-Progress	230.66	155.59
Closing Work-in-Progress [Refer Note no.28(a)(ii)]	423.71	230.66
	(193.05)	(75.08)
Opening Finished Goods	118.16	115.25
Closing Finished Goods [Refer Note no.28(a)(iii)]	100.64	118.16
	17.52	(2.91)
Total (Increase)/Decrease in Inventories	(136.51)	954.35

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Note No 28(a)		
Details of inventories at the end of the year		
(i) Traded Goods		
Chemicals	1,272.41	1,506.73
Others	21.10	16.81
	1,293.51	1,523.54
(ii) Work-in-Progress		
Chemical	421.10	228.06
Others	2.60	2.60
	423.71	230.66
(iii) Finished Goods		
Chemical	85.86	103.39
Others	14.77	14.77
	100.64	118.16

29 Employee Benefit Expenses

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Salaries, Wages and Bonus (Including Director Remuneration and Commission) *	817.65	653.34
Contribution to Provident Fund and Other Funds	34.80	31.10
Staff Welfare Expenses	16.01	12.56
	868.46	697.00

* Share Based Payment Expenses Accrued in Salaries, Wages and Bonus - ₹63.21 Lakh (P.Y. - NIL)

Share Based Payments

The Company has allotted share based incentives to certain employees on 13th August, 2021 for which approval received from SEBI on 1st December, 2022 under BRIL Employee Stock Options Scheme 2020 ("BRIL ESOS 2020") approved by Nomination and Remuneration Committee (NRC). As per the scheme, the number of options that will be granted is based upon length of service, grades, salary cost of the employee to the Company, performance appraisals and / or any other factors as determined by NRC. The options granted under this scheme is exercisable by employees within one year from date of its vesting. The Company has granted options at an exercise price of ₹134.22/-. Option granted will vest in the ratio of 30:30:40 each year starting from 2nd years from date of grant up to 4th years from date of grant.

	31-03-2023 (in Nos.)
Options outstanding at the beginning of the year	155,300
Granted during the year	-
Forfeited/Expired/Lapsed during the year	10,000
Exercised during the year	-
Outstanding at the end of the year	145,300

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted

	Estimates 31-03-2023
Risk Free Rate	4.12% - 5.24%
Expected Life Of Option	1.5 -3.5 years
Expected Volatility	49.62% - 52.43%

30 Finance Costs

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Interest Paid		
- Bank	60.78	43.65
- Unsecured Loan	43.55	14.87
- Lease Liabilities	1.30	1.44
- Interest on Statutory Dues	62.81	0.14
Other Borrowing Cost	15.43	29.03
	183.87	89.13

31 Depreciation and Amortization Expenses

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Depreciation of Property, Plant & Equipments		
- On Owned Asset	261.42	234.12
- On Leased Asset	25.85	23.09
Amortization of Intangible Assets	16.24	4.72
	303.51	261.93

32 Other Expenses

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Power and Fuel	186.52	179.31
Rent	60.11	44.82
Rates and Taxes	16.05	2.77
Insurance	43.44	36.77
Repairs and Maintenance		
Plant and Machinery	22.02	15.18
Buildings	17.60	4.09
Others	6.65	5.13
Legal and Professional Fees	73.54	62.50
Royalty	137.84	288.12
Payment to Auditor [Refer Note no.32(a)]	8.29	6.59

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Selling & Distribution Expenses	255.25	250.28
Brokerage & Commission Expenses	104.40	213.28
Windmill Maintenance Charges	26.98	25.65
Travelling and Conveyance	83.49	54.95
Provision for Doubtful Advances	1.02	-
Provision for Doubtful Deposits	1.01	-
Packing Material Consumed	399.92	452.78
Utility Material Consumed	67.44	36.21
Export Expenses	829.26	373.93
Security Charges	14.07	12.09
Corporate Office Expenses	17.47	16.40
Warehousing Charges	41.59	41.38
Vehicle Expenses	17.80	18.23
Bank Charges	19.49	43.99
CSR Expenses [Refer Note no.43]	93.34	40.71
Communication Costs	12.81	11.40
Printing and Stationery	4.12	5.93
Labour and Job Work Charges	2.04	1.72
Office Expenses	14.95	17.56
Miscellaneous Expenses	60.13	57.55
	2,638.64	2,319.34
Note No: 32(a)		
Details of Payment To Auditor		
As Auditor		
Audit Fees	6.00	4.00
Limited Review	1.00	0.90
In Other Capacity		
Certification Fees	0.07	0.59
Reimbursement of Expenses	0.22	0.10
	7.29	5.59
Cost Auditor		
As Audit Fees	1.00	1.00
	1.00	1.00
	8.29	6.59

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

33 Fair Values and Hierarchy

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

₹ in Lakh

i) 31-Mar-23	Note No.	Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets									
Investments	3	-	-	16.21	16.21	-	-	-	16.21
Other Financial Assets	4 & 11	4.12	-	41.47	45.59	-	4.12	-	45.59
Trade Receivables	7	-	-	5,892.06	5,892.06	-	-	-	5,892.06
Cash and Cash Equivalents	8	-	-	72.92	72.92	-	-	-	72.92
Bank Balances other than Cash & Cash Equivalents	9	-	-	1,128.98	1,128.98	-	-	-	1,128.98
Loans	10	-	-	1.90	1.90	-	-	-	1.90
		4.12	-	7,153.54	7,157.66	-	4.12	-	7,157.66
Financial Liabilities									
Borrowings	15 & 19	-	-	252.76	252.76	-	-	-	252.76
Lease Liabilities	16	-	-	13.48	13.48	-	-	-	13.48
Trade Payables	20	-	-	2,128.27	2,128.27	-	-	-	2,128.27
Other Financial Liabilities	21	-	-	261.66	261.66	-	-	-	261.66
		-	-	2,656.16	2,656.16	-	-	-	2,656.16

₹ in Lakh

ii) 31-Mar-22	Note No.	Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets									
Investments	3	-	-	16.21	16.21	-	-	-	16.21
Other Financial Assets	4 & 11	2.57	-	82.74	85.32	-	2.57	-	85.32
Trade Receivables	7	-	-	6,630.67	6,630.67	-	-	-	6,630.67
Cash and Cash Equivalents	8	-	-	53.66	53.66	-	-	-	53.66
Bank Balances other than Cash & Cash Equivalents	9	-	-	458.94	458.94	-	-	-	458.94
Loans	10	-	-	6.49	6.49	-	-	-	6.49
		2.57	-	7,248.72	7,251.29	-	2.57	-	7,251.29
Financial Liabilities									
Borrowings	15 & 19	-	-	1,114.93	1,114.93	-	-	-	1,114.93
Lease Liabilities	16	-	-	11.89	11.89	-	-	-	11.89
Trade Payables	20	-	-	3,028.59	3,028.59	-	-	-	3,028.59
Other Financial Liabilities	21	-	-	285.40	285.40	-	-	-	285.40
		-	-	4,440.81	4,440.81	-	-	-	4,440.81

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Fair Value of financial assets included is the amount at which the instrument could be exchanged in a current transaction between willing parties.

The investment made in the wholly owned subsidiary company is shown at book value .

34 Capital Management (Ind AS 1):

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximise the Shareholder's wealth.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars	₹ in Lakh	
	As at 31 st March, 2023	As at 31 st March 2022
Total Debt	252.76	1,114.93
Equity	12,177.54	11,840.11
Debt to Equity (Net)	0.02	0.09

In addition, the Company has financial covenants relating to the some of the borrowing facilities that it has to maintain Aggregate Tangible Net Worth which is maintained by the Company.

35 Financial Risk Management (Ind AS 1):

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables, cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i) Market Risk:

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans and borrowings, investments and foreign currency receivables, payables and borrowings.

a) Interest Rate Risks :

The Company borrows funds in Indian Rupees and Foreign Currency, to meet both the long term and short term funding requirements. The Interest rate risk in terms of foreign currency is managed through available financial instruments. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31st March, 2023 would have been decreased/increased by ₹ 6.15 Lakh (Previous Year - ₹ 12.95 Lakh).

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

b) Foreign Currency Risks :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge its foreign currency exposures. Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

Details of Derivative instruments and unhedged foreign currency exposure

a) Derivatives outstanding as at the balance sheet date

Particulars	For hedging of foreign currency purchases		
	Amount in US\$	₹ in Lakh	No. of Contracts
Forward contract to buy			
As on 31-03-2023	514,000.00	422.38	6
As on 31-03-2022	1,180,559.00	894.83	2

Forward contract to sell	For hedging of foreign currency sales		
	Amount in US\$	₹ in Lakh	No. of Contracts
As on 31-03-2023	1,886,220.00	1,549.81	9
As on 31-03-2022	-	-	-

b) Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars	As on 31-03-2023		As on 31-03-2022	
	Amount in US\$	₹ in Lakh	Amount in US\$	₹ in Lakh
Payable	550,949.28	452.74	2,266,897.50	1,718.25
Receivable	732,233.07	601.64	593,197.77	449.57

Particulars	As on 31-03-2023		As on 31-03-2022	
	Amount in JPY	₹ in Lakh	Amount in JPY	₹ in Lakh
Payable	-	-	16,666,200.00	103.56
Receivable	-	-	345,260.00	2.15

Particulars	As on 31-03-2023		As on 31-03-2022	
	Amount in EURO	₹ in Lakh	Amount in EURO	₹ in Lakh
Trade Payable	-	-	-	-

The Company is mainly exposed to changes in US Dollar . The sensitivity to 1% increase or decrease in US Dollar against INR with all other variables held constant will be ₹ 2.20 Lakh. (Previous Year - ₹ 13.70 Lakh).

The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date.

c) Price Risks:

The Company's revenue are generated from both domestic and export sales. As most of the products including raw material and traded goods are imported, any volatility in the price and exchange rate are easily pass on to the customers. The Company has a risk management policy in place to prudently manage the risk arising from the volatility in exchange and commodity prices.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

ii) Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers, financial instruments viz., Investments in Equity Shares, Debt Funds and Balances with Banks.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

The Company limits its exposure to credit risk by generally investing only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31st March, 2023 is 0.79% of ₹the total trade receivables. The company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain.

iii) Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has obtained fund and non-fund based working capital lines from banks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts. The Company has a system of forecasting rolling one month cash inflow and outflow and all liquidity requirements are planned.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	Refer Note	Less than 1 year	1-3 Years	3-5 Years	More than 5 Years
Borrowings	15 & 19	203.35 (1,062.69)	43.09 (31.52)	6.32 (20.72)	- -
Lease Liabilities	16	- -	13.48 (11.89)	- -	- -
Trade Payable	20	2,128.27 (3,028.59)	-	- -	- -
Other Financial Liabilities	21	177.82 (215.87)	- -	- -	- -
Employee Benefit/ Expense liabilities	21	54.77 (50.74)	- -	- -	- -
Unclaimed dividends	21	29.07 (18.79)	- -	- -	- -

Figures in brackets are in respect of previous year.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

36 Income Taxes (Ind AS 12):

(i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	₹ in Lakh	
	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
Profit Before Tax	904.07	4,091.88
Applicable tax rate @ 25.17% (31 st March, 2021 @ 25.17%)	227.54	1,029.84
Effect of Tax Exempt Income	-	-
Effect of Non-Deductible expenses	32.39	13.28
Effect of Allowances for tax purpose	(11.62)	-
Effect of Tax paid at a lower rate	(1.60)	(1.46)
Effect of Previous year adjustments	1.44	-
Others	(1.76)	0.31
Total	246.38	1,041.98
Effective Tax Rate	27.25%	25.46%

(ii) Movement of Deferred Tax assets and liabilities

For the Year Ended 31st March, 2023

Particulars	₹ in Lakh			
	As at 1 st April, 2022	Statement of Profit and Loss	OCI	As at 31 st March, 2023
Property Plant and Equipments and other Intangible Asset	(386.04)	12.46	-	(398.50)
Employee Benefit	23.62	(5.20)	-	28.82
Others	0.29	(22.65)	-	22.94
	(362.13)	(15.39)	-	(346.74)

For the Year Ended 31st March, 2022

Particulars	₹ in Lakh			
	As at 1 st April, 2022	Statement of Profit and Loss	OCI	As at 31 st March, 2023
Property Plant and Equipments and other Intangible Asset	(379.66)	6.38	-	(386.04)
Employee Benefit	21.12	(2.50)	-	23.62
Others	(1.05)	(1.34)	-	0.29
	(359.59)	2.54	-	(362.13)

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

37 Lease (Ind AS 116):

	₹ in Lakh	
	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A. Lease Liability Maturity Profile - Lessee		
1. Future Minimum Lease Payments under non-cancellable operating lease for the period		
(a) Not later than one year	28.19	26.22
(b) Later than one year but not later than 5 years	7.39	2.52
(c) More than 5 years	-	-
2. Lease payments charged to Profit and Loss Account		
Rental expenses	60.11	44.82
Depreciation	25.85	23.09
Interest	1.30	1.44
3. Cash Flow Statement		
Cash Outflow for payment of Lease	13.16	19.20

4. The Company has taken premises on leases. The lease typically runs for a period of 3 to 5 years with an option to renew the lease after that period. The lease payments for the entire lease period are fixed at the time of entering into the lease agreement and are renegotiated towards the end of the lease period in case of renewals.

