21st Floor, B Wing, Privilon
Ambli BRT Road, Behind Iskcon Temple
Off SG Highway, Ahmedabad - 380 059, India
Tel : +91 79 6608 3900

INDEPENDENT AUDITOR'S REPORT

To the Members of Kilburn Chemicals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Kilburn Chemicals Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information hereinafter referred to as financial statement.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 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 together with the ethical requirements that are relevant to our audit of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Director's report is not made available to us at the date of auditor's report. We have nothing to report in this regard.

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Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on April 29, 2022.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

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(f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of 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, 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 financial statements - Refer Note 33 to the 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 23101974BGUFLI5080
Place of Signature: Ahmedabad
Date: April 29, 2023

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Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Kilburn Chemicals Limited for the year ended March 31, 2023.

i. (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified during such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No material discrepancies in aggregate for each class of inventory were noted on physical verification of inventory.

(b) As disclosed in note 16 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company. The investments made during the year in a company is not prejudicial to the Company's interest. Further, no investment is made in firms, Limited Liability Partnerships or any other parties.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable to the Company.

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iv. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments made have been complied with by the Company. Further, in our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable. Accordingly, the requirement to report on clause 3 (iv) of the order is not applicable to that extent to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the company.

vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, professional tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of duty of goods and service tax, provident fund, ESIC, income tax, duty of excise, service tax, professional tax, cess and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount involved (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Goods & Service Tax Act,2017	ITC Credit Mis MATCH between GST2A and 3B	54.35	2018-19	Commissioner Appeals	
Goods & Service Tax Act,2017	ITC Credit Mis MATCH between GST2A and 3B	56.37	2018-19	Commissioner Appeals	

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

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(e) The company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the order is not applicable to the company.

(f) The company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the order is not applicable to the company.

x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(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 as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) (b) and (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

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(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses amounting to INR 2,035.84 lakhs and INR 1,597.66 lakhs in the current year and in the immediately preceding financial year respectively.

xviii. The previous statutory auditors of the company have resigned during the year and we have taken into considerations the issues, objections or concerns raised if any, by the outgoing auditor.

xix. On the basis of the financial ratios disclosed in note 38 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 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. The provisions of section 135 of the Companies Act, 2013 in relation to the Corporate Social Responsibility is not applicable to the company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 23101974BGUFLI5080
Place of Signature: Ahmedabad
Date: April 29, 2023

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Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of Kilburn Chemicals Limted

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

We have audited the internal financial controls with reference to financial statements of Kilburn Chemicals Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified 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 these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

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Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to 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 controls with reference to 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 Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sukrut Mehta
Partner
Membership Number: 101974
UDIN: 23101974BGUFLI5080
Place of Signature: Ahmedabad
Date: April 29, 2023

S R B C & CO LLP
CHARTERED ACCOUNTANTS

KILBURN CHEMICALS LIMITED

ANNUAL REPORT 2023

KILBURN CHEMICALS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Ankit Patel	Executive Chairman
	Mr. Darshan Patel	Managing Director
	Mr. Karana Patel	Director
	Mr. Maulik Patel	Director
	Mr. Kaushal Soparkar	Director

REGISTERED & CORPORATE OFFICE	"Meghmani House" Behind Safal Profitaire, Coporate Road, Prahaladnagar, Ahmedabad – 380015,

PLANT LOCATION	Plot No. D2/CH-170, Dahej-II, Industrial Estate, Village: Jolwa, Taluka: Vagra, District: Bharuch- 392 130. Gujarat

PRINCIPAL BANKERS	**HDFC Bank Limited** Corporate Banking, 3rd Floor HDFC Bank House, Opp Jain Dersar, Navrangpura, Ahmedabad-380009, Gujarat, India
STATUTORY AUDITOR	**S R B C & CO LLP** Chartered Accountants. Ahmedabad

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DIRECTORS' REPORT

Your Directors take pleasure in presenting the 33rd Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS

Particulars	2022-23	2021-22
Revenue from Operations	-	-
Other income	21.30	8.53
Total Income	21.30	8.53
Profit Before Exceptional items & tax	(3277.59)	(2853.81)
Exceptional item	(1881.99)	6030.02
Profit Before Tax	(1395.59)	3173.21
Profit After Tax	(1395.59)	3456.06

GENERAL REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS AND FINANCIAL PERFORMANCE

During the last quarter of the year under review, your Company has commissioned Phase 1 of Titanium Dioxide (TiO_2) plant at Dahej, Gujarat with an installed capacity of 16,500 MTPA.

TiO_2, is one of the most widely used white pigment because of its brightness and its strong UV light absorbing capabilities. It is used to provide whiteness and opacity to products such as paints, coatings, plastics, papers, inks, foods, medicines, toothpastes. Paints and Coatings is the major end-use industry for TiO_2 and is growing at a double digit growth rate. One of the major benefits of foraying into TiO_2 is the advantage of this product being an import substitute. Currently, around 70% of TiO_2 is being imported in India.

FUTURE OUTLOOK

India's Titanium Dioxide (TiO_2) is expected to grow at a 4.2% CAGR reaching 3,29,000 MTPA by 2025. Capex announcement in paint sector will further accelerate the growth.

Your Company is committed to provide value additions to its shareholders in a long run.

RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserves for the Financial Year 2022-23.

DIVIDEND

Your Directors have not recommended any Dividend for the financial year ended 31st March, 2023.

SHARE CAPITAL

The Paid-up Equity Share Capital as at 31st March, 2023 stood at Rs. 12.15 Crore.

Under the year review, the Company has neither made any issue of equity shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no ESOP scheme in place.

DEPOSITS

The company has not accepted any deposit from the public and shareholders falling within the ambit of section 73 of the companies Act 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

AUDITORS' REPORT

There is no qualification, reservation or adverse remarks or disclaimer made by the Auditors in their report on the financial statement of the Company for the Financial Year ended on 31st March, 2023.

BOARD MEETINGS

During the year, the Board meet 8 times on 29.04.2022, 11.06.20202 30.07.2022, 30.08.2022, 21.10.2022, 07.12.2022, 20.01.2023 and 31.03.2023. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

RELATED PARTY TRANSACTIONS (RPT)

All contracts / arrangements / transactions entered into with Related Parties during the year under review were in the ordinary course of business and on an arm's length basis.

There were no Material Related Party Transactions i.e. transactions exceeding 10% of the annual turnover as per the last audited financial statements. Hence, no transactions are required to be reported in Form AOC2.

MATERIAL CHANGES

During the last quarter of the year under review, your Company has commissioned Phase 1 of Titanium Dioxide (TiO_2) plant at Dahej, Gujarat with an installed capacity of 16,500 MTPA.

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

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure- A** and is attached to this report.

SUBSIDIARY COMPANIES

The Company do not have any subsidiary, the Company is wholly Owned Subsidiary (WOS) Company of Meghmani Organics Limited.

DIRECTORS

All five Directors viz. Mr. Jayanti Patel, Mr. Ashish Soparkar, Mr. Natwar Patel, Mr Ramesh Patel and Mr. Anand Patel were appointed as an Additional Directors in the Board meeting held on 23rd December, 2021, who held their position till the conclusion of ensuing Annual General meeting of the Company. These five directors were regularised in the last Annual General Meeting held on 30.09.2022 and tendered their resignation and ceased to be a director w.e.f. 31.12.2022 in order to implement the succession planning among the promoters.

During the year under review, Mr. Ankit Patel, Mr Darshan Patel, Mr. Maulik Patel, Mr. Karana Patel and Mr. Kaushal Soparkar were appointed as additional director by the Board of Directors in their meeting held on 7th December, 2022 who were affirmed by the shareholders in their Extra Ordinary General meeting held on 31st December, 2022.

Mr. Ankit Patel has been appointed as Executive Chairman for a period of five years from 31.12.2022 to 30.12.2027.

Mr. Darshan Patel has been appointed as Managing Director for a period of five years from 31.12.2022 to 30:12.2027.

KEY MANAGERIAL PERSONNEL

Pursuant to Section 2(51) of the Companies Act, 2013, read with the Rules framed there under, the following persons have been designated as Key Managerial Personnel of the Company:

1. Mr. Darshan Patel – Managing Director
2. Mr. Gurjant Singh Chahal – Chief Financial Officer (CFO)
3. Mr. Jayesh Patel – Company Secretary

INTERNAL AUDIT

M/s. C N K Khandwala & Associates, Chartered Accountants has been appointed as Internal Auditor for the Financial Year 2023-24.

FIXED DEPOSITS

During the year, the Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed there under.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

A provision relevant to Corporate Social Responsibility (CSR) as provided under Section 135 of the Companies Act, 2013, was not applicable to your Company during the year under review and hence the Board has not constituted CSR Committee and relevant Policy thereof.

AUDITORS

STATUTORY AUDITORS

M/s. SRBC & Co LLP, Chartered Accountants, Ahmedabad (Firm Regn. No. 324982E / E 300003) has been appointed as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of 32nd Annual General Meeting till the conclusion of 37th AGM, which were ratified by the shareholders in their Annual General meeting held on 30th September, 2022.

During the year, the Auditors had not reported any matter under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3) (ca) of the Act.

The Statutory Auditor's comment on your Company's account for the year ended March 31, 2023 are self-explanatory in nature and do not require any explanation. The Auditors Report does not contain any qualification or adverse remarks.

SECRETARIAL AUDITOR

Secretarial Audit Reports obtained from M/s. Shah & Associates, Company Secretaries, Ahmedabad in accordance with the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith.

INSURANCE

The Company's Plant, Property, Equipment and Stocks are adequately insured under the Industrial All Risk Policy.

ENVIRONMENT

As a responsible corporate citizen and as a chemicals manufacturer environmental safety has been one of the key concerns of the Company. It is the constant endeavour of the Company to strive for compliant of stipulated pollution control norms.

INDUSTRIAL RELATIONS

The relationship with the workmen and staff remained cordial and harmonious during the year and management received full cooperation from employees.

PARTICULARS OF EMPLOYEES

The Company has no employee in respect of whom the statement under Section 197 of the Act is required to be furnished.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Companies Act (Act):-

a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at **31st March, 2023** and of the profit of the Company for the period ended on **31st March, 2023**.

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the Annual Accounts on a Going Concern Basis;

e) The Directors had laid down Internal Financial Controls (IFC) and that such Internal Financial Controls are adequate and have been operating effectively.

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems have been found adequate and operating effectively.

