KILBURN CHEMICALS LIMITED

ANNUAL REPORT 2025

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 35th Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2025.

FINANCIAL HIGHLIGHTS

(Rs. In lakhs)

Particulars	2024-25	2023-24
Revenue from Operations	3,396.31	109.74
Other income	78.75	100.68
Total Income	3,475.06	210.42
(Loss) Before Exceptional items & tax	(8,907.93)	(4,256.02)
Exceptional item	-	-
(Loss) Before Tax	(8,907.93)	(4,256.02)
(Loss) After Tax	(8,907.93)	(4,256.02)

During the year under review, your Company has achieved a revenue from operation of Rs. 3,396.31 Lakhs against previous year of Rs. 109.74 Lakhs and incurred a loss before tax of Rs. 8,907.93 lakhs against previous year loss of Rs. 4,256.02 Lakhs.

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

During the year under review, your Company has set up co-gen power Plant of 11.85 MW to meet continue power supply to manufacture TiO2.

Your Company has commissioned Titanium Dioxide (TiO2) plant at Dahej, Gujarat with an installed capacity of 75 MTPD in the last year.

TiO2, 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 TiO2 and is growing at a double digit growth rate. One of the major benefits of foraying into TiO2 is the advantage of this product being an import substitute. Currently, around 70% of TiO2 is being imported in India.

FUTURE OUTLOOK

India's Titanium Dioxide (TiO2) current market size is 4,85,000 MTPA and is growing in double digits. 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.

TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserves for the Financial Year 2024-25.

DIVIDEND

Your Directors have not recommended any Dividend for the financial year ended 31st March, 2025.

SHARE CAPITAL

The Paid-up Equity Share Capital as at 31st March, 2025 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.

FINANCE:

Cash and cash equivalents as at 31st March, 2025 was Rs 305.27 Lakhs. The Company continues to focus on judicious management of its working capital.

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, 2025.

BOARD MEETINGS

During the year, the Board met 5 times on 11.05.2024, 01.07.2024, 27.07.2024, 26.10.2024, and 08.02.2025. 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 AND COMMITTMENT

During the year under review, your Company has capitalised Titanium Dioxide (TiO2) plant with an installed capacity of 75 MTPD. Except this, there are no material changes.

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 which is annexed 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

There is no change in the Directors of the Company for the year under review. Presently, the following are the directors of the Company;

Mr. Ankit Patel,	Executive Chairman
Mr Darshan Patel,	Managing Director
Mr. Maulik Patel,	Non-Executive Director
Mr. Karana Patel,	Non-Executive Director and
Mr. Kaushal Soparkar	Non-Executive Director

KEY MANAGERIAL PERSONNEL

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

1. Mr. Darshan Patel – Managing Director
2. Mr. Anand Saraogi – Chief Financial Officer (CFO)
3. Mr. Jayesh Patel – Company Secretary

Mr. Anand Saraogi has been appointed as Chief Financial officer of the Company w.e.f. 01.07.2024 and Mr. G S Chahal ceased to be Chief Financial officer of the Company w.e.f. 01.07.2024.

INTERNAL AUDIT

M/s. C N K Khandwala & Associates, Chartered Accountants has been appointed as Internal Auditor for the Financial Year 2025-26.

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, 2025 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.

BUSINESS RISK MANAGEMENT:

The Company takes steps to minimise Risk by adopting Management policy whenever required.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting Financial Statements.

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 statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the Report and Audited Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining a copy of the Annexure may write to the Company Secretary at the registered office of the Company for a copy of it.

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, 2025** and of the profit of the Company for the period ended on **31st March, 2025**.

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.

OTHER DICLOSURE:

SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company has no Subsidiary/Joint Ventures/Associate Companies as on 31st March, 2025. As such the company is not required to consolidate its account with any other company.

COST RECORD:

The provision of Cost audit as per section 148 doesn't applicable on the Company presently.

SHARES:

a) **BUY BACK OF SECURITIES:** The Company has not bought back any of its securities during the year under review.

b) **SWEAT EQUITY:** The Company has not issued any Sweat Equity Shares during the year under review.

c) **BONUS SHARES:** No Bonus Shares were issued during the year under review.

d) **EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.

e) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

f) WEB LINK OF ANNUAL RETURN, IF ANY:

The Company doesn't have any website.