	₹ in Lakh	
	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
B. Lease Receivable Maturity Profile - Lessor		
1. Future Minimum Lease Receipt under non-cancellable operating lease for the period		
(a) Not later than one year	-	-
(b) Later than one year but not later than 5 years	-	-
(c) More than 5 years	-	-
2. Lease payments charged to Profit and Loss Account		
Rental Income	21.25	19.32

38 Employee Benefits (Ind AS 19)

Defined Benefit Plans:

Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company for payment of gratuity.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Statement of Assets and Liabilities for Defined Benefit Obligation :

		₹ in Lakh	
Gratuity and other post employment benefit plans.		As at 31 st March, 2023	As at 31 st March, 2022
(i) Change in present value of obligation			
Balance at the beginning of the year		65.60	55.48
Adjustment of:		-	-
Interest Cost		4.40	3.47
Current Service Cost		11.24	9.46
Past Service Cost		-	-
Liability Transferred In/Acquisitions		-	-
(Liability Transferred Out/Disinvestment)		-	-
Benefit paid directly by the Employer		(3.31)	(3.18)
Actuarial (Gains)/Losses on Obligation - Due to Change in Demographic Assumptions		-	0.03
Actuarial (Gains)/Losses on Obligation - Due to Change in Financial Assumptions		(2.66)	0.44
Actuarial (Gains)/Losses on Obligation - Due to Experience		3.98	(0.12)
Balance at the end of the year		79.25	65.60
(ii) Change in Fair Value of Assets			
Fair Value of Plan Assets at the beginning of the period		-	-
Interest Income		-	-
Contributions by the Employer		-	-
Expected Contributions by the Employees		-	-
Assets Transferred In/Acquisitions		-	-
(Assets Transferred Out/ Divestments)		-	-
(Benefit Paid from the Fund)		-	-
(Assets Distributed on Settlements)		-	-
Effects of Asset Ceiling		-	-
The effect of changes in Foreign Exchange Rates		-	-
Return on Plan Assets, Excluding Interest Income		-	-
Fair Value of Plan Assets at the End of the Period		-	-
(iii) Net Asset / (Liability) recognised in the Balance Sheet			
(Present Value of Benefit Obligation at the end of the period)		(79.25)	(65.60)
Fair Value of Plan Assets at the end of the period		-	-
Funded Status (Surplus/ (Deficit))		(79.25)	(65.60)
Net (Liability)/Asset Recognized in the Balance Sheet		(79.25)	(65.60)
(iv) Expenses recognised in the Statement of Profit and Loss			
Current Service Cost		11.25	9.46
Net Interest Cost		4.40	3.47
Past Service Cost		-	-
Expenses Recognized		15.64	12.94
(v) Re-measurements recognised in Other Comprehensive Income (OCI):			
Actuarial (Gains)/Losses on Obligation for the period		1.32	0.36
Return on Plan Assets, Excluding Interest Income		-	-
Change in Asset Ceiling		-	-
Net (Income)/Expense for the period Recognized in OCI		1.32	0.36
(vi) Maturity profile of Defined Benefit Obligation :			
Projected Benefits Payable in future years from the date of reporting			
1 st Following Year		7.99	6.39

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

₹ in Lakh

Gratuity and other post employment benefit plans.	As at 31 st March, 2023	As at 31 st March, 2022
2 nd Following Year	8.73	6.59
3 rd Following Year	9.14	6.59
4 th Following Year	9.38	7.14
5 th Following Year	14.06	7.38
Sum of Years 6 to 10	40.36	36.55
Sum of Years 11 and above	34.43	31.96
(vii) Sensitivity analysis for significant assumptions:*		
Projected Benefit Obligation on Current Assumptions	79.25	65.60
Delta Effect of +1% Change in Rate of Discounting	(3.77)	(3.46)
Delta Effect of -1% Change in Rate of Discounting	4.16	3.84
Delta Effect of +1% Change in Rate of Salary Increase	3.62	3.41
Delta Effect of -1% Change in Rate of Salary Increase	(3.59)	(3.34)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.83)	(0.93)
Delta Effect of -1% Change in Rate of Employee Turnover	0.89	1.00
(viii) Actuarial Assumptions:		
Discount Rate (p.a.)	6.70%	6.70%
Expected Return on Plan Assets (p.a.)	N.A.	N.A.
Turnover Rate	14.00%	14.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Salary Escalation Rate (p.a.)	10.00%	10.00%
Retirement age	60 years	60 years
(ix) Weighted Average duration of defined benefit obligation	6 years	7 years

* The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

- (x) Gratuity is payable as per company's scheme as detailed in the report.
- (xi) Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
- (xii) Salary escalation & attrition rate are considered as advised by the company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- (xiii) Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.
- (xiv) Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.
- (xv) Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

B) Defined Contribution Plans:

Particulars	31 st March, 2023	31 st March, 2022
Provident Fund - Employer Contribution To Provident Fund & Labour Welfare Fund Debited to Profit and Loss A/c	34.80	31.10

39 Related party disclosures (Ind AS 24):

(A) Information about related parties :

- (i) **Holding company** Wedgewood Holdings Limited, Mauritius
- (ii) **Wholly-owned foreign subsidiary company** B.R.Chemicals Co., Limited, Osaka, Japan

(iii) Other Related Parties with whom there were transactions during the year:

Parties	Relationship
Anup Jatia, Executive Director	Key Management Personnel (KMP)
Sandeep Chokhani, Whole-time Director	Key Management Personnel (KMP)
Ratan Agrawal, Chief Financial Officer	Key Management Personnel (KMP)
Ambarish Daga, Joint Chief Financial Officer	Key Management Personnel (KMP)
Harshita Shetty, Company Secretary (From 29 th June, 2022)	Key Management Personnel (KMP)
Black Rose Trading Private Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Tozai Safety Private Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Tozai Enterprises Private Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Fukui Accent Trading (India) Pvt Ltd	Enterprises owned or significantly influenced by any management personnel or their relatives
Accent Industries Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Atmasantosh Foundation	Enterprises owned or significantly influenced by any management personnel or their relatives

(B) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transactions	Key Management Personnel	Other related parties as in 39(A)(iii)
Revenue	-	880.11
	-	(7.82)
Purchase	-	263.39
	-	(1,177.08)
Rent Expenses	-	60.02
	-	(53.76)
Directors Remuneration (including Commission)	190.82	-
	(143.48)	-
Salary Expenses	59.52	-
	(37.21)	-
Gratuity Paid	-	-
	(2.34)	-
Interest Expenses	17.34	26.21
	-	(14.87)

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

Nature of Transactions	Key Management Personnel	₹ in Lakh	
		Other related parties as in 39(A)(iii)	
Rent Income	-	21.25	
	-	(19.32)	
CSR Contribution	-	54.45	
	-	(24.00)	
Loan Taken	500.00	1,000.00	
	-	1,275.00	
Loan Repaid	500.00	1,000.00	
	-	1,275.00	
Reimbursement of Expenses Paid	-	2.14	
	-	0.57	
Reimbursement of Expenses Received	-	55.75	
	-	(44.43)	

(C) Balance as at 31st March, 2023

Nature of Transactions	Key Management Personnel	₹ in Lakh	
		Other related parties as in 39(A)(iii)	
Security Deposit Received	-	7.50	
	-	(7.50)	
Trade Receivable	-	1,026.28	
	-	-	
Director Remuneration Payable	2.43	-	
	-	-	
Advance to Suppliers	-	27.07	
	-	-	

Note :

- The above related party transaction is as disclosed by the management and relied upon by auditor.
- Post employment benefits and long term employee benefits are determined on the basis of actuarial valuation for the company as a whole and hence segregation is not available.
- ESOP
- Figures in brackets represent previous year figure.

40 Earnings per Share (EPS) (Ind AS 33):

Particulars	₹ in Lakh	
	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	657.69	3,049.90
(ii) Weighted average number of Equity Shares outstanding (Nos.)	510.00	510.00
Basic EPS (₹) (i)/(ii)	1.29	5.98
(B) Diluted EPS:		
(i) Net Profit attributable to Equity Shareholders	657.69	3,049.90
(ii) Weighted average number of Equity Shares outstanding (Nos.)	510.00	510.00
(III) Add : Weighted average no. of equity shares on account of employees stock option *	(0.31)	-
Diluted EPS (₹) (i)/(ii)	1.29	5.98

* Since potential equity shares on account of ESOP are negative, the EPS will be anti dilutive.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

41 Contingent Liabilities (Ind AS 37)

(a) Contingent liabilities not provided for in respect of :

- (i) Disputed Income Tax net demands of ₹ 221.46 Lakh (P.Y. ₹ 221.46 Lakh) for which company has filed an appeal with Commission of Income Tax (Appeal). The management is of the opinion that the said demand need to be deleted completely and accordingly no provision has been made.

(b) Guarantees:

There are no guarantees issued as at the end of the balance sheet date.

42 Segment Reporting (Ind AS 108):

In accordance with Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements, and therefore, no separate disclosure on segment information is given in these financial statements.

43 Corporate Social Responsibility:

The detail of amount required to be spent under Section 135 of the Companies Act, 2013 is as follows :

	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
(a) Gross amount required to be spent by the company during the year	68.42	53.87
(b) amount of expenditure incurred		
- Expenditure made	68.42	53.87
- Out of above deposited in Bank in Unspent Account	21.19	24.92
(c) shortfall at the end of the year	-	-
(d) total of previous years shortfall	-	11.76
(e) reason for shortfall	-	The funds are to be utilized for on going projects .
(f) nature of CSR activities	Promoting education and health care	Promoting education and health care
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	54.45	24.00
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately		-
Opening CSR Payable	-	-
Amount Required to be spent in current year	68.42	53.87
CSR expenditure of prior years	24.92	11.76
Total Expenditure debited to profit and loss account	93.34	40.71
Less: Amount Spent during the year	(72.15)	(40.71)
a) Company's bank account	(47.22)	(28.95)
b) Separate CSR Unspent account	(24.92)	(11.76)
Closing CSR Payable	21.19	-

- (i) Unspent CSR amount for financial year 2021-22: ₹ 24.92 lakhs, utilised: 24.92 lakhs

- (j) Above includes ₹ 21.19 lakhs of corporate social responsibility (CSR) expenses related to ongoing projects as at 31st March 2023 (31st March 2022 : ₹ 24.92 lakhs). The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account" for the financial year 22-23 ("UCSRA- FY 22-23") of the Company within 30 days from the end of the financial year.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

- 44** Some of the suppliers have sent their intimations of them being the Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. However, there were no amounts payable at the year end together with interest paid / payable beyond as stipulated period as required under the said Act.

In respect of other suppliers, the Company has not received any intimation regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given to that extent.

45 Reconciliation of liabilities from financing activities

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Borrowings		
Opening Balance	1,114.93	1,376.76
Cash inflow/ (outflow) of non-current borrowings	(2.84)	32.26
Cash inflow /(outflow) of current borrowings	(859.34)	(294.09)
Closing Balance	252.76	1,114.93

46 Value of Imports calculated on CIF basis

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Raw Materials	7,829.15	12,404.30
Traded Goods	5,076.61	8,055.40
Others	29.42	84.35
	12,935.18	20,544.06

47 Expenditure in Foreign Currency

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Interest on short term borrowings	-	1.63
Membership & Subscription	6.14	7.46
Royalty	137.84	288.12
Travelling	11.98	13.87
Books & Periodicals	-	0.94
Brokerage & Commission	3.57	4.53
Computer & Software Expenses	0.49	1.73
Licences Fees	40.10	-
Freight Charges	270.04	-
	470.15	318.26

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

48 Imported and indigenous raw materials, components consumed:

	% of total consumption	Value	% of total consumption	Value
	31 st March, 2023	31 st March, 2023	31 st March, 2022	31 st March, 2022
Raw Materials				
Imported	93.78%	5,323.08	90.07%	6,307.63
Indigenously obtained	6.22%	352.96	9.93%	695.44
	100.00%	5,676.04	100.00%	7,003.07

₹ in Lakh

49 Earnings in foreign currency

Particulars	31 st March, 2023	31 st March, 2022
Exports at F.O.B. Value	7,611.91	3,223.46
Commission Income	12.31	9.98
	7,624.22	3,233.44

₹ in Lakh

50 The Company has not traded or invested in crypto currency or virtual currency during the year.

51 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 like to or on behalf of the Ultimate Beneficiaries.

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 Company (Ultimate Beneficiaries) or,
- (b) Provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

52 The Company does not have any charges or satisfaction of charges which are yet to be registered with ROC beyond the statutory period.

53 The Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013.

54 Provision regarding the number of layers prescribed under Section 2 (87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable.

55 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of Income Tax Act, 1961).

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

- 56** The Company is not as wilful defaulter by any bank or financial institution or other lenders.
- 57** There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies Act, 2013.
- 58** No proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- 59** The Company has announced a proposed dividend of Re. 0.55 paise /- per share for the financial year 2022-2023 and shall be recognized once the dividend is paid.