ACKNOWLEDGMENT

The Board of Directors places on record their grateful appreciation for the assistance and continued support received from various Central and State Government Departments, Organizations and Agencies involved therein. Your Directors place specially on record their grateful appreciation for hand-holding support and co-operation received from National Company Law Tribunal, Resolution Professional and other agencies involved in handing over possession of the Company in accordance approved Resolution Plan of the Company. Your Directors also gratefully acknowledge all stakeholders of the Company viz. Customers, Members, Dealers, Vendors, Banks and other business partners for the excellent support received from them during the year under review. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to achieve goals of the Company.

For and on behalf of the Board

Date: 29 April, 2023	**Ankit Patel**	**Darshan Patel**
Place: Ahmedabad	**Executive Chairman**	**Managing Director**
	DIN: 02180007	**DIN: 02047676**

Kilburn Chemicals Limited
Balance Sheet as at 31st March 2023

PARTICULARS	Notes	Rs. In Lakhs (except as stated otherwise) 31st March 2023	31st March 2022
ASSETS			
Non-Current Assets			
(a) Property Plant and Equipment	3.1	17,828.34	19,030.16
(b) Capital Work in Progress	3.2	21,020.84	140.71
(c) Intangible Assets	3.3	12.66	-
(d) Financial Assets			
(i) Investments	4	0.95	-
(ii) Other Financial Assets	5	464.92	86.88
(e) Income Tax Assets (Net)	6	5.12	0.05
(f) Other Non-Current Assets	7	888.62	88.91
Total Non Current Assets		40,221.45	19,346.71
Current Assets			
(a) Inventories	8	1,303.83	387.79
(b) Financial Assets			
(i) Trade Receivables	9	10.39	2.04
(ii) Cash and Cash Equivalents	10	279.76	68.92
(iii) Other Current Financial Assets	11	1.00	-
(c) Other Current Assets	12	4,551.58	980.05
Total Current Assets		6,146.56	1,438.80
TOTAL ASSETS		46,368.01	20,785.51
EQUITY AND LIABILITIES			
Equity			
(a) Share Capital	13	1,215.00	1,215.00
(b) Unsecured Perpetual Securities	14	24,580.00	12,326.00
(c) Other Equity	15	2,066.47	3,460.48
Total Equity		27,861.47	17,001.48
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	12,778.17	-
(b) Provision	17	12.82	2.60
(c) Other Non-Current Liabilities	18	591.53	591.53
Total Non Current Liabilities		13,382.52	594.13
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	19		
Total outstanding dues of micro and small enterprise		171.37	-
Total outstanding dues of creditors other than micro and small enterprise		512.11	80.75
(ii) Other Financial Liabilities	20	4,408.39	3,098.70
(b) Other Current Liabilities	21	31.64	10.45
(c) Provisions	22	0.51	-
Total Current Liabilities		5,124.02	3,189.90
Total Liabilities		18,506.54	3,784.03
TOTAL EQUITY AND LIABILITIES		46,368.01	20,785.51
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per Sukrut Mehta
Partner
Membership No : 101974

For And on Behalf of The Board of Directors of Kilburn Chemicals Limited
(CIN-U24117GJ1990PLC135801)

Ankit Patel-Executive Chairman
(DIN - 02180007)

Darshan Patel- Managing Director
(DIN - 02047676)

Karana Patel- Director
(DIN - 01727321)

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

Place : Ahmedabad
Date : 29th April 2023

Place : Ahmedabad
Date : 29th April 2023

Kilburn Chemicals Limited
Statement of Profit and Loss for the year ended on 31st March 2023

PARTICULARS	Notes	Rs. In Lakhs For the year ended 31st March 2023	For the year ended 31st March 2022
I Revenue From Operation		-	-
II Other Income	23	21.30	8.53
III - Total Income (I+II)		**21.30**	**8.53**
IV - Expenses			
Employee Benefits Expense	24	671.12	108.50
Finance Costs	25	106.38	0.06
Depreciation and Amortization Expenses	3	1,241.58	1,259.68
Other Expenses	26	1,279.80	1,497.10
Total Expenses (IV)		**3,298.88**	**2,865.34**
V - Profit/(Loss) Before Exceptional, Extraordinary Items & Tax (III-IV)		(3,277.58)	(2,856.81)
VI - Exceptional Items	27	(1,881.99)	(6,030.02)
VII - Profit/(Loss) Before Tax (V-VI)		**(1,395.59)**	**3,173.21**
VIII - Tax Expenses	28		
1 - Current Tax		-	-
2 - Adjustment of Tax Relating to Earlier Years		-	203.03
3 - Deferred Tax Charge / (Credit) (Net)		-	(485.88)
Total Tax Expenses (VIII)		-	(282.85)
IX. Profit/(Loss) For The Year (VII-VIII)		**(1,395.59)**	**3,456.06**
X. Other Comprehensive Income	29		
Items that will not be reclassified to profit or loss in Subsequent periods			
Remeasurement gain on defined benefit plans		1.58	-
Income tax effect on above		-	-
Total other comprehensive income for the year, net of tax (X)		**1.58**	-
XI. Total Comprehensive Income/(Loss) For The Year (IX+X)		**(1,394.01)**	**3,456.06**
XII. Earnings Per Equity Share (Face Value Per Share - Rs 10 Each) (In Rs.)	30	**(11.49)**	**28.44**
Basic and Diluted			
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per Sukrut Mehta
Partner
Membership No : 101974

For And on Behalf of The Board of Directors of Kilburn Chemicals Limited
(CIN-U24117GJ1990PLC135801)

Ankit Patel-Executive Chairman
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G S Chahal
Chief Financial Officer

Karana Patel- Director
(DIN - 01727321)

Jayesh R Patel
Company Secretary

Place : Ahmedabad
Date : 29th April 2023

Place : Ahmedabad
Date : 29th April 2023

Kilburn Chemicals Limited
Cash Flow Statement for the year ended 31st March 2023

PARTICULARS	Rs. In Lakhs (except as stated otherwise)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
A. Cash Flow from Operating Activities		
Profit/ (Loss) Before Tax	**(1,395.59)**	**3,173.21**
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation and Amortisation Expenses	1,241.58	1,259.68
Unrealised Foreign Exchange Loss (Net)	12.71	-
Liability no longer Required written back	(1,881.99)	(6,030.02)
Finance Cost	106.38	0.06
Interest Income	(12.54)	(0.54)
Profit on Sale/Discard of Property, Plant & Equipment (Net)	(2.18)	93.25
Operating Profit/(Loss) Before Working Capital Changes	**(1,931.63)**	**(1,504.36)**
Adjustment for:		
(Increase)/Decrease in Inventories	(916.04)	24.24
(Increase)/Decrease in Trade Receivables	(8.35)	(2.05)
(Increase) in Other Current Financial Assets	-	(1,114.24)
(Increase) in Other Current Assets	(3,571.55)	(34.44)
(Increase)/Decrease in Other Non-Current Financial Assets	(365.77)	13.62
Increase in Trade Payables	590.02	2,257.54
Increase in Other Current Financial Liabilities	289.65	1,290.23
Increase/(Decrease) in Other Current Liabilities	21.19	(11.03)
(Decrease) in Other Non Current Financial Liabilities	-	(0.36)
Increase/(Decrease) in Provisions	12.30	(34.73)
Working Capital Changes	**(3,948.54)**	**2,388.78**
Cash Generated/(Used in) from Operations	**(5,880.17)**	**884.42**
Direct Taxes Paid (Net of Refund)	(5.07)	-
Net Cash Generated/(Used in) from Operating Activities	**(5,885.24)**	**884.42**
B. Cash Flow from Investment Activities		
Purchase of Property, Plant & Equipment (Including CWIP and Intangible Assets)	(18,530.74)	(2,396.80)
Proceeds from sale of Property, Plant & Equipment	1.10	-
(Investment) in Fixed Deposits & Margin Money	(2.00)	-
Interest Received	1.27	0.54
(Investment) in shares of Meghmani Foundation	(0.95)	-
Net Cash (Used in) Investing Activities	**(18,531.32)**	**(2,396.26)**
C. Cash Flow from Financing Activities		
Proceeds from Issue of Equity Shares	-	1,215.00
Proceeds from Issue of Unsecured Perpetual Securities	12,254.00	12,326.00
Finance Cost Paid	(404.77)	(0.06)
Repayment of Short Term Borrowings	-	(12,049.70)
Proceeds from Bank Borrowing (Term Loan)	12,778.17	-
Net Cash Generated From Financing Activities	**24,627.40**	**1,491.24**
Net Increase / (Decrease) in Cash and Cash Equivalent (A+B+C)	**210.84**	**(20.60)**

Cash and Cash Equivalent at the beginning of the year	68.92	89.52
Cash and Cash Equivalent at the end of the year	**279.76**	**68.92**
Cash and Cash Equivalent Comprises as under :		
Balance with Banks in Current Accounts	279.66	68.10
Bank deposit with orignal maturity of less than 3 months		
Cash on Hand	0.10	0.82
Cash and Cash Equivalent at the end of the year (Refer Note 12)	**279.76**	**68.92**

S R B C & CO LLP
CHARTERED ACCOUNTANTS

Notes to the Cash Flow Statement for the year ended on 31st March 2023.

1) The Cash Flow Statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows

2) Changes in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	April 1, 2022	Cash flows	Other	March 31, 2023
Current borrowings	-	-	-	-
Non - current borrowings (Note 16)	-	12,778.17	-	12,778.17
Accrued interest (Note 20)	-	-	91.60	91.60
Total liabilities from financing activities	**-**	**12,778.17**	**91.60**	**12,869.77**

(Rs. in Lakhs)

Particulars	April 1, 2021	Cash flows	Other	March 31, 2022
Current borrowings	12,049.70	(12,049.70)	-	-
Non - current borrowings (Note 16)	-	-	-	-
Accrued interest (Note 20)	-	-	-	-
Total liabilities from financing activities	**12,049.70**	**(12,049.70)**	**-**	**-**

The 'Other' column includes the effect of reclassification of non-current portion of borrowings, including lease liabilities to current due to the passage of time

The accompanying notes are an integral part of these Financial Statements.