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: 10 May, 2025	**Ankit Patel**	**Darshan Patel**
Place: Ahmedabad	**Executive Chairman**	**Managing Director**
	DIN: 02180007	**DIN: 02047676**

Annexure to Directors Report – Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

[A] Conservation of Energy

(i) **(a) Steps taken on conservation of energy:**

-Using VFD to save energy.

-Using Energy Efficient IE3 Class Motors

-Using Capacitor/APFCR Panel for Improvement of Power factor

-Using LED Light fixtures

(b) Impact on conservation of energy:

-Reduction of energy consumption units as well as cost of electricity bills.

(ii) The Steps taken by the Company for utilising alternate sources of energy:

Currently we are using power from CPP for generation of power as well as steam.

[B] TECHNOLOGY ABSORPTION:

(i) **Efforts made towards technology absorption**: The Company revamped the existing manufacturing and used updated technologies therein as per resolution plan approved by Hon'ble National Company Law Tribunal.

(ii) **Benefits derived like product improvement, cost reduction, product development or import substitution:** The Company commenced production and product quality was under stabilization.

(iii) **Information regarding technology imported, during the last 3 years:**

Sr.No	Particulars (Name of machinery imported)	From which Country	Amount (Rs. In lakhs)	Year of Import
1	Filter Press	China	814.78	2023
2	Heat Exchanger	China	650.60	2023
3	FRP Blower	China	24.98	2023
4	Gear Box	China	61.24	2024
5	Digester Shaft Blade	China	91.37	2022
6	Electro road	China	32.31	2022
7	Gear Box for reactor	China	61.25	2024
8	China Mill Spare	China	34.66	2024
9	Electro road	China	16.26	2024
10	Gear Box for Ball Mill	China	5.91	2024

(iv) **Expenditure incurred on Research and Development:**

Particulars	**FY2025**	**FY2024**
	(Rs in Lakhs)	
Capital	NIL	NIL
Recurring	NIL	NIL
Total	NIL	

[C] <u>Foreign Exchange Earnings and Outgo</u>:

Foreign Exchange Earnings: - Rs. NIL
Foreign Exchange Outgo: - Rs. 165.74 Lakh

For and on behalf of the Board

Date: 10 May, 2025	**Ankit Patel**	**Darshan Patel**
Place: Ahmedabad	**Executive Chairman**	**Managing Director**
	DIN: 02180007	**DIN: 02047676**

Shahs & Associates
Company Secretaries

Email : shahs.kaushik@gmail.com
shahs.bhomia@gmail.com
Ph:+91-79-26423700/40040708
M:+91-9426016200, 9327992683

305, Hrishikesh-II,
Opp. Municipal School,
Nr. Navrangpura Bus Stand,
Navrangpura, Ahmedabad-380 009

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31.03.2025

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

To,

The Members,
KILBURN CHEMICALS LIMITED
“Meghmani House”, 2nd Floor, Near Raj Bunglow,
B/h. Safal Profitaire, Corporate Road, Prahladnagar
AHMEDABAD GJ380015 IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kilburn Chemicals Limited CIN U24117GJ1990PLC135801** (hereinafter called the “Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon. It is further stated that **we have also relied up on the scanned documents and other papers in digital/ electronic mode, explanations/ representations** submitted to us by the official of the Company for the financial year ended on **31st March, 2025.**

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided **in digital/ electronic mode** by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31st March, 2025 (“Audit Period”)** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2025** according to the provisions of:

1. The Companies Act, 2013 (the Act) as amended till date and the Rules made there under;

2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) as amended till date and the Rules made there under

K.J. SHAH & CO.
301, SAMPANNA BEHIND NAVRANGPURA BUS STAND AHMEDABAD 380 009.
COMPANY SECRETARIES

Shah Kaushik

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3. The Depositories Act, 1996 as amended till date and the Regulations and bye-laws framed there under;

4. Foreign Exchange Management Act, 1999 as amended till date and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as lastly amended on 28th November, 2024; **(Not Applicable during the Audit Period)**

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as lastly amended on 12th March, 2025; **(Not Applicable during the Audit Period)**

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as lastly amended on 08th March, 2025; **(Not Applicable during the Audit Period)**

   d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the Audit Period)**

   e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021, as lastly amended on 11th December, 2024; **(Not Applicable during the Audit Period);**