60 Ratios

Ratios	Numerator	Denominator	31 st March, 2023	31 st March, 2022	Changes %
Current ratio *	Current Assets	Current Liabilities	3.79	2.68	41.21%
Debt equity ratio *	Total Debt	Shareholder's Equity	0.02	0.10	-78.29%
Debt service coverage ratio *	Earning for Debt Service	Debt service = Interest + Principal repayments of Long Term Borrowings	1.06	3.12	-65.92%
Return on equity ratio **	Net Profit After Taxes	Average Shareholder's Equity	5.48%	29.24%	-81.27%
Inventory turnover ratio	Sales	Average Inventory	7.30	7.41	-1.49%
Trade receivables turnover ratio	Revenue	Average Trade Receivables	4.44	6.19	-28.26%
Trade payables turnover ratio	Purchases	Average Trade Payables	8.29	9.05	-8.40%
Net capital turnover ratio	Revenue	Working Capital	3.64	4.51	-19.26%
Net profit ratio **	Net Profit After Taxes	Revenue	2.37%	8.95%	-73.57%
Return on capital employed ratio **	Earnings before interest and taxes	Capital Employed	8.67%	31.65%	-72.60%
Return on investment ratio	Income generated from investments	Time weighted average investments	NA	NA	NA

Note :

* Repayment of borrowings leads to reduction in debt

** Dip in earnings before tax

- 61** Disclosure required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and Section 186(4) of the Companies Act, 2013:
- Details of investments made are given in Note 3
 - Amount of Loans and advances in the nature of loans outstanding from/to subsidiaries ₹ NIL (Previous year - ₹ NIL)
 - Loans to employees have been considered to be outside the purview of disclosure requirement.
 - Investment by Loanee in the shares of the Parent company - NIL (Previous year - NIL)
- 62** In the Opinion of the Board of Directors, the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

- 63** a) Figures have been disclosed in rupees in lacs.
- b) Previous year's figures have been regrouped and / or reclassified wherever found necessary to confirm current year's presentation.

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ambarish Daga
Joint Chief Financial Officer

Ratan Agrawal
Director & Chief Financial Officer
DIN : 10157423

Harshita Shetty
Company Secretary

Notes to Standalone Financial Statements

For the year ended 31st March, 2023

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF
SUBSIDIARIES / ASSOCAITE COMPANIES / JOINT VENTURES

PART "A" : SUBSIDIARIES

Sl. No.	Particulars	Name of Subsidiary Company B.R. Chemicals Co., Ltd.	
1	Financial year ending on	31-03-2023	31-03-2022
2	Reporting Currency	JPY (¥)	JPY (¥)
3	Exchange Rate on the last date of financial year	₹ 0.6159	0.6214
4	% of shareholding	% 100	100
5	No. of Shares	60	60
		₹ in Lakh	
6	Share Capital	16.21	16.21
7	Reserves & Surplus	541.57	407.39
8	Total Assets	822.04	819.48
9	Total Liabilities	822.04	819.48
10	Investments	-	-
11	Turnover	15,234.84	14,525.59
12	Profit / (Loss) before Taxation	191.10	207.24
13	Provision for Taxation	56.92	67.44
14	Profit /(Loss) after Taxation	134.18	139.80
15	Proposed Dividend	-	-

Notes:

- The assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date, and the income and expense items are translated at the average rates of exchange for the year.
- The reporting period of the subsidiary is same as that of the holding company i.e. 1st April, 2022 to 31st March, 2023
- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL

Since the company does not have any Associates or Joint Ventures, information pertaining to Part "B" to this form relating to Associates and Joint Ventures is not given.

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ratan Agrawal
Director & Chief Financial Officer
DIN : 10157423

Place: Mumbai
Date: 26th May, 2023

Ambarish Daga
Joint Chief Financial Officer

Harshita Shetty
Company Secretary

Independent Auditor's Report

To
The Members of
Black Rose Industries Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

- 1) We have audited the accompanying Consolidated Ind AS Financial Statements of **BLACK ROSE INDUSTRIES LIMITED** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year then ended and notes to financial statements, a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
- 2) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Group as at 31st March, 2023, and its Consolidated profit (financial performance including Other Comprehensive Income), the Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

- 3) We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated 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 is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

- 4) Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, 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:

Sr no.	Key Audit Matters	Our Response
1	Share based payments: The Holding Company issued options to employees including key management personnel, which were accounted as per IND AS 102: "Share Based Payments". Share-based payments are a complex accounting area including assumptions utilised in the fair value calculations and judgements regarding the options issued during the year. Refer note 1 (n) to the consolidated financial statements.	Our procedures included: - Evaluating management's assessment of the valuation and recognition of the options. - Obtaining an understanding of the key terms and conditions of the options by inspecting relevant agreements. - Holding discussions with management to understand the share-based payments arrangements in place. - Verifying / reviewing the inputs used in the valuation report by the independent valuer (merchant banker). - Reviewing the adequacy of the Company's disclosure in respect of the accounting treatment of share-based payments in the financial statements, including the significant judgements involved, and the accounting policy adopted.

Sr no.	Key Audit Matters	Our Response
2	Identification and disclosures of Related Parties: The Holding Company has related party transactions which include, amongst others, sale and purchase of goods/services and lending and borrowing to its other related parties. Focused on identification and disclosure of related parties as a key audit matter.	Our audit procedures amongst others include: • Obtained a list of related parties from the management. • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. • Traced the related parties to declarations given by Directors, where applicable, and to Note 38 of the Consolidated Ind AS Financial Statements. • Read minutes of the meetings of the Board of Directors and Audit Committee. • Tested material creditors / debtors, loan outstanding / loans taken to evaluate existence of any related party relationships; tested transactions based on declarations of related party transactions given to the Board of Directors and Audit Committee. • Evaluated the disclosures in the standalone Ind AS financial statements for compliance with Ind AS 24.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

- 5) The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual report but does not include the Consolidated Financial Statements and our auditor's report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.
- 6) Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 7) In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 8) When we read the Holding Company's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

- 9) The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, Consolidated

Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

- 10) In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
- 11) The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the audit of the Consolidated Financial Statements

- 12) Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements
- 13) As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Consolidated 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 financial controls 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 Holding Company, has adequate internal financial controls system 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 in the consolidated financial statements made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- 14) We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.
- 15) 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.
- 16) 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.
- 17) From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- 18) a) We did not audit the financial statements / financial information of certain subsidiary whose financial statements / financial information reflect total assets of ₹ 805.83 Lakhs as at 31st March, 2023, total revenues of ₹ 15,294.23 Lakhs, total net profit after tax of ₹ 134.18 Lakhs and net cash outflows/inflows of ₹ (8.43) Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished

to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

- b) The Consolidated Financial Statements of the Company for the previous year ended 31st March, 2022 were audited by another auditor who had expressed unmodified opinion vide report dated 4th May, 2022.
- 19) Our opinion on the Consolidated 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 reports of the other auditors.

Report on Other Legal and Regulatory Requirements

20.1 As required by Section 143(3) of the Act, based on our audit, 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 of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding company is disqualified as on 31st March, 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 Financial Statements of the Holding company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) As required by section 197(16) of the Act, based on our audit, we report that the Holding Company, has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note: 40 to the Consolidated Financial Statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company.
 - iv. (a) The Managements of the Holding Company, whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of its subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Managements of the Holding Company, whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief, no funds have been received by the Holding Company, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of its subsidiaries 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 on behalf of the Ultimate Beneficiaries; and

- (c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company whose financial statements have been audited under the Act, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- v. The Holding Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013.
- vi. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) order, 2020 (the order/CARO) issued by the central government in terms of

Section 143 (11) of the Act, to be included in the Auditor's Report is not applicable to the Group as the Holding Company has only one subsidiary which is not incorporated in India and CARO 2020 is not applicable.

- vii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **M M Nissim & Co LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.36490
UDIN: 23036490BGXRYF1095

Place: Mumbai
Date: 26th May, 2023

“Annexure A” to the Independent Auditor’s Report

of even date on the Consolidated Financial Statements of Black Rose Industries Limited.

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

OPINION

1) In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2023, we have audited the internal financial controls with reference to Financial Statements of **BLACK ROSE INDUSTRIES LIMITED** (“the Holding Company”). In our opinion, the Holding Company, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March, 2023, based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance note”) issued the Institute of Chartered Accountants of India (the “ICAI”).

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2) The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the 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 respective 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

3) Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI 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, both issued by 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 consolidated financial

statements were established and maintained and if such controls operated effectively in all material respects.

- 4) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.
- 5) We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls system with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

- 6) A company’s internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

Place: Mumbai
Date: 26th May, 2023

For **M M Nissim & Co LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

N Kashinath
Partner
Mem.No.36490
UDIN: 23036490BGXRYF1095

Consolidated Statement of Assets and Liabilities

As at 31st March, 2023

		₹ in Lakh	
PARTICULARS	Note No.	As At 31-03-2023	As At 31-03-2022
I. ASSETS			
1 Non Current Assets			
Property, Plant & Equipment	2	3,614.68	3,331.82
Capital Work-in-Progress	2	612.86	736.04
Right of Use Lease Assets	2	354.94	367.31
Intangible Assets	2	43.61	15.13
Intangible Assets Under Development	2	186.59	91.78
Financial Assets			
(i) Other Financial Assets	3	0.32	0.32
Other Non-Current Assets	4	200.60	218.10
		200.92	218.42
Sub-Total: Non-Current Asset		5,013.60	4,760.49
2 Current Assets			
Inventories	5	2,953.28	4,626.53
Financial Assets			
(i) Trade Receivables	6	5,892.06	6,631.44
(ii) Cash and Cash Equivalents	7	883.21	872.37
(iii) Bank Balances Other Than Cash & Cash Equivalents	8	1,128.98	458.94
(iv) Loans	9	1.90	6.49
(v) Other Financial Assets	10	45.27	85.00
Other Current Assets	11	298.02	189.97
Sub-Total: Current Asset		11,202.72	12,870.74
TOTAL ASSETS :		16,216.32	17,631.24
II. EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	13	510.00	510.00
Other Equity	SOCE	12,197.80	11,724.83
Sub-Total: Equity		12,707.80	12,234.83
2 Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	295.77	300.81
(ii) Lease Liabilities	15	13.48	11.89
Provisions	16	81.98	68.86
Deferred Tax Liabilities (Net)	17	346.74	362.13
Sub-Total: Non-Current Liabilities		737.97	743.69
Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	204.27	1,063.62
(ii) Trade Payables	19		
a. Total Outstanding Dues of Micro Enterprises and Small Enterprises		31.42	42.35
b. Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		2,096.85	3,091.23
(iii) Other Financial Liabilities	20	261.66	285.40
Other Current Liabilities	21	78.00	102.32
Provisions	22	9.97	8.09
Current Tax Liabilities (Net)	12	88.38	59.70
Sub-Total: Current Liabilities		2,770.54	4,652.71
TOTAL EQUITY AND LIABILITIES :		16,216.32	17,631.24

Significant Accounting Policies

1

Notes on accounts are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP

Chartered Accountants

Firm Regn. No. 107122W/W100672

N. Kashinath

Partner

Membership No. 036490

For and on behalf of the Board of Directors

Anup Jatia

Executive Director

DIN : 00351425

Ratan Kumar Agrawal

Director & Chief Financial Officer

DIN : 10157423

Place : Mumbai

Date : 26th May, 2023

Ambarish Daga

Joint Chief Financial Officer

Harshita Shetty

Company Secretary

Consolidated Statement of Profit and Loss

For the year ended 31st March, 2023

₹ in Lakh

PARTICULARS	Note No.	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
I. INCOME			
Revenue from Operations	23	43,044.03	48,605.62
Other Income	24	204.24	273.21
Total Revenue		43,248.27	48,878.84
II. EXPENDITURE			
Cost of Materials Consumed	25	5,676.04	7,003.07
Purchase of Traded Goods	26	32,529.36	33,156.96
Changes In Inventories of Finished Goods, Work-in-Progress and Traded Goods	27	(136.51)	954.35
Employee Benefits Expense	28	886.98	717.57
Finance Cost	29	183.87	89.13
Depreciation and Amortization Expenses	30	303.51	261.93
Other Expenses	31	2,709.86	2,396.70
Total Expenditure		42,153.10	44,579.72
III. Profit Before Tax (I-II)		1,095.17	4,299.12
Less: Tax Expenses			
Current Tax		317.25	1,106.88
Deferred Tax		(15.39)	2.54
Earlier Years Adjustments		1.44	-
		303.30	1,109.42
IV. Profit for the Period		791.87	3,189.70
Other Comprehensive Income			
A. Items that will not be classified to statement of Profit & Loss account			
Actuarial Gain/(Loss) on Employee Benefits		(1.32)	(0.36)
Income Tax relating to items that will not be classified to Profit & Loss account		0.33	0.09
B. Items that will be classified to Statement of Profit & Loss account			
Gain/(Loss) on Hedging Instruments		-	2.57
Income Tax relating to items that will be classified to Profit & Loss account		-	(0.65)
V. Total Comprehensive Income for the Period		790.88	3,191.35
Earnings Per Equity Share (Nominal Value of Share ₹1/- Each)	39		
Basic		1.55	6.25
Diluted		1.55	6.25

Significant Accounting Policies

1

Notes on accounts are an integral part of the Financial Statements
As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ambarish Daga
Joint Chief Financial Officer