AS PER OUR REPORT OF EVEN DATE

For And on Behalf of The Board of Directors of Kilburn Chemicals Limited
(CIN-U24117GJ1990PLC135801)

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

FOR S R B C & CO LLP
Chartered Accountants
ICAI Firm Regn. No. 324982E / E300003

per Sukrut Mehta
Partner
Membership No : 101974

Ankit Patel-Executive Chairman
(DIN - 02180007)

Darshan Patel- Managing Director
(DIN - 02047676)

Karana Patel- Director
(DIN - 01727321)

G S Chahal
Chief Financial Officer

Jayesh R Patel
Company Secretary

Place : Ahmedabad
Date : 29th April 2023

Place : Ahmedabad
Date : 29th April 2023

Kilburn Chemicals Limited
Statement Of Changes In Equity For The Year Ended 31st March 2023

(a) Equity Share Capital (Refer Note 13)

Particulars	Note	No of Shares	Rs. in Lakhs
Issued, Subscribed and fully paid equity shares of Rs 10 each			
As at 1st April 2021		13,907,377	1,390.74
Changes in Equity Share Capital due to prior period errors		-	-
Balance as at 1st April 2021		13,907,377	1,390.74
Less: Cancelled in accordance of resolution plan approved by NCLT vide its order dated 16th December 2021 (refer note 39)	13	(13,907,377)	(1,390.74)
Add: Issued pursuant to resolution plan approved by NCLT (refer note 39)		12,150,000	1,215.00
As at 31st March 2022		12,150,000	1,215.00
Changes in Equity Share Capital due to prior period errors		-	
Balance as at 1st April 2022		12,150,000	1,215.00
Changes in equity share capital during the year	13	-	-
As at 31st March 2023		12,150,000	1,215.00

(b) Unsecured Perpetual Securities (Refer Note 14)

Particulars	Rs. in Lakhs
As at 1st April 2021	-
Changes due to prior period errors	-
Balance as at 1st April 2021	-
Add: Issued pursuant to resolution plan approved by NCLT	12,326.00
As at 31st March 2022	12,326.00
Changes due to prior period errors	-
Balance as at 1st April 2022	12,326.00
Changes in equity share capital during the year	12,254.00
As at 31st March 2023	24,580.00

(Rs. in Lakhs)

Particulars	(c) Other Equity (Refer Note15)					Total Other Equity
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earning	
Opening Balance at April 1, 2021	19.76	2,237.56	391.22	1,347.50	(5,382.36)	(1,386.32)
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Balance as at 1st April 2021	19.76	2,237.56	391.22	1,347.50	(5,382.36)	(1,386.32)
Adjustments pursuant to resolution plan approved by NCLT	1,781.96	-	(391.22)			1,390.74
Profit for the year	-	-	-	-	3,456.06	3,456.06
Total Comprehensive Income for the year	1,781.96	-	(391.22)	-	3,456.06	4,846.80
Less : Dividend Paid	-	-	-	-		-
As at 31st March 2022	1,801.72	2,237.56	-	1,347.50	(1,926.30)	3,460.48
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Balance as at 1st April 2022	1,801.72	2,237.56	-	1,347.50	(1,926.30)	3,460.48
Profit for the year	-	-	-	-	(1,395.59)	(1,395.59)
Other Comprehensive income for the year (net of taxes)	-	-	-	-	1.58	1.58
Total Comprehensive Income for the year	-	-	-	-	(1,394.01)	(1,394.01)
Transfer to General Reserve	-	-	-	-	-	-
Less : Dividend Paid	-	-	-	-		-
As at 31st March 2023	1,801.72	2,237.56	-	1,347.50	(3,320.31)	2,066.47

The accompanying notes are an integral part of these Financial Statements.
AS PER OUR REPORT OF EVEN DATE

FOR S R B C & CO LLP
CHARTERED ACCOUNTANTS
ICAI Firm Regn. No. 324982E / E300003

per Sukrut Mehta
Partner
Membership No : 101974

Place : Ahmedabad
Date : 29th April 2023

G S Chahal
Chief Financial Officer

Javesh R Patel
Company Secretary

For And on Behalf of The Board of Directors of Kilburn Chemicals Limited
(CIN-U24117GJ1990PLC135801)

Ankit Patel-Executive Chairman
(DIN - 02180007)

Darshan Patel- Managing Director
(DIN - 02047676)

Karana Patel- Director
(DIN - 01727321)

Place : Ahmedabad
Date : 29th April 2023

KILBURN CHEMICALS LIMITED

Notes to the Financial Statement for the year ended March 31, 2023

1. CORPORATE INFORMATION

Kilburn Chemicals Limited ("KILBURN") is a public company, incorporated on August 31, 1990, with Corporate Identification Number U24117GJ1990PLC135801. The registered office of KILBURN is located at Meghmani House, Nr. Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad 380015, Gujarat, India. Kilburn was listed with Bombay Stock Exchange however the trading of the shares was suspended.

KILBURN has a manufacturing unit at Jolwa Village at Dahej Gujarat (Dahej Facility). The manufacturing unit is currently non-operational. Kilburn was in the business of producing Anatase Grade Titanium Dioxide in India. Titanium Dioxide (TiO_2) is a bright white pigment and has multiple industrial applications including Paints, Plastics, Inks, Dyes, Paper and Cosmetics, etc.

A Corporate Insolvency Resolution Process (CIRP) was initiated on 10th August, 2020 under Insolvency and Bankruptcy Code, 2016 and vide National Company Law Board Tribunal (NCLT) order dated 16th December, 2021, the Resolution Plan submitted by Meghmani Organics Limited (MOL) was approved. MOL management has taken the control and started process to restart the manufacturing facilities.

The Financial Statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 29th April 2023.

2. SIGNIFICANT ACCOUNTIG POLICIES

2.1 Basis for Preparation of Accounts

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended thereafter.

The Financial Statements have been prepared on accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) i.e. Derivative financial instruments

In addition, the Financial Statements are presented in INR which is also the Company's functional currency and all values are rounded to the nearest Lakh (INR 00,000), except when otherwise indicated.

2.2 Significant Accounting Estimates, Assumptions and Judgements

The preparation of the Company's Financial Statements requires management to make 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.

Estimates and 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

S R B C & CO * CHARTERED ACCOUNTANTS *

arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes:

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined Benefit Plans (Gratuity Benefits)

A liability in respect of defined benefit plans is recognised in the Balance Sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 32 for details of the key assumptions used in determining the accounting for these plans.

Useful economic lives of Property, Plant and Equipment

Property, Plant and Equipment as disclosed in note 3 are depreciated over their useful economic lives. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values.

Intangible Assets

Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated and future economic benefits are probable. The costs which can be capitalised are directly attributable to development of the asset. Research costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer note 2.3 (f) for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in note 3.

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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset'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 group of assets. Where the carrying amount of an asset 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 a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

The company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

S R B C & CO CHARTERED ACCOUNTANTS

KILBURN CHEMICALS LIMITED

Notes to the Financial Statement for the year ended March 31, 2023

2.3 Summary of Significant Accounting Policies

a. CURRENT VS. NON-CURRENT CLASSIFICATION:

The Company presents assets and liabilities in the Statement of Assets and Liabilities based on Current/ Non-Current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

A liability is treated as current when it is:
- Expected to be settled in normal operating cycle
- Held primarily for the purpose of Trading
- 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 assets and liabilities are classified as Non-Current Assets and Liabilities. Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. REVENUE RECOGNITION

Revenue from contracts with Customers is recognised when control of the goods are transferred to the Customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the Customer.

1) Sale of Goods

Revenue from Sale of Goods is recognised at the point in time when control of the goods is transferred to the customer, generally on dispatch/ delivery of the goods or terms as agreed with the customer. The normal credit term is 30 to 90 days from the date of dispatch. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the Customer. The variable consideration is estimated at the time of completion of performance obligation and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with cash discount in accordance with the company policy. The cash discount component gives rise to variable consideration.

Volume Rebates

The Company provides retrospective volume rebates to certain customers once the quantity of product purchases during the period exceeds a threshold specified in the contract.

(ii) Contract Assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs its obligation by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(iii) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in (Financial Instruments – initial recognition and subsequent measurement.)

(iv) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the Customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2) Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment,extension, call and similar options) but does not consider the expected credit losses. Interest income is included in Other Income in the Statement of Profit or Loss.

3) Export Incentives

Export incentives under various schemes notified by Government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same and is included in Revenue in the Statement of Profit and Loss due to its operating nature.

4) Dividend

Dividend income is recognised when the right to receive the same is established, which is generally when shareholders approve the dividend.

5) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Company is virtually certain of their ultimate collection.

c. FOREIGN CURRENCIES

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit or Loss are also recognised in OCI or Statement of Profit or Loss, respectively).

d. FAIR VALUE MEASUREMEMT

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries and Associates) and derivatives at fair values at each Balance Sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. 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 participants that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director and Chief Finance Officer (CFO).

External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon annually by the Board of Directors after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. Refer note 36.

- Disclosures for valuation methods, significant estimates and assumptions.
- Quantitative disclosures of fair value measurement hierarchy.
- Investment in Equity Shares.
- Financial Instruments (including those carried at amortised cost).

e. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment (PPE) and Capital Work in Progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in Statement of profit and loss as incurred.

Capital Work-in-Progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the Balance Sheet date.

Items of Stores and Spares that meet the definition of Property, Plant and Equipment are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as Inventories.

An item of Property, plant and Equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for assets where management believes and based on independent technical evaluation, assets estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Leasehold land is amortized over the lease period on a straight line basis.

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. 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. The Depreciation rates charges over following estimated lives:

Asset	Estimated Useful life
Leasehold Land	99 Years
Building	30 Years
Carpeted Roads – RCC	10 Years
Plant & Machinery	15-25 Years
Electrical Installations	10 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Other equipments	5 Years

f. INTANGIBLE ASSETS

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Cost include acquisition and other incidental cost related to acquiring the intangible asset. Research costs are expensed as incurred. Intangible development costs are capitalised as and when technical and commercial feasibility of the asset is demonstrated and approved by authorities, future economic benefits are probable.

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and loss.

Gains or losses arising from de-recognition 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.

Intangible Assets

Assets	Amortization Method	Amortization Period
Usage Rights	On Straight-line basis	5 years

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g. 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 a 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

h. FINANCIAL INSTRUMENT

A Financial Instrument is any contract that gives rise to a Financial Asset of one Entity and a Financial Liability or Equity instrument of another Entity.

(A) Financial Asset

Initial Recognition and Measurement

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at its amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at Fair Value through Other Comprehensive Income (FVTOCI)

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the Equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Investments

Investment in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries and Associates at cost.

All other Equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTOCI. For all other Equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an Equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within Equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'Contractual Revenue Receivables' in these Financial Statements)

The Company follows 'simplified approach' for recognition of impairment loss allowance on:
- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an Entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

(B) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, Loans and Borrowings, Payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of Loans and Borrowings and Payables, net of directly attributable transaction costs.