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client 2009, as lastly amended on 10th February, 2025;

   g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as lastly amended on 28th November, 2024; **(Not Applicable during the Audit Period); and**

   h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998**;** as lastly amended on 28th November, 2024 **(Not Applicable during the Audit Period);**

K.J. SHAH & CO. 301, SAMPANNA BEHIND NAVRANGPURA BUS STAND AHMEDABAD 380 009. COMPANY SECRETARIES

Shah Kaushik

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6. The other laws, as informed and certified by the Management of the Company, which are specifically applicable to the Company based on the industry are as listed in **Annexure – I** and **we report that** based on the examination of the relevant documents and records, and as certified by the Management, prime facie it appears that the proper system exist in the Company to confirm compliance of the applicable laws.

We have also examined compliance with the applicable clauses of the followings:

(1) The Listing Agreements entered into by the Company with Stock Exchanges **(Not Applicable during the Audit Period);**

(2) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended till date. **(Not Applicable during the Audit Period);**

(3) Secretarial Standards (SS-1 & SS-2) issued by the Institute of Company Secretaries of India as amended till date.

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

We further report that;

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period, there were no instances of:

(1) Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity

(2) Redemption/Buy Back of Securities.

(3) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

K.J. SHAH & CO.
301, SAMPANNA BEHIND NAVRANGPURA BUS STAND AHMEDABAD 380 009.
COMPANY SECRETARIES

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(4) Foreign Technical Collaborations.

(5) Merger / Amalgamation / Reconstruction etc.

Place: Ahmedabad

Date: 10th May, 2025

For, SHAHS & ASSOCIATES
Company Secretaries

K.J. SHAH & CO. 301, SAMPANNA BEHIND NAVRANGPURA BUS STAND AHMEDABAD 380 009. COMPANY SECRETARIES

Shah Kaushik

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420G000311949
Peer Review No.833/2020

Note: This report is to be read with our letter of even date which is annexed as Annexure-II and forms an integral part of this report.

ANNEXURE "I"

SR. NO.	PARTICULARS
1	INSECTICIDES ACT, 1968.
2	ENVIRONMENT PROTECTION ACT, 1986.
3	INDIAN EXPLOSIVE ACT, 1952 - POISON ACT, 1884.
4	THE FACTORIES ACT, 1948.
5	THE APPRENTICE ACT, 1961.
6	THE INDUSTRIAL DISPUTE ACT, 1947.
7	EMPLOYEES PROVIDENT FUND & MISC. PROVISIONS ACT.
8	THE PAYMENT OF WAGES ACT, 1965.
9	THE PAYMENT OF BONUS ACT, 1965.
10	THE PAYMENT OF GRATUITY ACT, 1972.
11	THE MINIMUM WAGES ACT, 1946.
12	THE TRADE UNION ACT, 1926.
13	THE EMPLOYMENT EXCHANGE ACT, 1952.
14	FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992.
15	ESSENTIAL COMMODITIES ACT, 1995.
16	INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951.
17	PETROLEUM ACT, 1934, RULES 1976.
18	INDUSTRIAL EMPLOYMENT (STANDING ORDER) ACT, 1946 & RULES 1957.
19	CHILD LABOUR (P&R) ACT, 1986 & RULES.
20	OZONE DEPLETING SUBSTANCE (REGULATIONS & CONTROL) RULE, 2000.
21	INDIAN BOILER ACT, 1923 & REGULATIONS.

Place: Ahmedabad

Date: 10th May, 2025

For, SHAHS & ASSOCIATES
Company Secretaries

Shah
Kaushik

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420G000311949
Peer Review No.833/2020

Annexure “II”

To,
The Members,
KILBURN CHEMICALS LIMITED
“Meghmani House”, 2nd Floor, Near Raj Bunglow,
B/h. Safal Profitaire, Corporate Road, Prahladnagar
AHMEDABAD GJ380015 IN

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our Report of even date is to be read along with this letter:

- **a.** Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- **b.** We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- **c.** We have not verified the correctness and appropriateness of the financial statement of the Company.
- **d.** The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management.
- **e.** Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

K. J. SHAH & CO.
301, SAMPANNA BEHIND NAVRANGPURA BUS STAND AHMEDABAD 380 009.
COMPANY SECRETARIES

Shah Kaushik

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f. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Date: 10th May, 2025

For, SHAHS & ASSOCIATES
Company Secretaries

Shah Kaushik

Kaushik Shah
Partner
FCS No 2420 CP No 1414
UDIN: F002420G000311949
Peer Review No.833/2020

INDEPENDENT AUDITOR'S REPORT
To the Members of Kilburn Chemicals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kilburn Chemicals Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, 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 material accounting policies and other explanatory information (hereinafter referred as "the financial statements").