Ratan Kumar Agrawal
Director & Chief Financial Officer
DIN : 10157423

Harshita Shetty
Company Secretary

Consolidated Statement of Cash Flows

For the year ended 31st March, 2023

	₹ in Lakh	
	Year Ended 31-03-2023	Year Ended 31-03-2022
A. Cash Flow From Operating Activities		
Net Profit Before Tax and Extraordinary Items	1,095.17	4,299.12
Adjustments for:		
Depreciation	303.51	261.93
(Profit)/Loss on Sale of Property Plant and Equipment	-	7.42
Increase/(Decrease) in foreign currency translation reserve	1.37	(25.63)
Interest expenses	183.87	81.51
Interest income	(34.05)	(24.99)
Unrealised foreign exchange (Gain)/Loss	(14.83)	(26.93)
Sundry balances written back	(7.72)	(2.22)
Rental income	(21.25)	(19.32)
Provision/(reversal) for expected credit loss	(0.08)	0.05
Provision for doubtful advances & deposits	2.02	-
Accrual of share based payment reserve	63.22	-
Operating profit before working capital changes	1,571.22	4,550.93
Adjustments For:		
(Increase)/Decrease in trade receivables & other assets	881.64	(636.69)
(Increase)/Decrease in inventories	1,673.25	(97.90)
Increase/(Decrease) in trade payables, provisions & other liabilities	(1,696.57)	(1,102.78)
Cash generated from operating activities	2,429.53	2,713.56
Less : Direct taxes (Net of refund)	182.84	1,245.61
Net cash flow from / (used in) operating activities	2,246.69	1,467.95
B. Cash Flow From Investing Activities		
Purchase of property plant and equipment	(560.64)	(643.21)
Sale of property plant and equipment	-	37.51
Fixed deposits (Placed)/Matured	(659.76)	(9.48)
Interest received	24.70	24.99
Rental income	21.25	19.32
Net cash flow from / (used in) investing activities	(1,174.45)	(570.87)
C. Cash Flow From Financing Activities		
Proceeds/(Repayment) of short term borrowings from banks	(863.34)	(284.35)
Repayment of long term borrowings	(31.04)	(58.22)
Proceed From long term borrowings	30.00	65.00
Unsecured loan taken	1,500.00	1,275.00
Unsecured loan repaid	(1,500.00)	(1,275.00)
Lease liabilities paid off	(13.16)	(19.20)
Interest paid	(183.87)	(81.51)
Net cash flow / (used in) from financing activities	(1,061.41)	(378.28)
Net increase / (decrease) in cash and cash equivalents (a+b+c)	10.83	518.81
Cash and cash equivalent as at the beginning of the year	872.37	353.57
Cash and cash equivalent as at the end of the year	883.21	872.37

Consolidated Statement of Cash Flows

For the year ended 31st March, 2023

₹ in Lakh

	Year Ended 31-03-2023	Year Ended 31-03-2022
Notes:		
1) Cash and cash equivalents comprises of		
A) Cash in hand	2.00	2.09
B) Bank balance in current accounts	881.21	846.72
C) In fixed deposit account	-	23.57
	883.21	872.37

- 2) The above Cash Flow Statement has been prepared under the Indirect Method as per Ind AS 7 - Cash Flow.
- 3) Direct Tax paid are treated as arising from operating activity and not bifurcated in investment and financing activities
- 4) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
- 5) Refer Note No. 42 for amount spent during the years ended 31st March, 2023 and 2022 relating to CSR activities.
- 6) Refer Note No. 44 for reconciliation of liabilities from financing activities.
- 7) Figures in brackets represent outflows.

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ambarish Daga
Joint Chief Financial Officer

Ratan Kumar Agrawal
Director & Chief Financial Officer
DIN : 10157423

Harshita Shetty
Company Secretary

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2023

A EQUITY SHARE CAPITAL

For the Year Ended 31st March, 2023

₹ in Lakh

Balance as at 1 st April, 2022	Changes in equity share capital during the period	Balance as at 31 st March, 2023
510.00	-	510.00

B OTHER EQUITY

For the Year Ended 31st March, 2023

₹ in Lakh

Particular	Reserve & Surplus						Effective Portion of Cash Flow hedges	Foreign Exchange Fluctuation Reserve on Consolidation	Total Equity
	Capital Reserve	General Reserve	Securities Premium Reserve	Shares Option Outstanding Account	Retained Earnings	Remeasurement Benefits			
Balance as at 01 st April, 2022	30.00	62.40	644.70	-	10,998.75	(0.27)	1.93	(12.67)	11,724.83
Profit for the period	-	-	-	-	791.87	-	-	1.37	793.24
Other Comprehensive Income for the period	-	-	-	-	-	(0.99)	-	-	(0.99)
Total	30.00	62.40	644.70	-	11,790.62	(1.26)	1.93	(11.30)	12,517.09
Transferred to Retained Earnings	-	-	-	-	1.66	0.27	(1.93)	-	-
Dividend	-	-	-	-	(382.50)	-	-	-	(382.50)
Share Based Payments	-	-	-	63.22	-	-	-	-	63.22
Balance as at 31st March, 2023	30.00	62.40	644.70	63.22	11,409.77	(0.99)	-	(11.30)	12,197.80

For the Year Ended 31st March, 2022

₹ in Lakh

Particular	Reserve & Surplus						Effective Portion of Cash Flow hedges	Foreign Exchange Fluctuation Reserve on Consolidation	Total Equity
	Capital Reserve	General Reserve	Securities Premium Reserve	Shares Option Outstanding Account	Retained Earnings	Remeasurement Benefits			
Balance as at 01 st April, 2021	30.00	62.40	644.70	-	8,037.83	(0.12)	0.85	12.96	8,788.62
Profit for the period	-	-	-	-	3,189.70	-	-	(25.63)	3,164.06
Other Comprehensive Income for the period	-	-	-	-	-	(0.27)	1.93	-	1.66
Total	30.00	62.40	644.70	-	11,227.52	(0.40)	2.78	(12.67)	11,954.33
Transferred to Retained Earnings	-	-	-	-	0.73	0.12	(0.85)	-	-
Dividend	-	-	-	-	(229.50)	-	-	-	(229.50)
Balance as at 31st March, 2022	30.00	62.40	644.70	-	10,998.75	(0.27)	1.93	(12.67)	11,724.83

Consolidated Statement of Changes in Equity

For the year ended 31st March, 2023

General Definitions:

General Reserve	This Reserve is created by an appropriation from one component of equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.
Securities Premium Reserve	This Reserve represents the premium on issue of shares in excess of its par value and can be utilized in accordance with the provisions of the Companies Act, 2013
Shares Option Outstanding Account	This Reserve relates to stock options granted by the Company to employees under Employee Stock Option Schemes accumulated over the vesting period of the plan. This Reserve is transferred to Securities Premium or Retained Earnings on exercise or lapse of vested options.
Retained Earnings	Retained earnings are the profits that the Company has earned till date, add/(less) any transfers from/(to) general reserve, securities premium reserve, dividends or other distributions paid to shareholders.
Effective Portion of Cash Flow Hedges	This Reserve represents the cumulative effective portion of changes in Fair Value of derivatives that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policies
Capital Reserve	This capital reserve represents the capital subsidy received against setting up factory in backward area. The same can be utilized in accordance with the provisions of the Companies Act, 2013.
Foreign Exchange Fluctuation Reserve on Consolidation	This foreign exchange fluctuation reserve represents exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian Rupee.
Remeasurement Benefits	Any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP

Chartered Accountants

Firm Regn. No. 107122W/W100672

N. Kashinath

Partner

Membership No. 036490

Place : Mumbai

Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia

Executive Director

DIN : 00351425

Ratan Kumar Agrawal

Director & Chief Financial Officer

DIN : 10157423

Ambarish Daga

Joint Chief Financial Officer

Harshita Shetty

Company Secretary

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

1 Corporate Information and Significant Accounting Policies

Corporate information

Black Rose Industries Limited (the "Holding Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is primarily engaged in manufacturing and distribution of chemicals. The Holding Company is also engaged in the business of textile manufacturing activity in Maharashtra & wind power generation in the State of Rajasthan and Gujarat.

Principles of consolidation

The consolidated financial statements relate to Black Rose Industries Limited and its subsidiary company B.R.Chemicals Co., Limited (collectively referred to as 'the Group'). The consolidated financial statements have been prepared on the following basis :

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions.
- b) In case of financial statements of non integral foreign operations, the assets and liabilities are translated at the closing exchange rate. Income and Expense items are translated at average exchange rates and all resulting exchange differences are accumulated in foreign exchange fluctuation reserves on consolidation until the disposal of the investment.
- c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as Holding Company's separate financial statements, as far as possible, except as specifically mentioned in the Notes to Accounts.
- d) The financial statements of the subsidiary company used into the consolidation are drawn upto the same reporting date as that of the Holding Company.

Significant Accounting Policies:

a) Statement of Compliance:

These separate financial statements (also known as Consolidated Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i) Certain financial assets and liabilities (including derivative instruments), and
- ii) Employee's Defined Benefit Plan as per actuarial valuation

The financial statements are presented in Indian Rupees, which is the functional currency of the Holding Company and all values are rounded to nearest lakhs ('00,000), except when indicated other wise.

These Consolidated Financial Statements are prepared, to the extent possible, based on information available with the management in respect of its Subsidiary Company.

c) Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

d) Depreciation

Depreciation on property, plant and equipment is provided using straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognised till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognised.

Depreciation on property plant and equipment added/disposed off during the year is provided on pro rata basis with reference to the date of addition/disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Description of Asset	Estimated Useful Life
Tangible	
Building Factory	10-30 years
Plant and Machinery	10-20 years
Electrical Installation	10 years
Factory Equipments	10 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Computers	3 years
Vehicles	8 years
Windmills	22 years
Intangible	
License Fees	10 years
Computers Softwares	3 years

e) Intangible Assets

- (i) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

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 entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

- (ii) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Group determines the amortisation period as the period over which the future economic benefits will flow to the Group after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.
- (iii) Licensed Software & Technical Know-how are amortised on straight line basis over the estimated useful life of the asset which is estimated at 5 years and Licence Fees are amortised prorata, on SLM basis over the useful life of 10 years.

f) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a first in first out (FIFO) method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

h) Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

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

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

i) Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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 Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized.

However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

j) Revenue Recognition

The company derives revenues primarily from sale of goods, products and related services.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the Company as part of the contract.

(i) Income from rendering of services

Income from rendering of services and related expenses are recognised on accrual basis in the year in which the services are rendered at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods or services. The timing of when the Company transfers the goods or provide services may differ from the timing of the customer's payment.

Amounts disclosed as revenue are net of goods and service tax (GST).

(ii) Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(iii) Other income

The Company recognises income on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent revenue is reasonably certain and can be reliably measured.

k) Leases

A right-of-use asset representing the right to use the underlying asset and a lease liability representing the obligation to make lease payments is recognized for all leases over 1 year on initial recognition basis. Discounted committed & expected

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

future cash flows and depreciation on the asset portion on straight-line basis & interest on liability portion (net of lease payments) on EIR basis is recognized over the expected lease term. No right-of-use asset is created for short term leases (i.e. lease term less than 1 year) and leases of low value items (i.e. lease of asset with original cost of less than ₹1 lakh).

l) Retirement and other employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Benefit Plans

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

m) Share Based Payment

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

n) Income Taxes

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

o) Earnings Per Share

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p) Foreign Currency Transactions

In preparing the financial statements of the Group, the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations.

q) Financial Instruments

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

Initial Recognition:

The Company recognizes a financial asset in its financial statements when it becomes party to contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the Capital Work-In-Progress, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Classification and Subsequent Measurement: Financial Assets

The Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

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

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

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'amortised cost'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Amortised Cost :

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

r) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

s) Financial liabilities and equity instruments

• Classification as debt or equity:

Debt and equity instruments issued by the Group 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 a Group are recognized at the proceeds received.

t) Derivative financial instruments

The Group enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Group does not hold derivative financial instruments for speculative purposes.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately excluding derivatives designated as cash flow hedge.

u) Hedge accounting

The Group designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the entity 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 Group 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 effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

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 and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively 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 recognized immediately in profit or loss.

v) Segment Reporting - Identification of Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

w) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such basis. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques those are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

x) Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Grants in the form of non-monetary assets are recognised at fair value and presented as deferred income which is recognized in the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

Government Grants related to or used for assets, are deducted from carrying amount of assets. Government grants related to income are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit and Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

y) Current versus Non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

i) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the 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.

All other assets are classified as non-current.

ii) A liability is current when:

- It is expected to be settled in the 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.

All other liabilities are classified as non-current.

iii) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iv) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Useful Lives of Property, Plant & Equipment

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

ii) Lease term of right-to-use assets

Management reviews its estimate of the lease term of right-to-use assets at each reporting date, based on the expected utility of the leased property. Uncertainties in this estimate relate to business obsolescence/discontinuance that may change the lease term for certain right-to-use assets.

iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

iv) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature

v) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

vi) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

vii) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

viii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ix) Share based Payment

The Company reviews the share-based payment expenses at each reporting date for the estimates pertaining to number of options that will be exercised by the employees, number of options that will lapse. Significant management judgement is required to determine the same.

Recent accounting pronouncements:

The Ministry of Corporate Affairs (MCA) on 31st March 2023 through Companies (Indian Accounting Standards) Amendment Rules, 2023 has notified the following amendments to IND AS which are applicable for the annual periods beginning on or after 1st April, 2023.

a) IND AS 1 – Presentation of Financial Statements

This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies.

The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward.

The Company does not expect this amendment to have any material impact in its financial statements.

b) IND AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

The Company does not expect this amendment to have any material impact in its financial statements.

c) IND AS 12 – Income Taxes

This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences.