The Company's financial liabilities include Trade and Other Payables, Loans and Borrowings.

Subsequent measurement of Financial Liabilities

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Loan and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Trade and Other Payables

These amounts represent liability for good and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and Other Payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives and Hedging Activities

The Company uses derivative financial instruments, such as forward currency contracts andcurrency swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and aresubsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Off-setting Financial Instrument

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i. INVENTORIES

Stores and Spares, Packing Materials and Raw Materials are valued at lower of cost or net realisable value and for this purpose, cost is determined on moving weighted average basis. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

Work in progress, Finished Products and By-Products are valued at lower of cost or net realisable value and fort his purpose, cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are adjusted to inventory.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

j. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. RETIREMENT AND OTHER EMPLOYEE BENEFITS

Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the Statement of Profit and Loss in the year when employee rendered related services.

The Company has a defined benefit Gratuity Plan. Every employee who has completed five years or more of service gets a gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year.

The Company has other long-term employee benefits in the nature of leave encashment. The liability in respect of leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year.

Re-measurements, comprising of actuarial gains and losses, the effect of asset ceiling, excluding amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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

l. ACCOUNTING FOR TAXES ON INCOME

Tax Expense comprises of Current Income Tax and Deferred Tax

Current Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes

Deferred Tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

-When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in Subsidiaries, Associates and interests in Joint Ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred Tax Assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the Deferred Tax Asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of Deferred Tax Asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

Deferred Tax Assets and Liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred Tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in Other Comprehensive Income or in Equity). Deferred Tax items are recognised in correlation to the underlying transaction either in OCI or directly in Equity.

Deferred Tax Assets and Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relates to the same taxable Entity and the same taxable Authority.

m. PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a Finance Cost.

n. CONTINGENT LIABILITIES

Provisions are not recognised for future operating losses.

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non—occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a Contingent Liability but discloses its existence in the Financial Statements.

A Contingent Assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, Contingent Assets are disclosed in the Financial Statements.

Contingent liabilities and Contingent Assets are reviewed at each Balance Sheet date.

o. LEASES

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

Where the Company is the Lessee

The Company recognises a Right-Of-Use Asset and a Lease Liability at the lease commencement date. The Right-Of-Use Asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The Right-Of-Use Assets and Lease Liabilities include these options when it is reasonably certain that the option will be exercised.

The Right-Of-Use Assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the Right-Of-Use Assets or the end of the lease term. In addition, the Right-Of-Use Assets is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the Lease Liability.

The Lease Liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Lease Liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the Lease Liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the Right-Of-Use Asset or is recorded in profit or loss if the carrying amount of the Right-Of-Use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Company has elected not to recognise Right-Of-Use Assets and Lease Liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

p.EARNING PER SHARE

Basic Earnings Per Share

Basic Earnings Per Share are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period.

Diluted Earnings per Share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

q.CASH AND CASH EQUIVALENTS

Cash and Cash Equivalent in the Financial Statements comprise Cash at Banks and on Hand and Short-Term Deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents consist of Cash and Short-Term Deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. SEGMENT REPORTING

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

s. New Standards, Interpretations and amendments adopted by the company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022:

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

(iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

(v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

(vi) Ind AS 41 Agriculture – Taxation in fair value measurements

The Company assessed the above amendments for the accounting period beginning on or after 1st April 2022 and these do not have material impact on the financial statements of the Company.

The accounting policies adopted in the preparation of the financial statements are consistent with applicable Accounting Standards (Ind AS) for the year ended March 31, 2023.

t. Standards notified but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

Ind AS 1: Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more.

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments in Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

These amendments shall come into force with effect from April 01, 2023. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

Kilburn Chemicals Limited

Notes to theFinancial Statements For The Year Ended 31st March 2023

Note - 3

(Rs. In Lakhs)

Property, Plant and Equipment, Capital Work In Progress, Other Intangible Assets, Intangibles under development as on 31st March 2023

Sr. No.	Particulars	Gross Block				Accumalated Depreciation / Amortisation				Net	
		As at 1st April 2022	Addition	Deduction	As at 31st March 2023	As at 1st April 2022	Charge for the Year	On Deduction	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022
3.1	Tangible Assets										
1	ROU - Leasehold Land	2,661.38	-	-	2,661.38	116.53	28.91	-	145.44	2,515.94	2,544.85
2	Building	4,218.05	-	-	4,218.05	453.33	147.43	-	600.76	3,617.29	3,764.72
3	Plant & Machinery	16,826.73	12.30	-	16,839.03	4,124.72	1,056.31	-	5,181.03	11,658.00	12,702.01
4	Furniture & Fixtures	9.59	9.70	-	19.29	0.12	1.37	-	1.49	17.80	9.47
5	Vehicles	5.43	-	5.43	-	4.26	0.39	4.65	-	-	1.17
6	Computers	0.71	5.47	-	6.18	0.11	1.24	-	1.35	4.83	0.60
7	Other Equipments	32.03	12.85	-	44.88	24.69	5.71	-	30.40	14.48	7.34
	Sub Total	23,753.92	40.32	5.43	23,788.81	4,723.76	1,241.36	4.65	5,960.47	17,828.34	19,030.16
3.3	Intangible Assets										
1	GPCB Licenses	-	12.88	-	12.88	-	0.22	-	0.22	12.66	-
	Sub Total	-	12.88	-	12.88	-	0.22	-	0.22	12.66	-
	Total	23,753.92	53.20	5.43	23,801.69	4,723.76	1,241.58	4.65	5,960.69	17,841.00	19,030.16

3.2 Capital Work In Progress

(Rs. In Lakhs)

Particulars	Capital Work In Progress	
	Tangible	Total
Cost		
As at March 31, 2022	140.71	140.71
Addition	20,880.13	20,880.13
Capitalisation	-	-
As at March 31, 2023	21,020.84	21,020.84

(i) Capital Work-In-Progress for Tangible Assets as at 31st March 2023 comprises expenditure for the Plant & Machineries and Buildings in the course of construction.

(ii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2023 is Rs.389.99 Lakhs (31st March 2022: Rs.Nil Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 6.57% to 8.80%, which is the effective interest rate of the specific borrowings taken for above mentioned Projects.

(iii) Refer Note 37 for Right of use Assets details.

(iv) For Property Plant & Equipment existing as on 1 April 2015 i.e. the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 "First Time Adoption of Indian Accounting Standard". Accordingly, the net WDV as per Indian GAAP as on 1 April 2015 has been considered as Gross block under Ind AS. The accumulated depreciation so netted off as on 1 April 2015.

Kilburn Chemicals Limited

Notes to theFinancial Statements For The Year Ended 31st March 2023

Note - 3

(Rs. In Lakhs)

Property, Plant and Equipment, Capital Work In Progress, Other Intangible Assets, Intangibles under development as on 31st March 2022

Sr. No.	Particulars	Gross Block				Accumalated Depreciation / Amortisation				Net	
		As at 1st April 2021	Addition	Deduction	As at 31st March 2022	As at 1st April 2021	Charge for the Year	On Deduction	As at 31st March 2022	As at 31st March 2022	As at 31st March 2021
3.1	Tangible Assets										
1	ROU - Leasehold Land	2,661.38	-	-	2,661.38	87.60	28.93	-	116.53	2,544.85	2,573.77
2	Building	4,348.10	-	130.05	4,218.05	415.22	137.69	99.58	453.33	3,764.72	3,932.88
3	Plant & Machinery	17,070.88	-	244.15	16,826.73	3,250.74	1,081.16	207.18	4,124.72	12,702.01	13,820.13
4	Furniture & Fixtures	25.81	9.59	25.81	9.59	7.76	1.86	9.50	0.12	9.47	18.04
5	Vehicles	5.43	-	-	5.43	3.61	0.65	-	4.26	1.17	1.81
6	Computers	0.13	0.58	-	0.71	0.07	0.04		0.11	0.60	0.06
7	Other Equipments	32.03	-	-	32.03	17.97	6.72	-	24.69	7.34	14.06
	Sub Total	24,143.76	10.17	400.01	23,753.92	3,782.97	1,257.05	316.26	4,723.76	19,030.16	20,360.75
3.3	Intangible Assets										
1	Intangible Assets	23.45	-	23.45	-	11.30	2.63	13.93	-	-	12.15
	Sub Total	23.45	-	23.45	-	11.30	2.63	13.93	-	-	12.15
	Total	24,167.21	10.17	423.46	23,753.92	3,794.27	1,259.68	330.19	4,723.76	19,030.16	20,372.90

3.2 Capital Work In Progress

(Rs. In Lakhs)

Particulars	Capital Work In Progress	
	Tangible	Total
Cost		
As at March 31, 2021	**397.03**	**397.03**
Addition	140.71	**140.71**
Capitalisation	397.03	**397.03**
As at March 31, 2022	**140.71**	**140.71**

(i) Capital Work-In-Progress for Tangible Assets as at 31st March 2022 comprises expenditure for the Plant & Machineries and Buildings in the course of construction.

(ii) For Property Plant & Equipment existing as on 1 April 2015 i.e. the date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost as permitted by Ind AS 101 "First Time Adoption of Indian Accounting Standard". Accordingly, the net WDV as per Indian GAAP as on 1 April 2015 has been considered as Gross block under Ind AS. The accumulated depreciation so netted off as on 1 April 2015.

(iii) Refer Note 37 for Right of use Assets details.

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2023

Rs. In Lakhs

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	20,880.13	140.71	-	-	21,020.84
Total	**20,880.13**	**140.71**	-	-	**21,020.84**

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2022

Rs. In Lakhs

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	140.71	-	-	-	**140.71**
Total	**140.71**	-	-	-	**140.71**

CWIP completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Rs. In Lakhs

Particulars	To be completed within				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21,020.84	-	-	-	21,020.84

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:4 FINANCIAL ASSETS : INVESTMENTS

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Investment at fair value through Other Comprehensive Income		
(I) Investments in Equity Shares (Unquoted)		
9,500 (31st March 2022 - Nil) Equity Shares of Meghmani Foundation of Rs. 10/- each *	0.95	-
Total	**0.95**	**-**

*Subscribed during the year w.e.f. 18th November 2022.