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, 2025, its loss including other comprehensive loss, 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 information included in 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities 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.
- 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.

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, to the extent applicable, 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 except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11 (g);

   (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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);

(g) 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;

(h) The Company has not paid any managerial remuneration to its directors and thus, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;;

(i) 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 does not have any pending litigations which would impact its financial position;

   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, as disclosed in the note 42 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in the note 42 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

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

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that , audit trail feature is not enabled for certain changes made using privileged/ administrative access rights, as described in note 43 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

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

per Abhishek Karia
Partner
Membership Number: 132122
UDIN: 25132122BMOEVU2965
Place of Signature: Ahmedabad
Date: May 10,2025

Annexure 1 referred to in Paragraph 1 of Report on ‘Other Legal and Regulatory Requirements of our Report of even date Kilburn Chemicals Limited for the year ended March 31, 2025

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

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

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of all the immovable properties as disclosed in note 3 to the financial statements (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, 2025.

(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) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.

(b) As disclosed in note 18 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 statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company does 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) During the year the Company has not granted loans, advances in the nature of loans, made investments, 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), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable 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, 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) According to the information and explanation given to us, the dues of goods and services tax, income-tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Goods & Service Tax Act,2017	ITC Credit Mis Match between GST2A and 3B	50.74	2018-19	Commissioner appeals
Goods & Service Tax Act,2017	Excess ITC availed	13.90	2017-18 and 2018-19	Commissioner appeals
Income Tax Act, 1961	Income taxes	-*	2007-2019	Income Tax Appellate Tribunal

* For ongoing income tax assessments for AY 2007- 2019, the Company has received favorable order from Income Tax Appellate Tribunal dated August 10, 2023 confirming extinguishment of liabilities, whether disputed or undisputed, for all the assessment years prior to the date of National Company Law Tribunal order dated December 16, 2021. Pending closure of assessments by Income Tax department for above mentioned assessment years, the same are disclosed in above table with NIL amount.

(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 wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loan was 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.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order are 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 material 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) & (c) of the Order are 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 (xvi) (a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi) (b) of the Order is not applicable to the Company.

(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) of the Order is not applicable to the Company.

(d) There are no other Companies 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 Rs. 6,621.46 lakhs in the current year and amounting to Rs. 3,010.46 lakhs in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 40 to the financial statements, the 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 and considering the Company's current liabilities exceeds the current assets by INR 1,005.24 lakhs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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 to the Companies Act, 2013 in relation to 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 Abhishek Karia
Partner
Membership Number: 132122
UDIN: 25132122BMOEVU2965
Place of Signature: Ahmedabad
Date: May 10, 2025

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of Kilburn Chemicals Limited

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, 2025 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.

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, 2025, 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 Abhishek Karia
Partner
Membership Number: 132122
UDIN: 25132122BMOEVU2965
Place of Signature: Ahmedabad
Date: May 10, 2025