The Company does not expect this amendment to have any material impact in its financial statements.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

2. Property, Plant & Equipments

Particular	GROSS BLOCK			Cost as at 31-03-2023	DEPRECIATION / AMORTIZATION			NET BLOCK	
	Cost as at 01-04-2022	Additions	Other Adjustments/ Disposals		As at 01-04-2022	For the Period	Adjustment / Disposals	As at 31-03-2023	As at 31-03-2022
Tangible assets:									
Factory Building *	1,456.91	93.65	-	1,550.56	533.23	43.82	-	577.04	923.68
Office Equipments	30.57	2.27	-	32.84	26.88	1.40	-	28.28	3.69
Electric Installation	91.21	-	-	91.21	60.07	3.87	-	63.94	31.15
Factory Equipments	18.94	6.31	-	25.25	7.95	1.77	-	9.72	10.99
Plant & Machinery	2,904.22	396.48	-	3,300.70	963.95	155.85	-	1,119.80	1,940.28
Furniture & Fittings	55.49	1.69	-	57.18	45.82	1.75	-	47.57	9.68
Computers	43.61	1.27	-	44.87	39.49	2.03	-	41.52	4.11
Printer	1.13	-	-	1.13	0.78	0.15	-	0.93	0.34
Vehicles	172.34	42.62	-	214.96	43.83	23.14	-	66.96	128.51
Wind Mills	873.52	-	-	873.52	594.13	27.65	-	621.78	279.39
Total (A)	5,647.94	544.29	-	6,192.22	2,316.12	261.42	-	2,577.54	3,331.82
Capital work in progress:	736.04	361.64	484.82	612.86	-	-	-	612.86	736.04
Right of use assets									
Leasehold Land	375.48	-	-	375.48	32.36	3.80	-	36.17	343.12
Leasehold Premises	77.06	13.48	-	90.53	52.86	22.05	-	74.91	24.19
Total	452.54	13.48	-	466.01	85.23	25.85	-	111.08	367.31
Intangible assets:									
Software	29.05	-	-	29.05	28.05	0.16	-	28.21	1.01
Technical Know-how	293.61	-	-	293.61	279.49	12.92	-	292.41	14.12
Licence Fees	-	44.72	-	44.72	-	3.15	-	3.15	-
Total (B)	322.67	44.72	-	367.38	307.54	16.24	-	323.77	15.13
Total (A+B)	5,970.60	589.00	-	6,559.61	2,623.66	277.66	-	2,901.32	3,346.95
Intangible asset under development:	91.78	94.81	-	186.59	-	-	-	186.59	91.78

Note :

* including part of Factory Building given on Leave & License for temporary purpose.

CWIP - Ageing Schedule (FY 2022-2023)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	
Projects in Progress **	340.86	31.70	59.53	180.77	612.86
Projects temporality suspended	-	-	-	-	-

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Intangible Asset under Development - Ageing Schedule (FY 2022-2023)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
Projects in Progress **	94.81	50.10	41.68	-	186.59
Projects temporality suspended	-	-	-	-	-

Note :

** There were no material projects with respect to Capital Work in Progress and Intangible Asset under Development which have exceeded their original planned cost and timelines.

Particular	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK	
	Cost as at 01-04-2021	Additions	Other Adjustments/ Disposals	Cost as at 31-03-2022	As at 01-04-2021	For the Period	Adjustment / Disposals	As at 31-03-2022	As at 31-03-2021
Tangible assets:									
Factory Building *	1,456.91	-	-	1,456.91	489.16	44.07	-	533.23	923.68
Office Equipments	29.79	0.78	-	30.57	25.65	1.23	-	26.88	3.69
Electric Installation	87.46	3.75	-	91.21	56.32	3.75	-	60.07	31.14
Factory Equipments	18.94	-	-	18.94	6.71	1.24	-	7.95	10.99
Plant & Machinery	2,489.49	414.73	-	2,904.22	829.73	134.22	-	963.95	1,940.28
Furniture & Fittings	53.53	1.96	-	55.49	43.53	2.28	-	45.82	9.68
Computers	42.39	1.21	-	43.61	37.58	1.92	-	39.49	4.11
Printer	0.78	0.34	-	1.13	0.64	0.14	-	0.78	0.34
Vehicles	186.24	74.57	88.48	172.34	69.55	17.82	(43.54)	43.83	116.69
Wind Mills	873.52	-	-	873.52	566.68	27.44	-	594.13	279.39
Total (A)	5,239.06	497.35	88.48	5,647.94	2,125.54	234.12	(43.54)	2,316.12	3,331.82
Capital work in progress:	640.27	95.77	-	736.04	-	-	-	-	640.27
Previous Year	238.01	402.26	-	640.27	-	-	-	-	238.01
Right of use assets									
Leasehold Land	375.48	-	-	375.48	28.56	3.80	-	32.36	346.92
Leasehold Premises	77.06	-	-	77.06	33.58	19.29	-	52.86	43.48
Total	452.54	-	-	452.54	62.13	23.09	-	85.23	390.40
Intangible assets:									
Software	29.05	-	-	29.05	27.88	0.16	-	28.05	1.17
Technical Know-how	293.61	-	-	293.61	274.93	4.56	-	279.49	14.12
Total (B)	322.67	-	-	322.67	302.82	4.72	-	307.54	15.13
Total (A+B)	5,561.73	497.35	88.48	5,970.60	2,428.36	238.84	(43.54)	2,623.66	3,133.37
Intangible asset under development:	41.68	50.10	-	91.78	-	-	-	-	41.68

* including part of Factory Building given on Leave & License for temporary purpose.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

CWIP - Ageing Schedule (FY 2021-2022)

(₹ in Lakh)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
Projects in Progress **	95.77	402.26	233.80	4.21	736.04
Projects temporality suspended	-	-	-	-	-

Intangible Asset under Development - Ageing Schedule (FY 2021-2022)

(₹ in Lakh)

Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More Than 3 Years	Total
Projects in Progress **	50.10	41.68	-	-	91.78
Projects temporality suspended	-	-	-	-	-

Notes:

** There were no material projects with respect to Capital Work in Progress and Intangible Asset under Development which have exceeded their original planned cost and timelines.

3 Other Financial Non-Current Assets

₹ in Lakh

	31-03-2023	31-03-2022
Fixed deposits with Bank with original maturity of more than 12 months*	0.32	0.32
	0.32	0.32

* Lodged as Security towards Margin money.

4 Other Non-Current Assets

₹ in Lakh

	31-03-2023	31-03-2022
Unsecured, Considered Good		
Balances with Government authorities	69.09	59.20
Unsecured, Considered doubtful		
Balances with Government authorities	0.88	-
Less : Provisions for Doubtful Deposits	(0.88)	-
	69.09	59.20
Advances Tax	595.21	2,200.75
Less : Provisions for Income Tax	(463.69)	(2,041.85)
	131.52	158.90
	200.60	218.10

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

5 Inventories

	₹ in Lakh	
	31-03-2023	31-03-2022
Raw Materials and Components	1,033.87	2,652.00
Work-in-Progress	423.71	230.66
Finished Goods	100.64	118.16
Traded Goods	1,293.51	1,523.54
[includes in transit ₹30.84 Lakh (31 st March, 2022 - ₹360.92 Lakh)]		
Stores and Spares & Packing Materials	101.55	102.17
	2,953.28	4,626.53
Cost of Revenue Recognised as Expenses	38,711.76	41,681.36
Write Down of Inventories Charged to P&L (Difference Between Cost and NRV)	-	-
Reversals of Write Down	-	-

6 Trade Receivables

	₹ in Lakh	
	31-03-2023	31-03-2022
Trade Receivable Considered Good - Unsecured	5,892.25	6,631.71
Less: Provision for Expected Credit Loss	(0.19)	(0.27)
	5,892.06	6,631.44
Trade Receivable - Credit Impaired	28.39	28.39
Less: Provision for Doubtful Debts	(28.39)	(28.39)
	5,892.06	6,631.44

Movement in Changes in allowance for expected credit loss and credit impairment

	₹ in Lakh	
	31-03-2023	31-03-2022
Balances at the beginning of year	28.66	28.62
Changes in allowances for expected credit loss and credit impairment during the year	(0.08)	0.05
Trade Receivable written off during the year	-	-
Balances at the end of year	28.58	28.66

Trade Receivables - Ageing Schedule (FY 2022-2023)

Particulars	Outstanding for following periods from due date of period						Total
	Not Due	Less than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable - Considered Good	3,970.21	1,903.77	6.47	6.99	1.73	3.09	5,892.25
(ii) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	28.39	28.39
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered - Doubtful	-	-	-	-	-	-	-
Total	3,970.21	1,903.77	6.47	6.99	1.73	31.48	5,920.64
Provision for Doubtful Debts	-	-	-	-	-	-	28.39
Less: Provision for Expected Credit Loss	-	-	-	-	-	-	0.19
Total	3,970.21	1,903.77	6.47	6.99	1.73	31.48	5,892.06

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Trade Receivables - Ageing Schedule (FY 2021-2022)

Particulars	Outstanding for following periods from due date of period						Total
	Not Due	Less than 6 Months	6 Months to 1 year	1-2 years	2-3 years	More Than 3 Years	
(i) Undisputed Trade Receivable - Considered Good	5,609.20	1,003.67	1.82	2.81	0.96	13.24	6,631.71
(ii) Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	28.39	28.39
(iii) Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-	-
Total	5,609.20	1,003.67	1.82	2.81	0.96	41.63	6,660.10
Provision for Doubtful Debts	-	-	-	-	-	-	28.39
Less: Provision for Expected Credit Loss	-	-	-	-	-	-	0.27
Total	5,609.20	1,003.67	1.82	2.81	0.96	41.63	6,631.44

7 Cash and Cash Equivalents

	₹ in Lakh	
	31-03-2023	31-03-2022
Cash on hand	2.00	2.09
Other Bank Balances		
In Current Accounts	881.21	846.72
Fixed Deposits with original maturity for less than 3 months*	-	23.57
	883.21	872.37

* Lodged as Security with Government Departments & Banks as Margin money for Trade Credit and L/C facilities.

8 Bank Balances other than Cash & Cash Equivalents

	₹ in Lakh	
	31-03-2023	31-03-2022
Fixed Deposits *	1,099.91	440.15
Enmarked Balance with Bank for Unpaid Dividends	29.07	18.79
	1,128.98	458.94

* Lodged as Security with Government Departments & Banks as Margin money for Trade Credit and L/C facilities.

9 Loans - Current

	₹ in Lakh	
	31-03-2023	31-03-2022
Unsecured, Considered Good unless otherwise stated		
Loans to Employees	1.90	6.49
	1.90	6.49

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

10 Other Financial Current Assets

	₹ in Lakh	
	31-03-2023	31-03-2022
Interest accrued but not due on Bank Deposits	3.21	2.13
Interest accrued on Security Deposits with MSEB and Dakshin Gujarat	1.82	1.62
Interest Subsidy Receivable	36.11	62.11
Other Receivables	4.12	19.15
	45.27	85.00

11 Other Current Assets

	₹ in Lakh	
	31-03-2023	31-03-2022
Unsecured, Considered Good		
Advances recoverable in cash or kind	112.26	29.60
Prepaid Expenses	54.77	37.64
Security Deposits to others	4.34	5.84
Balances with Statutory Government authorities	98.36	84.11
Export Entitlements	28.28	32.77
Unsecured, Considered Doubtful		
Security Deposits to others	0.13	-
Less - Provision for doubtful deposits	(0.13)	-
Advances recoverable in cash or kind	46.41	45.39
Less - Provision for doubtful debts	(46.41)	(45.39)
	298.02	189.97

12 Current Tax Assets/(Liabilities) (Net)

	₹ in Lakh	
	31-03-2023	31-03-2022
Advances Tax	199.16	1031.66
Less : Provisions for Income Tax	287.54	1091.36
	(88.38)	(59.70)

13 Equity Share Capital

	₹ in Lakh	
	31-03-2023	31-03-2022
Authorised Shares		
800 Lakh (31 st March, 2022: 800 Lakh)	800.00	800.00
Equity Shares of ₹1/- each		
	800.00	800.00
Issued, Subscribed and fully paid up shares		
510 Lakh (31 st March, 2022: 510 Lakh)	510.00	510.00
Equity Shares of ₹1/- each		
	510.00	510.00

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	31-03-2023		31-03-2022	
	Nos.	₹ in Lakh	Nos.	₹ in Lakh
At the beginning of the period	51,000,000	510.00	51,000,000	510.00
Add: Shares issued during the period	-	-	-	-
Outstanding at the end of the period	51,000,000	510.00	51,000,000	510.00

b) Shares held by holding company:

Equity Shares:	31-03-2023	31-03-2022
	Nos.	Nos.
Name of the Company		
Wedgewood Holdings Limited, Mauritius.	28,800,000	28,800,000
Equity Shares of ₹1/-each fully paid		
	28,800,000	28,800,000

c) Details of shareholders holding more than 5% share in the company

Equity shares of ₹ in Lakh/ each fully paid	31-03-2023		31-03-2022	
	Nos.	% of holding	Nos.	% of holding
Name of the shareholder :				
Wedgewood Holdings Limited, Mauritius	28,800,000	56.47%	28,800,000	56.47%
Triumph Worldwide Limited, Hong Kong	9,210,000	18.06%	9,210,000	18.06%

d) Terms/Rights attached to equity shares:

The holding company has only one class of equity share having a par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share and dividend per share on pari passu basis. The holding company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors except interim dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

e) Details of shares held by promoters of the holding company:

Equity shares of ₹1 each fully paid	31-03-2023			31-03-2022		
	Nos.	% of holding	% Change	Nos.	% of holding	% Change
Name of the Promoter :						
Tozai Enterprises Private Limited	239,850	0.47%	0.00%	239,850	0.47%	0.00%
Wedgewood Holdings Limited, Mauritius	28,800,000	56.47%	0.00%	28,800,000	56.47%	0.00%
Triumph Worldwide Limited, Hong Kong	9,210,000	18.06%	0.00%	9,210,000	18.06%	0.00%

Note: The above list of Promoters are disclosed by the management and relied upon by the auditors.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

14 Non-Current Borrowings

₹ in Lakh

	31-03-2023	31-03-2022
Secured		
a) Term Loans		
Loan from Banks	77.08	78.13
[Refer Note no.14(a)(i), (ii), (iii), (iv), (v), (vi) & (vii)]		
Total Secured	77.08	78.13
Unsecured		
Loan from Banks	246.36	248.56
Total Unsecured	246.36	248.56
	323.44	326.69
Less: Current maturities of long term borrowings disclosed under the head "current borrowings" (Refer Note no. 18 (c))	(27.68)	(25.88)
	295.77	300.81

Note :14 (a)

(i) Secured Loan:

Vehicle Loan

From Daimler Financial Services Pvt. Ltd.