NOTE:5 OTHER FINANCIAL ASSETS (NON CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Unsecured and Considered Good		
Security Deposits	463.92	86.88
Bank Deposits with original maturity of more than 1 year (refer note below)	1.00	-
Total	**464.92**	**86.88**

Note : -

Fixed bank deposits amounting Rs 1 Lakhs (31st March 2022 - Rs. Nil) were of varying periods of 1 to 6 years and earns interest of 7.00% (31st March 2022 - Nil).

NOTE:6 INCOME TAX ASSETS (NET)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Tax deducted at source (TDS)	5.12	0.05
Total	**5.12**	**0.05**

NOTE:7 OTHER NON-CURRENT ASSETS

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Unsecured, Considered Good		
Capital Advances	888.62	88.91
Total	**888.62**	**88.91**

NOTE:8 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Raw Materials	1,131.99	387.79
Stores and Spares	100.25	-
Others (Packing and Fuel Material)	71.59	-
Total	**1,303.83**	**387.79**

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:9 TRADE RECEIVABLES

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Trade receivables		
Trade receivables - Others	10.39	2.04
Receivables from related parties (Refer Note 44)	-	-
Total Trade receivables	**10.39**	**2.04**
Break-up for security details:		
Trade receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good	10.39	2.04
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	10.39	**2.04**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, Considered Good	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**10.39**	**2.04**

Trade receivables are non-interest bearing and are generally on terms of 30 days.
For amounts due and terms and conditions relating to related party receivables, Refer Note 35.
For information about Credit Risk and Market Risk related to Trade Receivables, Refer Note 36.
No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

Trade receivables Ageing Schedule
As at 31 March 2023

Rs. in Lakhs

PARTICULARS	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	10.39	-	-	-	-	10.39
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**10.39**	**-**	**-**	**-**	**-**	**10.39**

As at 31 March 2022

Rs. in Lakhs

PARTICULARS	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	2.04	-	-	-	-	2.04
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**-**	**2.04**	**-**	**-**	**-**	**-**	**2.04**

CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:10 CASH AND CASH EQUIVALENTS

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Balance with Banks in Current Account	279.66	68.10
Cash on hand	0.10	0.82
Total	**279.76**	**68.92**

NOTE:11 OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Bank Deposits (refer note below)	1.00	-
Total	**1.00**	-

Note : -

Fixed bank deposits amounting Rs 1 Lakhs (31st March 2022 - Rs. Nil) were of varying periods of 3 to 12 months and earns interest of 6.50% (31st March 2022 - Nil).

NOTE:12 OTHER CURRENT ASSETS

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Unsecured, Considered Good		
Balance with Government Authorities (Refer Note below)	4,441.71	975.95
Advances to Suppliers	95.68	-
Employee Imprest	-	-
Export Benefit Receivable	0.17	-
Prepaid Expenses	14.02	4.10
Total	**4,551.58**	**980.05**

Note: Balance with Government Authorities pertains to GST.

NOTE:13 SHARE CAPITAL

AUTHORISED SHARE CAPITAL	No. of shares	Rs. in Lakhs
Equity shares of Rs. 10 each.		
As at 1st April 2021	16,000,000	1,600.00
Changes during the year	-	-
As at 31st March 2022	**16,000,000**	**1,600.00**
Changes during the year	-	-
As at 31st March 2023	**16,000,000**	**1,600.00**

AUTHORISED SHARE CAPITAL	No. of shares	Rs. in Lakhs
Cumulative Reedemable Preference Shares of Rs. 100 each.		
As at 1st April 2021	400,000.00	400.00
Changes during the year	-	-
As at 31st March 2022	**400,000.00**	**400.00**
Changes during the year	-	-
As at 31st March 2023	**400,000.00**	**400.00**

ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL	No. of shares	Rs. in Lakhs
Equity shares of Rs. 10 each.	**12,150,000**	1,215.00

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

Reconciliation of shares outstanding at the beginning and at the end of the Year

PARTICULARS	No. of shares	Rs. in Lakhs
Issued, Subscribed and fully paid equity shares of Rs 10 each		
As at 1st April 2021	1,39,07,377	1,390.74
Changes in equity share capital due to prior period errors	-	-
Balance as at 1st April 2021	1,39,07,377	1,390.74
Less: Cancelled in accordance of resolution plan approved by NCLT vide its order dated 16th December 2021 (refer note 39)	(1,39,07,377)	(1,390.74)
Add: Issued pursuant to resolution plan approved by NCLT (refer note 39)	1,21,50,000	1,215.00
As at 31st March 2022	**2,60,57,377**	**2,605.74**
Changes in equity share capital due to prior period errors	-	-
Balance as at 1st April 2022	2,60,57,377	2,605.74
Changes in equity share capital during the year	-	-
As at 31st March 2023	**2,60,57,377**	**2,605.74**

Terms / Rights attached to Equity shares

The Company has one class of Equity Shares having par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Equity shares of Rs 10 each, as held by promoters
As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Meghmani Organics Limited	1,21,49,400	-	1,21,49,400	100.00%	0.00%
Mr. Jayantibhai Patel (Nominee of Meghmani Organics Limited)	100	-	100	0.00%	0.00%
Mr. Ashish Soparkar (Nominee of Meghmani Organics Limited)	100	-	100	0.00%	0.00%
Mr. Natwarlal Patel (Nominee of Meghmani Organics Limited)	100	-	100	0.00%	0.00%
Mr. Rameshbhai Patel (Nominee of Meghmani Organics Limited)	100	-	100	0.00%	0.00%
Mr. Anandbhai Patel (Nominee of Meghmani Organics Limited)	100	-	100	0.00%	0.00%
Mr. Darshan Patel (Nominee of Meghmani Organics Limited)	100	-	100	0.00%	0.00%
Total	1,21,50,000	-	1,21,50,000		

SRBC & CO LLP
CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Meghmani Organics Limited	-	1,21,49,400	1,21,49,400	100.00%	4.78%
Mr. Jayantibhai Patel (Nominee of Meghmani Organics Limited)	-	100	100	0.00%	0.00%
Mr. Ashish Soparkar (Nominee of Meghmani Organics Limited)	-	100	100	0.00%	0.00%
Mr. Natwarlal Patel (Nominee of Meghmani Organics Limited)	-	100	100	0.00%	0.00%
Mr. Rameshbhai Patel (Nominee of Meghmani Organics Limited)	-	100	100	0.00%	0.00%
Mr. Anandbhai Patel (Nominee of Meghmani Organics Limited)	-	100	100	0.00%	0.00%
Mr. Darshan Patel (Nominee of Meghmani Organics Limited)	-	100	100	0.00%	0.00%
Total	-	**1,21,50,000**	**1,21,50,000**		

The Equity Shares of the erstwhile promoters where cancelled in accordance of resolution plan approved by NCLT vide its order dated 16th December 2021 (refer note 39)

Details of Shareholder holding more than 5% Equity Shares and that of holding company

PARTICULARS	As at 31st March 2023			As at 31st March 2022		
	No of Shares	% of Holding	Amount (Rs. In lakhs)	No of Shares	% of Holding	Amount (Rs. In lakhs)
Meghmani Organics Limited	1,21,49,400	100%	1,214.94	1,21,49,400	100%	1,214.94

There are no shares alloted for considerations other than cash during the last 5 years.

S R B C & CO LLP CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:14 UNSECURED PERPETUAL SECURITIES

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Unsecured Perpetual Securities	24,580.00	12,326.00
Total	**24,580.00**	**12,326.00**

Pursuant to the approved Resolution Plan vide Order of Honourable NCLT dated 16th December 2021, Meghmani Organics Limited, being the successful Resolution Applicant has been issued Unsecured Perpetual Security bearing a coupon rate of 8% p.a. These securities rank senior only to the Share Capital of the Company and are callable at the option of the Company. The Company does not have any redemption obligation towards this security and as such has been considered to be in the nature of equity.

NOTE:15 OTHER EQUITY

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
(1) Securities Premium Account		
Balance as at the Beginning of the year	2,237.56	2,237.56
Changes in accounting policy or prior period errors	-	-
Balance as at the end of the year	**2,237.56**	**2,237.56**
(2) Capital Reserve		
Balance as at the Beginning of the year	1,801.72	19.76
Changes in accounting policy or prior period errors	-	-
Adjustments pursuant to resolution plan approved by NCLT	-	1,781.96
Balance as at the end of the year	**1,801.72**	**1,801.72**
(3) General Reserve		
Balance as at the Beginning of the year	1,347.50	1,347.50
Changes in accounting policy or prior period errors	-	-
Balance as at the end of the year	**1,347.50**	**1,347.50**
(4) Profit & Loss Account		
Balance as at the Beginning of the year	(1,926.30)	(5,382.36)
Changes in accounting policy or prior period errors	-	-
Profit for the year	(1,395.59)	3,456.06
Other Comprehensive Income for the Year (Net)	1.58	-
Balance as at the end of the year	**(3,320.31)**	**(1,926.30)**
Total	**2,066.47**	**3,460.48**

Nature and purpose of reserves :

Securities premium

In cases where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares has been transferred to "Securities Premium". The Company may issue fully paid-up bonus shares to its members out of the securities premium and to buy-back of shares.

Capital Reserve

The Capital Reserve has been created on (i) slump sale of chemical division of the Company in earlier years,
(ii) cancellation of the Equity shares, (iii) write back of Preference Share Capital Redemption Reserve. The reserves so created shall be utilised as per provisions of the Act.

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

Profit and Loss

Profit and loss are the profits / (losses) that the company has earned / incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Profit and loss include re-measurement (loss) / gain on defined benefit plans, net of taxes that will not be reclassified to the statement of profit and loss. Profit and Loss is a free reserve available to the company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

S.R.B.C & CO LLP * CHARTERED ACCOUNTANTS *

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:16 BORROWINGS

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
SECURED		
Term Loan Facilities from Banks :		
In Indian currency	12,778.17	-
Total non-current borrowing	**12,778.17**	**-**
The above amounts includes:		
Secured borrowing	12,778.17	-
Unsecured borrowing	-	-

Refer Note No - 36 for Interest rate Risk and Liquidity Risk.

Details of Security and Repayment Terms :

The Company has availed Rupee Term Loan facility of Rs. 25,000.00 Lakhs of which company has drawn Rs. 12,778.17 Lakhs(31 March 2022: NIL). The Facility is secured by (a) First charge by way of Hypothecation on the movable fixed assets of the Company (b) First charge by way of mortgage to be created on immovable fixed assets of the Company and (c) Corporate guarantee by Meghmani Organics Limited. The borrowing carries interest at 1 Month T-Bill +1.81% p.a. payable at monthly rest.The effective interest rate ranges from 6.57% to 8.80% during the year. Outstanding balance for this borrowing is INR 12,778.17 Lakhs.