Kilburn Chemicals Limited
Balance Sheet as at 31st March 2025

PARTICULARS	Notes	Rs. In Lakhs	
		31st March 2025	31st March 2024
ASSETS			
(I) Non-Current Assets			
(a) Property Plant and Equipment	**3.1**	55,435.59	16,631.69
(b) Capital Work in Progress	**3.2**	1,025.35	37,295.24
(c) Other Intangible Assets	**3.3**	7.51	10.08
(d) Financial Assets			
(i) Investments	**4**	-	0.95
(ii) Other Financial Assets	**5**	136.86	212.68
(e) Non Current Tax Assets (Net)	**6**	22.72	15.96
(f) Other Non-Current Assets	**7**	2,745.14	936.93
Total Non-Current Assets (I)		**59,373.17**	**55,103.53**
(II) Current Assets			
(a) Inventories	**8**	3,189.16	2,995.14
(b) Financial Assets			
(i) Trade Receivables	**9**	559.35	79.53
(ii) Cash and Cash Equivalents	**10**	305.27	203.81
(iii) Other Financial Assets	**11**	74.68	1.00
(c) Other Current Assets	**12**	4,801.88	7,107.01
Total Current Assets (II)		**8,930.34**	**10,386.49**
TOTAL ASSETS (I+II)		**68,303.51**	**65,490.02**
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity Share Capital	**13**	1,215.00	1,215.00
(b) Instruments Entirely Equity in Nature	**14**	53,805.85	42,384.22
(c) Other Equity	**15**	(11,075.32)	(2,184.66)
Total Equity (I)		**43,945.53**	**41,414.56**
Liabilities			
(II)Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**16**	14,390.07	16,919.79
(b) Provision	**17**	32.33	31.61
Total Non-Current Liabilities (II)		**14,422.40**	**16,951.40**
(III) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	**18**	4,882.71	2,985.85
(ii) Trade Payables	**19**		
Total outstanding dues of micro and small enterprise		171.76	213.09
Total outstanding dues of creditors other than micro and small enterprise		3,182.27	1,159.76
(iii) Other Financial Liabilities	**20**	1,069.57	2,106.16
(b) Other Current Liabilities	**21**	616.96	646.91
(c) Provisions	**22**	12.31	12.29
Total Current Liabilities (III)		**9,935.58**	**7,124.06**
Total Liabilities (II+III)		**24,357.98**	**24,075.46**
TOTAL EQUITY AND LIABILITIES (I+II+III)		**68,303.51**	**65,490.02**

The accompanying notes form 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)

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

Ankit N Patel-Executive Chairman
(DIN - 02180007)

per Abhishek Karia
Partner
Membership No : 132122

Anand Saraogi
Chief Financial Officer

Darshan A Patel- Managing Director
(DIN - 02047676)

Jayesh R Patel
Company Secretary
Membership No : A14898

Place : Ahmedabad
Date : 10th May 2025

Place : Ahmedabad
Date : 10th May 2025

Kilburn Chemicals Limited
Statement of Profit and Loss for the year ended 31st March 2025

PARTICULARS	Notes	Rs. In Lakhs For the year ended 31st March 2025	For the year ended 31st March 2024
I Revenue From Operations	23	3,396.31	109.74
II Other Income	24	78.75	100.68
III - Total Income (I+II)		**3,475.06**	**210.42**
IV- Expenses			
Cost of Materials Consumed	25	3,174.76	-
Changes in Inventories of Finished Goods and Work-in-Progress	26	(1,218.20)	-
Employee Benefits Expenses	27	1,576.15	1,252.09
Finance Cost	28	1,035.69	518.33
Depreciation and Amortisation Expense	3	2,254.09	1,245.32
Other Expenses	29	5,560.50	1,450.70
Total Expenses (IV)		**12,382.99**	**4,466.44**
V - (Loss) Before Tax (III-IV)		**(8,907.93)**	**(4,256.02)**
VI - Tax Expenses	30		
1 - Current Tax		-	-
2 - Deferred Tax		-	-
Total Tax Expenses (VI)		**-**	**-**
VII. (Loss) For The Year (V-VI)		**(8,907.93)**	**(4,256.02)**
VIII. Other Comprehensive Income	31		
Items that will not be reclassified to profit or loss in Subsequent periods			
Remeasurement gain on defined benefit plans		17.27	4.89
Income tax effect on above		-	-
Total other comprehensive income for the year, net of tax (VIII)		**17.27**	**4.89**
IX. Total Comprehensive (Loss) For The Year (VII+VIII)		**(8,890.66)**	**(4,251.13)**
X. (Loss) Per Equity Share (Face Value Per Share - Rs 10 Each) (In Rs.)	32	**(73.32)**	**(35.03)**
Basic and Diluted			

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)

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

Ankit N Patel-Executive Chairman
(DIN - 02180007)

per Abhishek Karia
Partner
Membership No : 132122

Anand Saraogi
Chief Financial Officer

Darshan A Patel- Managing Director
(DIN - 02047676)

Jayesh R Patel
Company Secretary
Membership No : A14898

Place : Ahmedabad
Date : 10th May 2025

Place : Ahmedabad
Date : 10th May 2025

Kilburn Chemicals Limited
Statement of Cash Flow for the year ended 31st March 2025