Nature of security

Secured by hypothecation of vehicles

Rate of Interest

The rate of interest is 10.6434 % p.a.

Terms of Repayment

Equated monthly installment of ₹85,881/- commencing from 4th August, 2018 and ending on 4th July, 2021.

(ii) Secured Loan:

Vehicle Loan

From HDFC Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 8.70 % p.a.

Terms of Repayment

Equated monthly installment of ₹64,444/- commencing from 12th December, 2019 and ending on 7th November, 2022.

(iii) Secured Loan:

Vehicle Loan

From HDFC Bank

Nature of security

Secured by hypothecation of vehicle

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Rate of Interest

The rate of interest is 9.1111 % p.a.

Terms of Repayment

Equated monthly installment of ₹21,970/- commencing from 16th November, 2019 and ending on 7th December, 2022.

(iv) Secured Loan:

Vehicle Loan

From HDFC Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 8.10 % p.a.

Terms of Repayment

Equated monthly installment of ₹40,522/- commencing from 5th October, 2020 and ending on 5th September, 2023.

(v) Secured Loan:

Vehicle Loan

From ICICI Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 7.75 % p.a.

Terms of Repayment

Equated monthly installment of ₹31,262/- commencing from 1st March, 2021 and ending on 1st February, 2024.

(vi) Secured Loan:

Vehicle Loan

From Kotak Bank

Nature of security

Secured by hypothecation of vehicle

Rate of Interest

The rate of interest is 7.32 % p.a.

Terms of Repayment

Equated monthly installment of ₹1,28,710/- commencing from 9th September, 2021 and ending on 1st August, 2026.

(vii) Secured Loan:

Vehicle Loan

From Bank of Baroda

Nature of security

Secured by hypothecation of vehicle

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Rate of Interest

The rate of interest is 8.20 % p.a.

Terms of Repayment

Equated monthly installment of ₹93,595/- commencing from 10th September, 2022 and ending on 10th August, 2025.

15 Lease Liabilities

	₹ in Lakh	
	31-03-2023	31-03-2022
Lease Liabilities (Refer Note 36)	13.48	11.89
	13.48	11.89

16 Non-Current Provisions

	₹ in Lakh	
	31-03-2023	31-03-2022
Provisions for employees benefits		
Provision for Gratuity (Refer Note no.37)	71.26	59.22
Provisions for Leave Encashment Benefits	10.72	9.65
	81.98	68.86

17 Deferred Tax Liabilities (Net)

	₹ in Lakh	
	31-03-2023	31-03-2022
Items leading to Deferred Tax Liability		
Difference in Property Plant and Equipment as per Income Tax and Books of Accounts	398.50	386.04
Right to Use Asset	(3.81)	(0.29)
Items leading to Deferred Tax		
Expenses allowable on Payment basis	(47.95)	(23.62)
Net (Deferred Tax Liability)	346.74	362.13

18 Current Borrowings

	₹ in Lakh	
	31-03-2023	31-03-2022
a) Secured [Refer note no-18(a)]		
Working capital loan from bank	175.67	1036.81
	175.67	1036.81
b) Unsecured Deposits		
Repayable on demand		
Loan from Director of Subsidiary Company	0.92	0.93
	0.92	0.93
c) Current Maturities of Long Term Borrowings		
Vehicle Loans	27.68	25.88
	204.27	1063.62

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Note No :18(a)

Nature of security

- a) Working capital facilities from Axis Bank, HDFC Bank and Kotak Bank is secured by first pari-pasu charge on all existing & future current assets & tangible property plant and equipment of the Company (Other than Vehicles). The Company has also provided collateral security of factory land and building at Jhagadia, Gujarat and Hatkanangale, Maharashtra. The rate of interest is ranging between 7.50% to 8.75% [Previous Year - 7.50 % to 7.65%]

19 Trade Payables

₹ in Lakh

	31-03-2023	31-03-2022
Trade payables (Refer Note No. 43)		
Total outstanding dues of Micro Enterprises and Small Enterprises	31.42	42.35
Total outstanding dues of other than Micro Enterprises and Small Enterprises	2,096.85	3,091.23
	2,128.27	3,133.58

Trade Payables - Ageing Schedule (FY 2021-2023)

₹ in Lakh

Particulars	Outstanding for following periods from due date of period					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	31.42	-	-	-	-	31.42
(ii) Others	1,946.20	140.65	3.03	6.92	0.05	2,096.85
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	1,977.62	140.65	3.03	6.92	0.05	2,128.27

Trade Payables - Ageing Schedule (FY 2021-2022)

₹ in Lakh

Particulars	Outstanding for following periods from due date of period					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	42.35	-	-	-	-	42.35
(ii) Others	2,973.63	98.85	8.46	2.24	8.05	3,091.23
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	3,015.97	98.85	8.46	2.24	8.05	3,133.58

20 Other Financial Current Liabilities:

₹ in Lakh

	31-03-2023	31-03-2022
Unpaid Dividend *	29.07	18.79
Employee Benefit Payable	54.77	50.74
Payable for Other Expenditure	170.32	208.37
Interest Free Security Deposits	7.50	7.50
	261.66	285.40

* Amount due to be credited to Investor Education and Protection Fund is Nil (Previous Year - Nil)

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

21 Other Current Liabilities:

	₹ in Lakh	
	31-03-2023	31-03-2022
Advance from Customers (Contract Liabilities)	5.35	52.09
Statutory Dues	72.64	44.20
	78.00	102.32

Movement of Contract Liabilities is as under:

	₹ in Lakh	
	31-03-2023	31-03-2022
Balances at the beginning of year	52.09	22.46
Recognised as revenue from contract with customers	(52.09)	(22.46)
Advances from customer received during the year	5.35	52.09
Balances at the end of year	5.35	52.09

22 Current Provisions

	₹ in Lakh	
	31-03-2023	31-03-2022
Provisions for employee benefits:	7.99	6.39
Gratuity	1.97	1.71
Leave benefits	9.97	8.09

23 Revenue from Operations

	₹ in Lakh	
	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
a) Sale of Products	42,893.36	48,438.42
Sale of Renewable Energy	96.39	97.84
[Refer Note 23(a)]	42,989.75	48,536.26
b) Other Operating Revenue		
Export Entitlement	41.98	53.51
Commission Income	12.31	15.85
	54.28	69.36
Revenue from Operations	43,044.03	48,605.62
Note No 23(a)		
Gross Sales (Contracted Price)	43,007.80	48,554.36
Discount	18.05	18.10
Revenue Recognised	42,989.75	48,536.26

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

24 Other Income

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Interest income		
From Bank	28.60	23.45
From Others	5.45	1.55
	34.05	24.99
Profit on Sale of Property Plant and Equipments	-	1.59
Gain on Foreign Exchange Transaction	98.76	87.50
Net Gain on Fair Value Changes on Financial Instruments	4.12	2.57
Rental Income	21.25	19.32
Other Non-Operating Income	46.06	62.64
	204.24	198.62

25 Cost of Materials Consumed [Refer Note no.25(a)]

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Inventory at the beginning of the year	2,652.00	1,505.21
Add: Purchases	3,689.11	8,048.92
Add: Transferred from traded goods	368.80	100.94
	6,709.91	9,655.07
Less: Inventory at the end of the year	1,033.87	2,652.00
	5,676.04	7,003.07
Note No 25(a)		
(i) Details of Materials Consumed		
Chemical	5,676.04	7,003.07
Others	-	-
	5,676.04	7,003.07
(ii) Details of Inventory of Raw Materials		
Chemical	1,032.88	2,651.01
Others	0.99	0.99
	1,033.87	2,652.00

26 Purchase of Traded Goods

₹ in Lakh

	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Purchases	32,707.14	33,221.49
Consumed in manufacturing	177.79	64.53
	32,529.36	33,156.96

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

27 (Increase)/Decrease in Inventories

	₹ in Lakh	
	For the Year Ended 31-03-2023	For the Year Ended 31-03-2022
Opening traded goods	1,523.54	2,592.29
Consumed in manufacturing	191.01	36.41
Closing traded goods [Refer Note no.27(a)(i)]	1,293.51	1,523.54
	39.01	1,032.34
Opening Work-in-Progress	230.66	155.59
Closing Work-in-Progress [Refer Note no.27(a)(ii)]	423.71	230.66
	(193.05)	(75.08)
Opening Finished Goods	118.16	115.25
Closing Finished Goods [Refer Note no.27(a)(iii)]	100.64	118.16
	17.52	(2.91)
Total (Increase)/Decrease in Inventories	(136.51)	954.35
Note No 27(a)		
Details of Inventories at the end of the year		
(i) Traded Goods		
Chemicals	1,272.41	1,506.73
Others	21.10	16.81
	1,293.51	1,523.54
(ii) Work-in-Progress		
Chemical	421.10	228.06
Others	2.60	2.60
	423.71	230.66
(iii) Finished Goods		
Chemical	85.86	103.39
Others	14.77	14.77
	100.64	118.16

28 Employee Benefit Expenses

	₹ in Lakh	
	31-03-2023	31-03-2022
Salaries, Wages and Bonus (Including Director Remuneration and Commission) *	836.17	673.91
Contribution to Provident Fund and Other Funds	34.80	31.10
Staff Welfare Expenses	16.01	12.56
	886.98	717.57

* Share Based Payment Expenses Accrued in Salaries, Wages and Bonus - ₹63.21 Lakh (P.Y. - NIL)

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Share Based Payments

The Holding Company has granted share based incentives to certain employees on 13th August, 2021 for which approval received from SEBI on 1st December, 2022 under BRIL Employee Stock Options Scheme 2020 ("BRIL ESOS 2020") approved by Nomination and Remuneration Committee (NRC). As per the scheme, the number of options that will be granted based upon length of service, grades, salary cost of the employee to the Company, performance appraisals and / or any other factors as determined by NRC. The options granted under this scheme is exercisable by employees within one year from date of its vesting. The Company has granted options at an exercise price of ₹134.22/-. Option granted will vest in the ratio of 30:30:40 each year starting from 2nd year from date of grant up to 4th year from date of grant.

	31-03-2023 No.
Options outstanding at the beginning of the year	155,300
Granted during the year	-
Forfeited/Expired/Lapsed during the year	10,000
Exercised during the year	-
Outstanding at the end of the year	145,300

The Company has estimated fair value of options using Black Scholes model. The following assumptions were used for calculation of fair value of options granted

Assumption factor	Estimates 31-03-2023
Risk Free Rate	4.12% - 5.24%
Expected Life of Option	1.5 -3.5 years
Expected Volatility	49.62% - 52.43%

29 Finance Costs

	31-03-2023	31-03-2022
Interest Paid		
- Bank	60.78	43.65
- Unsecured Loan	43.55	14.87
Lease Liabilities	1.30	1.44
- Interest on Statutory Dues	62.81	0.14
Other Borrowing Cost	15.43	29.03
	183.87	89.13

30 Depreciation and Amortization Expenses

	31-03-2023	31-03-2022
Depreciation of Property, Plant & Equipments		
- On Owned Asset	261.42	234.12
- On Leased Asset	25.85	23.09
Amortization of Intangible Assets	16.24	4.72
	303.51	261.93

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

31 Other Expenses

	₹ in Lakh	
	31-03-2023	31-03-2022
Power and Fuel	186.52	179.31
Rent	68.37	54.03
Rates and Taxes	16.06	2.78
Insurance	58.58	38.84
Repairs and Maintenance		
Plant and Machinery	22.02	15.18
Buildings	17.60	4.09
Others	6.65	5.13
Legal and Professional Fees	94.36	78.17
Royalty	137.84	288.12
Payment To Auditor [Refer Note no.31(a)]	8.29	6.59
Selling & Distribution Expenses	256.96	284.69
Brokerage & Commission Expenses	104.40	213.28
Windmill Maintenance Charges	26.98	25.65
Travelling and Conveyance	101.05	62.59
Provision for Doubtful Advances	1.02	-
Provision For Doubtful Deposits	1.01	-
Packing Material Consumed	399.92	452.78
Utility Material Consumed	67.44	36.21
Export Expenses	829.26	373.93
Security Charges	14.07	12.09
Corporate Office Expenses	17.47	16.40
Warehousing Charges	41.59	41.38
Vehicle Expenses	17.80	18.23
Bank Charges	23.15	47.92
CSR Expenses [Refer Note no.42]	93.34	40.71
Communication Costs	13.80	12.63
Printing and Stationery	4.18	6.00
Labour and Job Work Charges	2.04	1.72
Office Expenses	14.95	17.56
Miscellaneous Expenses	63.15	60.68
	2,709.86	2,396.70
Note No: 31(a)		
Details of Payment To Auditor		
As Auditor		
Audit Fees	6.00	4.00
Limited Review	1.00	0.90
In Other Capacity		
Certification Fees	0.07	0.59
Reimbursement of Expenses	0.22	0.10
	7.29	5.59
Cost Auditor		
As Audit Fees	1.00	1.00
	1.00	1.00
	8.29	6.59