Repayment of Loans is as follows

1. 20 equal quarterly instalments of INR 1,250 Lakhs starting from financial year 2024-25.

The Company has sanctioned limits for Cash credit and working capital demand loans of Rs 7,500 Lakhs (31 March 2022: NIL) as sanctioned limit in Indian Currency. These loans are secured by first charge by way of hypothecation of the entire Current Assets of the Company and Corporate Guarantee given by Meghmani Organics Limited. During the period company has not utilised the limits.

NOTE:17 PROVISIONS (NON - CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Gratuity (Refer Note 32)	8.54	2.60
Compensated absences	4.28	-
Total	**12.82**	**2.60**

NOTE:18 OTHER NON-CURRENT LIABILITIES

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Other Payable (refer note below)	591.53	591.53
Total	**591.53**	**591.53**

Other Payable pertains to liablity towards EPCG obligation to be fulfilled by the Company

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:19 TRADE PAYABLES

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Outstanding Dues of Micro and Small Enterprises (Refer Note 31)	171.37	-
Outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note below)	512.11	80.75
Total	683.48	80.75

Terms and Conditions of the above Outstanding Dues :

Trade payables are non-interest bearing and are normally settled on 30-360 days terms. For amounts due to related parties and terms and conditions with Related Parties, Refer Note 35. Refer Note 36 for Company's credit risk management processes.

Trade payables Ageing Schedule

As at 31 March 2023

Rs. in Lakhs

PARTICULARS	Outstanding for following periods from due date of payment						
	Unbilled Dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	121.21	50.16	-	-	-	171.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	60.55	270.11	179.57	1.88	-	-	512.11
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	60.55	391.32	229.73	1.88	-	-	683.48

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023
As at 31 March 2022 Rs. in Lakhs

PARTICULARS	Outstanding for following periods from due date of payment						
	Unbilled Dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	80.75	-	-	-	**80.75**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	-	-	**80.75**	-	-	-	**80.75**

NOTE:20 OTHER FINANCIAL LIABILITIES (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Financial liabilities carried at amortised cost		
Interest Accrued but not due on Borrowings	91.60	-
Other Payable (refer note below)	1,375.10	3,049.15
Employee Benefit Payable	101.71	20.00
Payable for Retention Money	554.85	-
Payables for Capital Goods	2,285.13	29.55
Total	**4,408.39**	**3,098.70**

Other Payable pertains to amount payable to Gujarat Industrial Devlopment Corporation (GIDC) in respect to transfer of land and other charges. The same has been subsequently paid by the Company. Reduction in Liablity is pursuant to final order passed by GIDC (Refer note 27)

NOTE:21 OTHER CURRENT LIABILITIES

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Statutory Dues Payable	31.64	10.45
Total	**31.64**	**10.45**

NOTE:22 PROVISIONS (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
Provisions for Employee Benefits		
Gratuity	0.02	-
Leave Encashment	0.49	-
Total	**0.51**	-

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:23 OTHER INCOME

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
OTHER NON OPERATING INCOME		
Interest Income on		
- Bank Deposits	0.03	0.54
- Others	12.51	-
Provisions written back	-	7.99
Profit On Sale Of Property, Plant and Equipment	2.18	-
Other Non Operating Income	6.58	-
Total	**21.30**	**8.53**

NOTE:24 EMPLOYEE BENEFIT EXPENSE

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Salary, Wages and Bonus	546.08	102.30
Contribution to Provident Fund, Other Funds and Gratuity (Refer Note 32)	27.82	4.70
Staff Welfare Expenses	97.22	1.50
Total	**671.12**	**108.50**

NOTE:25 FINANCE COSTS

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest expense on :		
-Others	84.80	0.01
Other borrowing Costs (includes bank charges, etc.)	21.58	0.05
Total	**106.38**	**0.06**

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:26 OTHER EXPENSES

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Consumption of Stores and Spares	208.67	0.20
Power & Fuel	102.90	3.31
Repairs and maintenance:	-	
- Buildings	0.88	-
- Plant and Machinery	370.00	2.88
Pollution Control Expenses	11.16	-
Labour Contract Charges	240.65	-
Rent	10.38	15.26
Rates & Taxes	34.74	18.67
Insurance	33.58	10.84
Legal & Professional Charges	36.63	68.27
Loss on Sale / Discarded Property, plant and equipment	-	34.47
Printing and Stationery	3.39	0.57
Security Service Charges	57.99	57.42
Transportation Expenses	12.27	-
Directors' Sitting Fee	-	0.80
Water charges	-	1,250.65
Miscellaneous Expenses	147.56	29.81
Audit Fees	9.00	3.95
Total	**1,279.80**	**1,497.10**

Payments to Auditors (Excluding taxes)	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) as Auditors	9.00	3.95
TOTAL	**9.00**	**3.95**

NOTE:27 EXCEPTIONAL ITEMS

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Exceptional (Gain)	(1,881.99)	(6,030.02)
Total	**(1,881.99)**	**(6,030.02)**

1. Pursuant to final order received by the Company towards dues to industrial authority, excess amount reversed amounting to Rs. 1,881.99 lakhs has been disclosed under exceptional item, for the year ended 31st March 2023, considering its disclosure while booking the expenses by erstwhile management.

2. Refer Note 39, for the details of exceptional gain for previous year.

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:28 TAXES

(i) In assessing the realisability of deferred tax assets, the Company considers the extent to which, it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment.

(ii) In compliance of Ind AS - 12 on "Income Taxes", the item wise details of Deferred Tax Asset (net) are as under:

(Rs. In Lakhs)

Particulars	As on 1st April 2021	Provided during the year in Statement of Profit & Loss	Provided during the year in OCI (net)	As on 31st March 2022
Deferred Tax Liability:				
Related to Fixed Assets	887.98	(887.98)	-	-
Total Deferred Tax Liability (A)	**887.98**	**(887.98)**	-	-
Deferred Tax Assets:				-
Other Disallowances etc.	-		-	
Brought Forward Business Losses	402.10	(402.10)	-	-
Total Deferred Tax Assets (B)	**402.10**	**(402.10)**	-	-
Deferred Tax Asset/(Liability) (B-A)	**(485.88)**	**485.88**	-	-

In absence of historical trend and as there are no operation after CIRP, considering the principle of prudence, Deferred tax asset in respect of unused tax losses and others (net of liabilities) as of March 31, 2023 and March 31, 2022 have not been recognized by the Company.

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:29 OTHER COMPREHENSIVE INCOME

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Statement of other comprehensive income		
Remeasurement gain on defined benefit plans	1.58	-
Income tax effect on above	-	-
Total	1.58	-

NOTE:30 EARNINGS PER SHARE

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share used in the basic and diluted EPS computation:

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit/(Loss) attributable to Equity Shareholders	(1,395.59)	3,456.06
Weighted Average number of Equity Shares outstanding (Nos)	12,150,000	12,150,000
Basic and Diluted Earnings Per Share (Rs.)	(11.49)	28.44
Face value per Equity Share (Rs.)	10	10

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

31. 'The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act').

Accordingly, the disclosure in respect of the amounts payable to such Enterprises as at March 31, 2023 has been made in the Financial Statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any Supplier as at the Balance- Sheet date.

The details as required by MSMED Act are given below:

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2023	**For the year ended 31st March 2022**
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
Principal and Interest Amount		
Trade Payable	171.37	-
Capital Payable	1,333.80	-
The amount of interest paid by the buyer under the MSMED Act along with the amounts of the payment made to the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act not paid)	84.58	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

On basis of information and records available with the Company, the above disclosures are made in respect of amount due to the micro, small and medium enterprises, which have been registered with the relevant competent authorities. This has been relied upon by the auditors.

NOTE:32 GRATUITY AND OTHER EMPOYMENT BENEFIT PLANS

Retirement Benefits

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

Table 1: Reconciliation of Defined Benefit Obligation (DBO) (Rs. In Lakhs)

Particulars	31st March 2023	31st March 2022
Opening balance of defined benefit obligation	2.60	-
Service Cost		
a. Current Service Cost	7.37	2.60
b. Past Service Cost	-	-
c. Loss/(Gain) from Settlement	-	-
Interest Cost	0.17	-
Benefits Paid	-	-
Re-measurements		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	-	-
c. Actuarial Loss/(Gain) from experience over the past period	(1.58)	-
Effect of acquisition/ (divestiture)	-	-
Changes in foreign exchange rates	-	-
Closing balance of the defined benefit obligation	**8.56**	**2.60**

Table 2: Expenses recognised in the Profit and Loss Account (Rs. In Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Service Cost		
Current Service Cost	7.37	2.60
b. Past Service Cost	-	-
c. Loss/(Gain) from Settlement	-	-
Net Interest on net defined benefit liability/ (asset)	0.17	-
Employer Expenses	**7.54**	**2.60**

Table 3: Net Liability/ (Asset) recognised in the Balance Sheet (Rs. In Lakhs)

Particulars	31st March 2023	31st March 2022
Present Value of DBO	8.56	2.60
Fair Value of Plan Assets	-	-
Liability/ (Asset) recognised in the Balance Sheet	8.56	2.60
Funded Status [Surplus/(Deficit)]	(8.56)	(2.60)
Of Which, Short term Liability	0.02	-
Experience Adjustment on Plan Liabilities: (Gain)/Loss	(1.58)	-

Table 4: Actuarial Assumptions

Particulars	31st March 2023	31st March 2022
Salary Growth Rate	10% p.a.	0%
Discount Rate	7.2% p.a.	0%
Interest Rate for interest on net DBO	6.5% p.a.	
Withdrawal Rate	12% p.a.	0%
Mortality Rate	IALM 2012-14 (Ult.)	0%
Weighted average remaining duration of the obligation	6 years	0%

CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

Table 5: Movement in Other Comprehensive Income (Rs. In Lakhs)

Particulars	31st March 2023	31st March 2022
Opening Balance (Loss)	-	-
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
c. Actuarial (Loss)/Gain from experience over the past period	1.58	-
Re-measurements on Plan Assets		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
a. Return on Plan assets, excluding amount included in net interest on the net	-	-
c. Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
Closing Balance (Loss)	**1.58**	-

Table 6: Sensitivity Analysis

For the year ended March 31, 2023	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by 91,992	DBO decreases by 81,278
Discount Rate	DBO decreases by 82,549	DBO increases by 95,503
Withdrawal Rate	DBO decreases by 44,930	DBO increases by 48,019

Mortality (increase in expected lifetime by 1 year)	Negligible change
Mortality (increase in expected lifetime by 3 years)	DBO increases by 1,000

Table 7: Movement in Surplus/ (Deficit) (Rs. In Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Surplus/ (Deficit) at start of year	(2.60)	-
Movement during the year		
Current Service Cost	(7.37)	(2.60)
Past Service Cost	-	-
Net Interest on net DBO	(0.17)	-
Actuarial gain/ (loss)	1.58	-
Contributions	-	-
Surplus/ (Deficit) at end of year	**(8.56)**	**(2.60)**

Table 8: Other Disclosures

Description of ALM Policy

As the plan is unfunded, an Asset Liability Matching policy is not applicable.

Description of funding arrangements and funding policy that affect future contributions

The plan is unfunded and the status is unlikely to change over the next few years.

Maturity profile

The weighted average duration of the obligation is 6 years as at the valuation date.

S K... C & CO LLP CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:33 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

A **Claims against the company not acknowledged as debts (Excluding interest and penalty)**

PARTICULARS	Rs. in Lakhs	
	31st March 2023	31st March 2022
In respect of Letter of Credit	15.89	-

B

Capital Commitments	Rs. in Lakhs	
	31st March 2023	31st March 2022
Estimated amount of contracts pending execution on capital accounts and not provided for (net of advances)	4,554.06	-

NOTE:34 SEGMENT REPORTING

A The Company's Chief Operating Decision Maker (CODM) examines the Company's performance from business and geographic perspective. In accordance with Ind AS-108 - Operating Segments, evaluation by the CODM and based on the nature of activities performed by the Company, which primarily relate to manufacturing of pigments, the Company does not operate in more than one business segment.

B **Analysis By Geographical Segment**

The following is an analysis of the carrying amount of non-current assets, which do not include income tax assets and financial assets analysed by the geographical area in which the assets are located:

Rs. in Lakhs

Particulars	31st March 2023	31st March 2022
Carrying amount of segment assets		
Within India	39,750.46	19,259.78
Outside India	-	-

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Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:35 RELATED PARTIES DISCLOSURES :-

⟹	Holding Company	:	Meghmani Organics Limited (MOL)
⟹	Enterprises in which Key Managerial Personnel [KMP] & their relatives have significant influence :	:	Meghmani Finechem Limited (MFL) Meghmani Foundation Meghmani Organics Limited (MOL)
⟹	Key Managerial Personnel :	:	Mr. Jayanti Patel (Chairman) (Upto 31.12.2022) Mr. Ashish Soparkar (Director) (Upto 31.12.2022) Mr. Natwarlal Patel (Director) (Upto 31.12.2022) Mr. Ramesh Patel (Director) (Upto 31.12.2022) Mr. Anand Patel (Director) (Upto 31.12.2022) Mr. Ankit Patel (Executive Chairman) (w.e.f 07.12.2022) Mr. Darshan Patel (Managing Director) (w.e.f 07.12.2022) Mr. Karana Patel (Director) (w.e.f 07.12.2022) Mr. Maulik Patel (Director) (w.e.f 07.12.2022) Mr. Kaushal Soparkar (Director) (w.e.f 07.12.2022) Mr. G.S. Chahal (Chief Financial Officer) Mr. Jayesh R Patel (Company Secretary)
⟹	Relatives of Key Managerial Personnel :	:	Ms. Taraben Patel

Transaction with Related Parties (Continued):

Rs. in Lakhs

Particulars	Holding Company		Enterprises in which Key Managerial Personnel (KMP)and its Relatives have significant influence		Total	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
Purchase of Goods (MFL)	-	-	26.57	-	26.57	-
Purchase of Assets	120.91	-	-	-	120.91	-
Purchase of Licences (MEIS/RoDTEP)	67.98	-	-	-	67.98	-
Investment in Equity Shares of Meghmani Foundation	-	-	0.95	-	0.95	-
Issue of Equity Shares	-	1,215.00	-	-	-	1,215.00
Issue of Unsecured Perpetual Securities	12,254.00	12,326.00	-	-	12,254.00	12,326.00
Total	**12,442.89**	**13,541.00**	**27.52**	**-**	**12,470.42**	**13,541.00**

Outstanding Balance with Related Parties:

Rs. in Lakhs

Particulars	Holding Company		Enterprises in which Key Managerial Personnel (KMP) and its Relative have significant influence		Total	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Payable to MFL	-	-	0.11	-	0.11	-

(i) Transaction entered into with Related Parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.
(ii) The Company's transactions with Related Parties are at arm's length. Management believes that the Company's domestic transactions with related parties post 31st March 2023 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the Financial Statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the period end.

(iii) The Holding company has given corporate guarantee amounting to Rs. 32,500 lakhs to the bank as a security against sanction of credit facilities availed by the company.

Commitments with Related Parties

The Company has not provided any commitment to the related party as at March 31, 2023 (March 31, 2022: Rs.Nil).

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:36 FINANCIAL INSTRUMENTS – FAIR VALUE HIERARCHY

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the Financial Statements.

A. Category-wise classification of financial instrument
The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(Rs. in Lakhs)

31st March 2023	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial Assets				
Non-Current Investments (Refer Note 4)	-	0.95	-	0.95
Non-Current Other Financial Assets (Refer Note 5)	-	-	464.92	464.92
Current Assets				
Trade Receivables (Refer Note 9)	-	-	10.39	10.39
Cash and Cash Equivalents (Refer Note 10)	-	-	279.76	279.76
Other Current Financial Asset (Refer Note 11)			1.00	1.00
Total Financial Assets	-	0.95	756.07	757.02
Financial Liabilities				
Non-Current Borrowings (Refer Note 16)	-	-	12,778.17	12,778.17
Trade Payables (Refer Note 19)	-	-	683.48	683.48
Other Current Financial Liabilities (Refer Note 20)	-	-	4,408.39	4,408.39
Total Financial Liabilities	-	-	17,870.04	17,870.04

The carrying value of financial instruments by categories as of March 31, 2022 is as follows:

(Rs. in Lakhs)

31st March 2022	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial Assets				
Non-Current Investments (Refer Note 4)	-	-	-	-
Non-Current Other Financial Assets (Refer Note 5)	-	-	86.88	86.88
Current Assets				
Trade Receivables (Refer Note 9)	-	-	2.04	2.04
Cash and Cash Equivalents (Refer Note 10)	-	-	68.92	68.92
Other Current Financial Asset (Refer Note 11)			-	-
Total Financial Assets	-	-	157.84	157.84
Financial Liabilities				
Non-Current Borrowings (Refer Note 16)	-	-	-	-
Trade Payables (Refer Note 19)	-	-	80.75	80.75
Other Current Financial Liabilities (Refer Note 20)	-	-	3,098.70	3,098.70
Total Financial Liabilities	-	-	3,179.45	3,179.45

B. Measurement of Fair values and Sensitivity analysis

Fair value hierarchy:
The fair value of the Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

(i) Level 1: quoted prices (unadjusted) in active markets for identical Assets or Liabilities.
(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the Asset or Liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
(iii) Level 3: inputs for the Asset or Liability that are not based on observable market data (unobservable inputs)."

Receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range

Financial instrument measured at fair value (Rs. in Lakhs)

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy
	31st March 2023	31st March 2022	
Investment at FVTOCI (unquoted) (Refer Note 4)	0.95	-	Level 3

CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Reconciliation of level 1 Fair Values

There have been no transfers between level 1, level 2 and level 3 during the year ended March 31, 2023.

Financial Risk Management Framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through treasury operations, which evaluates and exercises independent control over the entire process of market risk management. The finance team recommends risk management objectives and policies. The activities of this operations include management of cash resources, hedging of foreign currency exposure, credit control and ensuring compliance with market risk limits and policies.

The Company's principal Financial Liabilities, other than Derivatives, comprises of Long Term and Short Term Borrowings, Trade and Other Payables, and Financial Liabilities. The main purpose of these Financial Liabilities is to finance the Company's operations. The Company's principal Financial Assets include Loans, Trade and Other Receivables, Cash and Cash Equivalents, Other Bank Balances and other Financial Assets that derive directly from its operations.

The Company has an effective risk management framework to monitor the risks controls in key business processes. In order to minimise any adverse effects on the bottom line, the Company takes various mitigation measures such as credit control, foreign exchange forward contracts to hedge foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.
The Company has exposure to the following risks arising from financial instruments
- Credit risk ;
- Market risk ; and
- Liquidity risk

i. Credit Risk

Credit risk is the risk that counter party will not meet its obligation leading to a financial loss. The Company is exposed to credit risk arising from its operating activities primarily from trade receivables and from financing activities primarily relating to parking of surplus funds as Deposits with Banks. The Company considers probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period.

The carrying amount of following Financial Assets represents the maximum credit exposure:

Financial instruments and cash deposit

Credit risk from balances with Banks and Financial Institutions is managed by the Company's treasury department. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Trade Receivables

Trade Receivables of the Company are typically unsecured ,except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its Customers to which it grants credit terms in the normal course of business. The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts Receivables. The Company evaluates the concentration of risk with respect to trade receivables as low, as its Customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

The maximum exposure to Credit Risk for Trade Receivables by geographic region are as follows:

(Rs. in Lakhs)

Particulars	31st March 2023	31st March 2022
Domestic	10.39	2.04
Other Regions	-	-
Total	**10.39**	**2.04**

Age of Receivables

(Rs. in Lakhs)

Particulars	31st March 2023	31st March 2022
Neither due nor impaired	-	-
Past due 1–90 days	7.97	2.04
Past due 91–180 days	2.42	-
More than 180 days	-	-
Total	**10.39**	**2.04**

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer Credit Risk, including underlying customers' credit ratings if they are available.