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

32 Fair Values and Hierarchy

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below . It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

i) 31-Mar-23	Note No.	Carrying Amount			Fair Value				₹ in Lakh
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial Assets									
Other Financial Assets	3 & 10	4.12	-	41.47	45.59	-	4.112	-	45.59
Trade Receivables	6	-	-	5,892.06	5,892.06	-	-	-	5,892.06
Cash and Cash Equivalents	7	-	-	883.21	883.21	-	-	-	883.21
Bank Balances other than Cash & Cash Equivalents	8	-	-	1,128.98	1,128.98	-	-	-	1,128.98
Loans	9	-	-	1.90	1.90	-	-	-	1.90
		4.12	-	7,947.62	7,951.74	-	4.12	-	7,951.74
Financial Liabilities									
Borrowings	14 & 18	-	-	500.04	500.04	-	-	-	500.04
Lease Liabilities	15	-	-	13.48	13.48	-	-	-	13.48
Trade Payables	19	-	-	2,128.27	2,128.27	-	-	-	2,128.27
Other Financial Liabilities	20	-	-	261.66	261.66	-	-	-	261.66
		-	-	2,903.45	2,903.45	-	-	-	2,903.45

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

₹ in Lakh

ii) 31-Mar-22	Note No.	Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets									
	3 & 10	2.57	-	82.74	85.32	-	2.57	-	85.32
	6	-	-	6,631.44	6,631.44	-	-	-	6,631.44
	7	-	-	872.37	872.37	-	-	-	872.37
	8	-	-	458.94	458.94	-	-	-	458.94
	9	-	-	6.49	6.49	-	-	-	6.49
		2.57	-	8,051.99	8,054.56	-	2.57	-	8,054.56
Financial Liabilities									
	14 & 18	-	-	1,364.43	1,364.43	-	-	-	1,364.43
	15	-	-	11.89	11.89	-	-	-	11.89
	19	-	-	3,133.58	3,133.58	-	-	-	3,133.58
	20	-	-	285.40	285.40	-	-	-	285.40
		-	-	4,795.30	4,795.30	-	-	-	4,795.30

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The management assessed that cash and cash equivalents, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Fair Value of financial assets included is the amount at which the instrument could be exchanged in a current transaction between willing parties.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

33 Capital Management (Ind AS 1):

For the purpose of Group's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Group. The primary objective of the Group's Capital Management is to maximise the Shareholder's wealth.

The Group monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars	₹ in Lakh	
	As at 31 st March, 2023	As at 31 st March, 2022
Total Debt	500.04	1,364.43
Equity	12,707.80	12,234.83
Debt to Equity (Net)	0.04	0.11

In addition, the Holding Company has financial covenants relating to the some of the borrowing facilities that it has to maintain Aggregate Tangible Net Worth which is maintained by the Holding Company.

34 Financial Risk Management (Ind AS 1):

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Group Company. The principal financial assets include trade and other receivables, investments and cash and short term deposits.

The Group has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i) Market Risk:

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans and borrowings, investments and foreign currency receivables, payables and borrowings.

a) Interest Rate Risks :

The Holding Company borrows funds in Indian Rupees and Foreign Currency, to meet both the long term and short term funding requirements. The Interest rate risk in terms of foreign currency is managed through available financial instruments. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year.

If the interest rates had been 1% higher / lower and all other variables held constant, the Holding company's profit for the year ended 31st March, 2023 would have been decreased/increased by ₹ 6.15 Lakh (Previous Year - ₹ 12.95 Lakh).

b) Foreign Currency Risks :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge its foreign currency exposures. Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

Holding Company's details of Derivative instruments and unhedged foreign currency exposure

a) Derivatives outstanding as at the balance sheet date

Particulars Forward contract to buy	For Hedging of foreign currency purchases		
	Amount in US\$	₹ in Lakh	No. of Contracts
As on 31-03-2023	514,000.00	422.38	6
As on 31-03-2022	1,180,559.00	894.83	2

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

Forward contract to sell	For Hedging of foreign currency sales		
	Amount in US\$	₹ in Lakh	No. of Contracts
As on 31-03-2023	1,886,220.00	1,549.81	9
As on 31-03-2022			

b) Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars	As on 31-03-2023		As on 31-03-2022	
	Amount in US\$	₹ in Lakh	Amount in US\$	₹ in Lakh
Payable	550,949.28	452.74	2,266,897.50	1,718.25
Receivable	732,233.07	601.64	593,197.77	449.57

Particulars	As on 31-03-2023		As on 31-03-2022	
	Amount in JPY	₹ in Lakh	Amount in JPY	₹ in Lakh
Payable	-	-	16,666,200.00	103.56
Receivable	-	-	345,260.00	2.15

Particulars	As on 31-03-2023		As on 31-03-2022	
	Amount in EURO	₹ in Lakh	Amount in EURO	₹ in Lakh
Trade Payable	-	-	-	-

The Holding Company is mainly exposed to changes in US Dollar . The sensitivity to 1% increase or decrease in US Dollar against INR with all other variables held constant will be ₹ 2.20 Lakh. (Previous Year - ₹ 13.70 Lakh).

The Sensitivity analysis is prepared on the net unhedged exposure of the Holding company at the reporting date.

c) Price Risks:

The Holding Company's revenue are generated from both domestic and export sales. As most of the products including raw material and traded goods are imported, any volatility in the price and exchange rate are easily passon to the customers. The Company has a risk management policy in place to prudently manage the risk arising from the volatility in exchange and commodity prices.

ii) Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. It arises from credit exposure to customers, financial instruments viz., Investments in Equity Shares, Debt Funds and Balances with Banks.

The Group holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

The group limits its exposure to credit risk by generally investing only with counterparties that have a good credit rating. The group does not expect any losses from non-performance by these counterparties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31st March, 2023 is 0.79% of ₹the total trade receivables. The group uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

iii) Liquidity Risk

The group manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The group has obtained fund and non-fund based working capital lines from banks. The group monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility. All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The group has a system of forecasting rolling one month cash inflow and outflow and all liquidity requirements are planned.

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	Refer Note	(₹ in Lakh)			
		Less than 1 year	1-3 Years	3-5 Years	More than 5 Years
Borrowings	14, & 18	450.63	43.09	6.32	-
		(1,312.18)	(31.52)	(20.72)	-
Lease Liabilities	15	-	13.48	-	-
		-	(11.89)	-	-
Trade Payable	19	2,128.27	-	-	-
		(3,133.58)	-	-	-
Other Financial Liabilities	20	177.82	-	-	-
		(215.87)	-	-	-
Employee Benefit/ Expense liabilities	20	54.77	-	-	-
		(50.74)	-	-	-
Unclaimed dividends	20	29.07	-	-	-
		(18.79)	-	-	-

Figures in brackets are in respect of previous year.

35 Income Taxes (Ind AS 12):

(i) Reconciliation of Holding Company's tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	₹ in Lakh	
	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
Profit Before Tax	904.07	4,091.88
Applicable tax rate @ 25.170% (31 st March, 2021 @ 25.17%)	227.54	1,029.84
Effect of Tax Exempt Income	-	-
Effect of Non-Deductible expenses	32.39	13.28
Effect of Allowances for tax purpose	(11.62)	-
Effect of Tax paid at a lower rate	(1.60)	(1.46)
Effect of Previous year adjustments	1.44	-
Others	(1.76)	0.31
Total	246.38	1,041.98
Effective Tax Rate	27.25%	25.46%

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

(ii) Movement of Deferred Tax assets and liabilities

For the Year Ended 31st March, 2023

Particulars	₹ in Lakh			
	As at 01 st April, 2022	Statement of Profit and Loss	OCI	As at 31 st March, 2023
Property Plant and Equipments and other Intangible Asset	(386.04)	12.46	-	(398.50)
Employee Benefit	23.62	(5.20)	-	28.82
Others	0.29	(22.65)	-	22.94
	(362.13)	(15.39)	-	(346.74)

For the Year Ended 31st March, 2022

Particulars	₹ in Lakh			
	As at 01 st April, 2022	Statement of Profit and Loss	OCI	As at 31 st March, 2023
Property Plant and Equipments and other Intangible Asset	(379.66)	6.38	-	(386.04)
Employee Benefit	21.12	(2.50)	-	23.62
Others	(1.05)	(1.34)	-	0.29
	(359.59)	2.54	-	(362.13)

36 Lease (Ind AS 116):

	₹ in Lakh	
	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A. Lease Liability Maturity Profile - Lessee		
1. Future Minimum Lease Payments under non-cancellable operating lease for the period		
(a) Not later than one year	28.19	26.22
(b) Later than one year but not later than 5 years	7.39	2.52
(c) More than 5 years	-	-
2. Lease payments charged to Profit and Loss Account		
Rental expenses	68.37	54.03
Depreciation	25.85	23.09
Interest	1.30	1.44
3. Cash Flow Statement		
Cash Outflow for payment of Lease	(13.16)	(2.52)

4. The holding company has taken premises on leases. The lease typically runs for a period of 1 to 5 years with an option to renew the lease after that period. The lease payments for the entire lease period are fixed at the time of entering into the lease agreement and are renegotiated towards the end of the lease period in case of renewals.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
B. Lease Receivable Maturity Profile - Lessor		
1. Future Minimum Lease Receipt under non-cancellable operating lease for the period		
(a) Not later than one year	-	-
(b) Later than one year but not later than 5 years	-	-
(c) More than 5 years	-	-
2. Lease payments charged to Profit and Loss Account		
Rental Income	21.25	19.32

37 Employee Benefits (Ind AS 19)

(A) Defined Benefit Plans:

Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the holding company and is in accordance with the rules of the holding company for payment of gratuity

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the holding company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the holding company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Statement of Assets and Liabilities for Defined Benefit Obligation :

	As at 31 st March, 2023	As at 31 st March, 2022
Gratuity and other post employment benefit plans.		
(i) Change in present value of obligation		
Balance at the beginning of the year	65.60	55.48
Adjustment of:	-	-
Interest Cost	4.40	3.47
Current Service Cost	11.24	9.46
Past Service Cost	-	-
Actuarial (Gains)/Losses on Obligation - Due to Change in Demographic Assumptions	-	-
(Liability Transferred Out/Disinvestment)	-	-
Benefit paid directly by the Employer	(3.31)	(3.18)
Actuarial (Gains)/Losses on Obligation - Due to Change in Demographic Assumptions	-	0.03
Actuarial (Gains)/Losses on Obligation - Due to Change in Financial Assumptions	(2.66)	0.44
Actuarial (Gains)/Losses on Obligation - Due to Experience	3.98	(0.12)
Balance at the end of the year	79.25	65.60

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

₹ in Lakh

Gratuity and other post employment benefit plans.	As at 31 st March, 2023	As at 31 st March, 2022
(ii) Change in Fair Value of Assets		
Fair Value of Plan Assets at the beginning of the period	-	-
Interest Income	-	-
Contributions by the Employer	-	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The effect of changes in foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	-	-
Fair Value of Plan Assets at the End of the Period	-	-
(iii) Net Asset / (Liability) recognised in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the period)	(79.25)	(65.60)
Fair Value of Plan Assets at the end of the period	-	-
Funded Status (Surplus/ (Deficit))	(79.25)	(65.60)
Net (Liability)/Asset Recognized in the Balance Sheet	(79.25)	(65.60)
(iv) Expenses recognised in the Statement of Profit and Loss		
Current Service Cost	11.25	9.46
Net Interest Cost	4.40	3.47
Past Service Cost	-	-
Expenses Recognized	15.64	12.94
(v) Re-measurements recognised in Other Comprehensive Income (OCI):		
Actuarial (Gains)/Losses on Obligation for the period	1.32	0.36
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense for the period recognized in OCI	1.32	0.36
(vi) Maturity profile of defined benefit obligation :		
Projected Benefits Payable in future years from the date of reporting		
1 st Following Year	7.99	6.39
2 nd Following Year	8.73	6.59
3 rd Following Year	9.14	6.59
4 th Following Year	9.38	7.14
5 th Following Year	14.06	7.38
Sum of Years 6 To 10	40.36	36.55
Sum of Years 11 and above	34.43	31.96
(vii) Sensitivity analysis for significant assumptions:*		
Projected Benefit Obligation on Current Assumptions	79.25	65.60
Delta Effect of +1% Change in Rate of Discounting	(3.77)	(3.46)
Delta Effect of -1% Change in Rate of Discounting	4.16	3.84
Delta Effect of +1% Change in Rate of Salary Increase	3.62	3.41
Delta Effect of -1% Change in Rate of Salary Increase	(3.59)	(3.34)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.83)	(0.93)
Delta Effect of -1% Change in Rate of Employee Turnover	0.89	1.00

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

		₹ in Lakh	
Gratuity and other post employment benefit plans.		As at 31 st March, 2023	As at 31 st March, 2022
(viii) Actuarial Assumptions:			
Discount Rate (p.a.)		6.70%	6.70%
Expected Return on Plan Assets (p.a.)		N.A.	N.A.
Turnover Rate		14.00%	14.00%
Mortality Rate During Employment		Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Salary Escalation Rate (p.a.)		10.00%	10.00%
Retirement age		60 years	60 years
(ix) Weighted Average duration of defined benefit obligation		6 years	7 years

*The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

- (x) Gratuity is payable as per holding company's scheme as detailed in the report.
- (xi) Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.
- (xii) Salary escalation & attrition rate are considered as advised by the holding company; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- (xiii) Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.
- (xiv) Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.
- (xv) Weighted Average Duration of the Defined Benefit Obligation is the weighted average of cash flow timing, where weights are derived from the present value of each cash flow to the total present value.