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

Financial instruments – Fair Values and Risk Management (continued)

ii. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI and amortised cost investments.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Exposure to Currency Risk

The currency profile of financial assets and financial liabilities as at March 31, 2023 and March 31, 2022 are as below:
The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs, are as follows

(Rs. in Lakhs)

Particulars	31st March 2023 Total	USD Denominated exposure	INR
Financial Assets			
Non-Current Investments	0.95	-	0.95
Non-Current Other Financial Assets	464.92	-	464.92
Current Assets			
Trade Receivables	10.39	-	10.39
Cash and Cash Equivalents	279.76	-	279.76
Other Current Financial Asset	1.00	-	1.00
Total	**757.02**	**-**	**757.02**
Financial Liabilities			
Non-Current Borrowings	12,778.17		12,778.17
Trade Payables	683.48	-	683.48
Other Current Financial Liabilities	4,408.39	99.03	4,309.36
Total	**17,870.04**	**99.03**	**17,771.01**

Particulars	31st March 2022 Total	USD Denominated exposure	INR
Financial Assets			
Non-Current Investments	-	-	-
Non-Current Other Financial Assets	86.88	-	86.88
Current Assets			
Trade Receivables	2.04	-	2.04
Cash and Cash Equivalents	68.92	-	68.92
Other Current Financial Asset	-	-	-
Total	**157.84**	**-**	**157.84**
Financial Liabilities			
Non-Current Borrowings	-		-
Trade Payables	80.75	-	80.75
Other Current Financial Liabilities	3,098.70	-	3,098.70
Total	**3,179.45**	**-**	**3,179.45**

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Euro at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rs. in Lakhs)

	Profit or (Loss)		**Equity, net of tax**	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31st March 2023				
5% movement				
USD	4.95	(4.95)	4.95	(4.95)

	Profit or (Loss)		**Equity, net of tax**	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31st March 2022				
5% movement				
USD	-	-	-	-

S R B C & CO LLP CHARTERED ACCOUNTANTS

Financial instruments – Fair values and Risk Management (continued)

iii. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to Liquidity Risk

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below summarises the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(Rs. In Lakhs)

31st March 2023		Contractual cash flows				
Particular	Carrying amount	Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Rupee Term Loans from Banks						
HDFC Bank Limited	12,778.17	12,778.17	-	1,916.72	7,666.90	3,194.54
Trade Payables (Refer Note 19)	683.48	683.48	683.48	-	-	-

(Rs. In Lakhs)

31st March 2022		Contractual cash flows				
Particular	Carrying amount	Total	1 Year or Less	1-2 years	2-5 years	More than 5 years
Rupee Term Loans from Banks						
HDFC Bank Limited	-	-	-	-	-	-
Trade Payables (Refer Note 25)	80.75	80.75	80.75	-	-	-

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry

In order to avoid excessive concentrations of risk, the policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the company to manage risk concentrations at both the relationship and industry levels

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

Financial instruments – Fair Values and Risk Management (continued)

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's Long-term Debt Obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Exposure to Interest Rate Risk

Company's Interest Rate Risk arises from Borrowings Obligations. Borrowings issued exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing Financial Instruments as reported to the management of the Company is as follows.

(Rs. In Lakhs)

Variable-rate instruments	31st March 2023	31st March 2022
Non Current - Borrowings	12,778.17	-
Total	12,778.17	-

Cash Flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(Rs. In Lakhs)

Particulars	Profit or (Loss)		Equity, Net of Tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31st March 2023 Non Current - Borrowings	(127.78)	127.78	(95.62)	95.62
Total	(127.78)	127.78	(95.62)	95.62
31st March 2022 Non Current - Borrowings	-	-	-	-
Total	-	-	-	-

S R B C & CO LLP * CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:37 LEASES

(A) Leases as lessee

(i) The carrying value of the Rights-of-use and depreciation charged during the year : (Rs. in Lakhs)

Particulars	31st March 2023	31st March 2022
Opening Balance	2,544.86	2,573.79
Additions during the year	-	-
Depreciation charged during the year	28.91	28.93
Closing Balance	**2,515.95**	**2,544.86**

(ii) Amount Recognised in Statement of Profit & Loss Account during the Year (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation expense of right-of-use assets	28.91	28.93
Total Expenses	**28.91**	**28.93**

(iii) Amounts recognised in statement of cash flows (Rs. in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Total Cash outflow for Leases	-	-

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:38 RATIOS

Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% change	Reason for variance above 25% year on year
Current Ratio	Current Assets	Current Liabilities	1.20	0.45	165.95%	Increase in Current ratio is on account of increase in Input GST recievable due to ongoing capitalisation
Debt-Equity Ratio*	Current Borrowings + Non Current Borrowings + Lease Payments	Shareholder's Equity	0.46	NA	NA	NA
Debt Service Coverage Ratio#	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest & Lease payment + Other adjustment like loss on sale of Assets	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	NA	NA
Return on Equity Ratio #	Net Profits after taxes	Average Shareholder's Equity	NA	NA	NA	NA
Inventory Turnover Ratio #	Revenue from Operation	Average Inventory	NA	NA	NA	NA
Trade Receivables Turnover Ratio #	Revenue from Operation	Average Trade Receivable	NA	NA	NA	NA
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	2.94	22.50	-86.92%	Decrease is on account of increase in average trade payables.
Net Capital Turnover Ratio #	Revenue from Operation	Working capital = Current assets – Current liabilities	NA	NA	NA	NA
Net Profit Ratio #	Net Profit	Revenue from Operation	NA	NA	NA	NA
Return on Capital Employed #	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Lease Liability + Deferred Tax Liability	NA	NA	NA	NA
Return on Investment #	Interest (Finance Income)	Average of Investment in Subsidiary & Bank Deposit	NA	NA	NA	NA

* As the Company is not having any debts as on 31.03.2022, Debt-Equity Ratio cannot be calculated
# The Company is in process of restructuring its manufacturing facility and currently does not have any revenue and operations, considering which these ratios cannot be calculated effectively

S R B C & CO LLP * CHARTERED ACCOUNTANTS

Kilburn Chemicals Limited
Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:39
The Corporate Insolvency Resolution Process (CIRP) initiated on 10th August, 2020 under Insolvency and Bankruptcy Code, 2016 by Hon'ble National Company Law Board Tribunal (NCLT) has been completed and order effecting approval of the Resolution Plan (ARP) submitted by Meghmani Organics Limited (MOL) was passed on 16th December, 2021 by NCLT (NCLT Order). The consequential effect of ARP was as follows:

a. MOL deposited Rs. 13,176 lakhs for the payment to financial creditors, operational creditors, employee dues and CIRP costs as per the NCLT Order. Out of the above amount received, the Company has allotted 1,21,50,000 equity shares of Rs. 10 each at par amounting to Rs.1215 lakhs to MOL and its nominees on 2nd February, 2022. As a result, the Company become subsidiary of MOL. The balance amount of Rs. 11,961 lakhs together with further amounts infused had been converted into Unsecured Perpetual Security (in the nature of equity) bearing a coupon rate of 8% p.a.
b. The Board of Directors of the Company was reconstituted on 23rd December, 2021 with nominees of MOL being inducted as the members of the reconstituted Board.
c. Existing 1,39,07,377 equity shares were cancelled and the Company was delisted from BSE.

d. The following amounts aggregating to Rs.1781.96 lakhs have been credited to Capital Reserve in previous year ended 31st March, 2022.

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
i)	On cancellation of Equity Shares	1390.74
ii)	Preference Share Capital Redemption Reserve	391.22
Total		**1781.96**

e. Pursuant to re-assessment of assets and liabilities by the management, the following amounts aggregating to Rs. 6030.02 lakhs were charged to Profit and Loss account as exceptional items in previous year ended 31st March, 2022.

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	Amount
i)	Secured Loans from Bank no longer payable	18	4,058.60
ii)	Unsecured loans no longer payable	18	2,824.20
iii)	Creditors and Other Liabilities no longer payable	19 & 20	2,344.02
iv)	Liabilities for Employees no longer payable	20	1,671.01
v)	Fixed Assets and Capital Work in Progress written off	2, 3 & 4	(422.85)
vi)	Provisions for Other Financial Assets written off	12	(1,114.24)
vii)	Trade Receivables written off	9	(14.27)
viii)	Advance from Customers written off	21	0.62
ix)	Loan to related party written off	11	(276.57)
x)	Inventories written off	8	(448.77)
xi)	Other Non-current assets written off	7	(112.50)
xii)	Security Deposit assets written off	5	(25.89)
xiii)	Cash and Cash Equivalents written off	10	(1.79)
xiv)	GST balances not claimable	13	(595.72)
xv)	Transfer charges and penalties for Leasehold Land	21	(1,803.20)
xvi)	Provisions made for EPCG non-compliances	17	(46.63)
xvii)	Provision made for claims from staturory authorities	22	(6.00)
Total (net)			**6030.02**

Kilburn Chemicals Limited

Notes to the Financial Statements For The Year Ended 31st March 2023

NOTE:40 CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.

The Company monitors capital using a ratio of 'Adjusted Net Debt' to 'Adjusted Equity'. For this purpose, adjusted net debt is defined as total Liabilities, comprising Interest-bearing Loans and Borrowings and obligations under Finance Leases, less Cash and Cash Equivalents. Adjusted Equity Comprises all components of Equity.

Particulars	**(Rs. In Lakhs)**	
	31st March 2023	**31st March 2022**
Total Interest bearing liabilities	12,778.17	-
Less : Cash and cash equivalent	279.76	68.92
Adjusted net debt	**12,498.41**	**(68.92)**
Total equity	**27,861.47**	**17,001.48**
Less : Hedging reserve	-	-
Adjusted equity	**27,861.47**	**17,001.48**
Adjusted net debt to total equity ratio	**0.45**	**(0.00)**

NOTE:41 OTHER DISCLOSURES

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company do not have any transactions with companies struck off. under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have 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 Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company does not have any such 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 the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

(viii) The Company is not declared as wilful defaulter by any bank of financial institution or other lender during the year and up to date of approval of financial statements

NOTE:42 EVENTS OCCURRED AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior toapproval of financial statement to determine the necessity for recognition and/or reporting of any of these eventsand transactions in the financial statements. As of 29th April 2023 there were no material subsequent events to be recognized or reported that are not already disclosed.

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Kilburn Chemicals Limited
<u>Notes to the Financial Statements For The Year Ended 31st March 2023</u>

43 - Previous period figures have been regrouped / restated to give effect of scheme of arrangement wherever necessary to make them comparable with those of the current year.

AS PER OUR REPORT OF EVEN DATE		For And on Behalf of The Board of Directors of Kilburn Chemicals Limited (CIN-U24117GJ1990PLC135801)
FOR S R B C & CO LLP Chartered Accountants ICAI Firm Regn. No. 324982E / E300003		Ankit Patel-Executive Chairman (DIN - 02180007)
per Sukrut Mehta Partner Membership No : 101974		Darshan Patel- Managing Director (DIN - 02047676)
	G S Chahal Chief Financial Officer	Karana Patel- Director (DIN - 01727321)
Place : Ahmedabad Date : 29th April 2023	Jayesh R Patel Company Secretary	Place : Ahmedabad Date : 29th April 2023