(B) Defined Contribution Plans:

		₹ in Lakh	
		As at 31 st March, 2023	As at 31 st March, 2022
Employers Contribution To Provident Fund & Labour Welfare Fund Debited to Profit and Loss A/c		34.80	31.10

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

38 Related party disclosures (Ind AS 24):

(A) Information about related parties :

(i) Holding company Wedgewood Holdings Limited, Mauritius

(B) Other Related Parties with whom there were transactions during the year:

Parties	Relationship
Anup Jatia, Executive Director	Key Management Personnel (KMP)
Sandeep Chokhani, Whole-Time Director	Key Management Personnel (KMP)
Ratan Agrawal, Chief Financial Officer	Key Management Personnel (KMP)
Ambarish Daga, Joint Chief Financial Officer	Key Management Personnel (KMP)
Harshita Shetty, Company Secretary (From 29 th June, 2022)	Key Management Personnel (KMP)
Hitoshi Matui, Director of Subsidiary Company	Key Management Personnel (KMP)
Black Rose Trading Private Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Tozai Safety Private Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Tozai Enterprises Private Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Fukui Accent Trading (India) Pvt Ltd	Enterprises owned or significantly influenced by any management personnel or their relatives
Accent Industries Limited	Enterprises owned or significantly influenced by any management personnel or their relatives
Atmasantosh Foundation	Enterprises owned or significantly influenced by any management personnel or their relatives

(a) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transactions	₹ in Lakh	
	Key Management Personnel	Other related parties as in 39(A)(iii)
Revenue	-	880.11
	-	(7.82)
Purchase	-	263.39
	-	(1,177.08)
Rent Expenses	-	60.02
	-	(53.76)
Directors Remuneration (including Commission)	190.82	-
	(143.48)	-
Salary Expenses	59.52	-
	(37.21)	-
Gratuity Paid	2.34	-
	(2.34)	-
Interest Expenses	17.34	26.21
	-	(14.87)
Rent Income	-	21.25
	-	(19.32)
CSR Contribution	-	54.45
	-	(24.00)
Loan Taken	500.00	1,000.00
	-	(1,275.00)

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

₹ in Lakh		
Nature of Transactions	Key Management Personnel	Other related parties as in 39(A)(iii)
Loan Repaid	500.00	1,000.00
	-	(1,275.00)
Reimbursement of Expenses Paid	-	2.14
	-	(0.57)
Reimbursement of Expenses Received	-	55.75
	-	(44.43)

(b) Balance as at 31st March, 2023

₹ in Lakh		
Nature of Transactions	Key Management Personnel	Other related parties as in 39(A)(iii)
Security Deposit Received	-	7.50
	-	(7.50)
Trade Receivable	-	1,026.28
	-	-
Director Remuneration Payable	2.43	-
	-	-
Advances to Suppliers	-	27.07
	-	-
Director's Loan Payable	0.92	-
	(0.94)	-

Note :

- The above related party transaction is as disclosed by the management and relied upon by auditor.
- Post employment benefits and long term employee benefits are determined on the basis of actuarial valuation for the company as a whole and hence segregation is not available.
- Figures in brackets represent previous year figure.

39 Earnings per Share (EPS) (Ind AS 33):

₹ in Lakh		
Particulars	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	791.87	3,189.70
(ii) Weighted average number of Equity Shares outstanding (Nos.)	510.00	510.00
Basic EPS (₹) (i)/(ii)	1.55	6.25
(B) Diluted EPS:		
(i) Net Profit attributable to Equity Shareholders	791.87	3,189.70
(ii) Weighted average number of Equity Shares outstanding (Nos.)	510.00	510.00
(iii) Add : Weighted average no. of equity shares on account of employees stock option *	(0.31)	-
Diluted EPS (₹) (i)/(ii)	1.55	6.25

* Since potential equity shares on account of ESOP are negative, the EPS will be anti dilutive.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

40 Contingent Liabilities (Ind AS 37)

(a) Contingent liabilities not provided for in respect of :

- (i) Disputed Income Tax demands of ₹221.46 Lakh (P.Y. ₹221.46 Lakh) for which Company has filed an appeal with Commission of Income Tax (Appeal). The management is of the opinion that the said demand need to be deleted completely and accordingly no provision has been made.

41 Segment Reporting (Ind AS 108):

(i) Entity-wise disclosure required by Ind AS 108 are as detailed below:

Particulars	₹ in Lakh	
	2022-23	2021-22
Chemicals	42,834.44	48,350.72
Others	155.31	185.54
	42,989.75	48,536.26

(ii) Geographic information

The geographic information analyses the Group's revenues and non-current assets by the Holding Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from Customers

Particulars	₹ in Lakh	
	2022-23	2021-22
India	19,454.90	30,738.17
Outside India	23,534.85	17,798.09
	42,989.75	48,536.26

b) Non-current assets (other than financial instruments)

Particulars	₹ in Lakh	
	2022-23	2021-22
India	5,013.28	4,760.17
Outside India	-	-
	5,013.28	4,760.17

- (iii) The group has earned a revenue of 10% of total revenue from his external customer amounting ₹ 5,512.63 (P.Y - Nil)

Notes

The Group is engaged interalia in the business of Chemicals. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

42 Corporate Social Responsibility:

The detail of amount required to be spent by the holding company under Section 135 of the Companies Act, 2013 is as follows :

	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
(a) Gross amount required to be spent by the Holding company during the year	68.42	53.87
(b) amount of expenditure incurred	-	-
- Expenditure made	68.42	53.87
- Out of above deposited in Bank in Unspent Account	21.19	24.92
(c) shortfall at the end of the year	-	-
(d) total of previous years shortfall	-	11.76
(e) reason for shortfall	-	The funds are to be utilized for on going projects .
(f) nature of CSR activities	Promoting education and health care	Promoting education and health care
(g) details of related party transactions, e.g., contribution to a trust controlled by the Holding company in relation to CSR expenditure as per relevant Accounting Standard	54.45	24.00
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-
Opening CSR Payable	-	-
Amount Required to be spent in current year	68.42	53.87
CSR expenditure of prior years	24.92	11.76
Total Expenditure debited to profit and loss account	93.34	40.71
Less: Amount Spent during the year	(72.15)	(40.71)
a) Holding Company's bank account	(47.22)	(28.95)
b) Separate CSR Unspent account	(24.92)	(11.76)
Closing CSR Payable	21.19	-

(i) Unspent CSR amount for financial year 2021-22: ₹ 24.92 lakhs, utilised: 24.92 lakhs

(j) Above includes ₹ 21.19 lakh of corporate social responsibility (CSR) expenses related to ongoing projects as at 31st March 2023 (31st March 2022 : ₹ 24.92 lakh). The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account" for the financial year 22-23("UCSRA- FY 22-23") of the holding company within 30 days from the end of the financial year.

43 Some of the suppliers have sent their intimations of them being the Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. However, there were no amounts payable at the year end together with interest paid / payable beyond as stipulated period as required under the said Act.

In respect of other suppliers, the Holding Company has not received any intimation regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given to that extent.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

44 Reconciliation of liabilities from financing activities

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Borrowings		
Opening Balance	1,364.43	1,641.99
Cash inflow/ (outflow) of non-current borrowings	(5.04)	16.58
Cash inflow/(outflow) of current borrowings	(859.35)	(294.15)
Closing Balance	500.04	1,364.43

45 Value of Imports calculated on CIF basis in respect of Holding Company

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Raw Materials	7,829.15	12,404.30
Traded Goods	5,076.61	8,055.40
Others	29.42	84.35
	12,935.18	20,544.06

46 Expenditure in Foreign Currency in respect of Holding Company

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Interest on short term borrowings	-	1.63
Membership & Subscription	6.14	7.46
Royalty	137.84	288.12
Travelling	11.98	13.87
Books & Periodicals	-	0.94
Brokerage & Commission	3.57	4.53
Computer & Software Expenses	0.49	1.73
License Fees	40.10	-
Freight Charges	270.04	-
	470.15	318.26

47 Imported and indigenous raw materials, components consumed:

	₹ in Lakh			
	% of total consumption	Value	% of total consumption	Value
	31 st March, 2023	31 st March, 2023	31 st March, 2022	31 st March, 2022
Raw Materials				
Imported	93.78%	5,323.08	90.07%	6,307.63
Indigenously obtained	6.22%	352.96	9.93%	695.44
	100.00%	5,676.04	100.00%	7,003.07

48 Earnings in foreign currency in respect of Holding Company

Particulars	₹ in Lakh	
	31 st March, 2023	31 st March, 2022
Exports at F.O.B. Value	7,611.91	3,223.46
Commission Income	12.31	9.98
	7,624.22	3,233.44

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

- 49** The Holding Company has not traded or invested in crypto currency or virtual currency during the year.
- 50** The Holding 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 like to or on behalf of the Ultimate Beneficiaries.
- The Holding 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 Holding 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 Company (Ultimate Beneficiaries) or,
 - (b) Provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.
- 51** The Holding Company does not have any charges or satisfaction of charges which are yet to be registered with ROC beyond the statutory period.
- 52** The Holding Company does not have any scheme of arrangements which have been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013.
- 53** Provision regarding the number of layers prescribed under Section 2 (87) of the Act read with the Companies (Restriction on number of layers) Rules, 2017 is not applicable
- 54** The Holding Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of Income Tax Act, 1961).
- 55** The Holding Company is not declared as willful defaulter by any bank or financial institution or other lenders.
- 56** There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies Act, 2013.
- 57** No proceedings initiated or pending against the Holding Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988
- 58** The Holding Company has announced a proposed dividend of Re. 0.55/- per share for the financial year 2022-23 and shall be recognized once the dividend is paid.
- 59** The notes to these consolidated Ind AS financial statement are disclosed to the extent relevant and necessary for presenting a true and fair view of the consolidated Ind AS financial statements based on section 129(4) of The Companies Act, 2013 and as clarified vide Circular No. 39/2014 dated 14th October, 2014.
- 60** In the Opinion of the Board of Directors, the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Notes to Consolidated Financial Statements

For the year ended 31st March, 2023

- 61** a) Figures have been disclosed in rupees in lakh.
b) Previous year's figures have been regrouped and / or reclassified wherever found necessary to confirm current year's presentation.

As per our report of even date attached

For and on behalf of M.M. Nissim & Co LLP
Chartered Accountants
Firm Regn. No. 107122W/W100672

N. Kashinath
Partner
Membership No. 036490

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

Anup Jatia
Executive Director
DIN : 00351425

Ambarish Daga
Joint Chief Financial Officer

Ratan Kumar Agrawal
Director & Chief Financial Officer
DIN : 10157423

Harshita Shetty
Company Secretary

Corporate Information

Board of Directors and Key Managerial Personnel

Mr. Ambarish Daga (DIN - 07125212)

Director and Joint Chief Financial Officer and Investor Relations Officer

Mrs. Shruti Jatia (DIN - 00227127)

Director

Mr. Anup Jatia (DIN - 00351425)

Director

Mr. Basant Kumar Goenka (DIN - 00227217)

Non-Executive Independent Director

Mr. Sujay Sheth (DIN - 03329107)

Non-Executive Independent Director

Mr. Rishabh Saraf (DIN - 00161435)

Non-Executive Independent Director

Mr. Abhishek Murarka (DIN - 00876022)

Non-Executive Independent Director

Mrs. Deepa Poncha (DIN - 01916512)

Non-Executive Independent Director

Mr. Ratan Kumar Agrawal

Chief Financial Officer

Mrs. Harshita Shetty

Company Secretary and Compliance Officer

Bankers

Kotak Mahindra Bank Limited

Axis Bank Limited

HDFC Bank Limited

Statutory Auditors

M/s. M M Nissim & Co. LLP, Chartered Accountants,

Firm Registration No. – 107122W/W100672

Barodawala Mansion, B Wing, 3rd Floor,

81, Dr. Annie Besant Road, Worli, Mumbai - 400 018

Corporate Identity Number

L17120MH1990PLC054828

Registered Office

145/A, Mittal Tower, Nariman Point,

Mumbai - 400 021.

Tel.: +91 22 4333 7200; Fax: +91 22 2287 3022

Email: investor@blackrosechemicals.com

Registrar & Share Transfer Agents

M/s. Satellite Corporate Services Private Limited

Office No. A 106 & 107, Dattani Plaza, East West Compound,

Andheri Kurla Road, Safedpul, Sakinaka, Mumbai - 400 072.

Tel: 022 2852 0461 / 62; Fax: 022 2851 1809

E-mail Id: service@satellitecorporate.com

Factories

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11-18, Phase No. 2, Shree Laxmi Co-op. Industrial Estate Ltd., Hatkanangle - 416 109, Ichalkaranji.



Black Rose Industries Limited

CIN: L17120MH1990PLC054828

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Mumbai – 400 021

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