PARTICULARS	Rs. In Lakhs	
	For the year ended 31st March 2025	**For the year ended 31st March 2024**
A. Cash Flow from Operating Activities		
(Loss) Before Tax	**(8,907.93)**	**(4,256.02)**
Adjustment to reconcile loss before tax to net cash flows :		
Depreciation and Amortisation Expenses	2,254.09	1,245.32
Unrealised Foreign Exchange (Gain) (Net)	-	(0.02)
Liability no longer required written back	(43.11)	(1.50)
Finance Cost	1,035.69	518.33
Sundry Balance Written Off	75.49	1.76
Interest Income	(7.58)	(1.65)
(Profit) on Sale/Discard of Property, Plant & Equipment (Including CWIP) (Net)	-	(0.92)
Operating (Loss) Before Working Capital Changes	**(5,593.35)**	**(2,494.70)**
Adjustment for:		
(Increase) in Inventories	(194.02)	(1,691.31)
(Increase) in Trade Receivables	(479.82)	(69.14)
Decrease in Other Assets	(495.44)	(2,304.84)
Increase in Trade Payables	2,024.29	690.89
Increase/(Decrease) in Other Liabilities	10.18	(1,305.06)
Increase in Provisions	18.01	35.46
Working Capital Changes	**883.21**	**(4,644.00)**
Cash (Used in) Operations	**(4,710.15)**	**(7,138.70)**
Direct Taxes Paid (Including TDS)	(6.76)	(10.84)
Net Cash (Used in) Operating Activities	**(4,716.91)**	**(7,149.54)**
B. Cash Flow from Investment Activities		
Purchase of Property, Plant & Equipment (including CWIP) and Intangible assets	(3,519.11)	(15,949.57)
Proceeds from sale of Property, Plant & Equipment	19.75	1.70
Redemption of Fixed Deposits	1.00	-
Net Cash (Used in) Investing Activities	**(3,498.35)**	**(15,947.87)**
C. Cash Flow from Financing Activities		
Proceeds from Issue of Unsecured Perpetual Securities	11,421.63	17,804.22
Finance Costs Paid	(2,472.05)	(1,910.23)
Proceeds from Short Term Borrowing (net)	455.00	-
Proceeds from Bank Borrowing (Term loan)	2,232.94	7,127.47
Repayment of Bank Borrowing (Term loan)	(3,320.80)	-
Net Cash Generated From Financing Activities	**8,316.72**	**23,021.46**
Net (Decrease)/Increase in Cash and Cash Equivalent (A+B+C)	**101.46**	**(75.95)**

Cash and Cash Equivalent at the beginning of the year	203.81	279.76
Cash and Cash Equivalent at the end of the year	**305.27**	**203.81**
Cash and Cash Equivalent Comprises as under :		
Balance with Banks in Current Accounts	305.08	203.73
Cash on Hand	0.19	0.08
Cash and Cash Equivalent at the end of the year (Refer Note 10)	**305.27**	**203.81**

Notes to the Statement of Cash Flow for the year ended on 31st March 2025.

1) The Statement of Cash Flow has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

2) Changes in liabilities arising from financing activities

(Rs. in Lakhs)

Particulars	**April 1, 2024**	**Cash flows**	**March 31, 2025**
Current borrowings (Note 18)	-	455.00	455.00
Instruments Entirely Equity in Nature (Note 14)	42,384.22	11,421.63	53,805.85
Non - current borrowings (including current portion of Long term Debt) (Note 16 and 18)	19,905.64	(1,087.86)	18,817.78
Total liabilities from financing activities	**62,289.86**	**10,788.77**	**73,078.63**

(Rs. in Lakhs)

Particulars	**April 1, 2023**	**Cash flows**	**March 31, 2024**
Instruments Entirely Equity in Nature (Note 14)	24,580.00	17,804.22	42,384.22
Non - current borrowings (including current portion of Long term Debt) (Note 16 and 18)	12,778.17	7,127.47	19,905.64
Total liabilities from financing activities	**37,358.17**	**24,931.69**	**62,289.86**

The 'Other' column includes the effect of reclassification of non-current portion of borrowings to current borrowings.

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)

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

Ankit N Patel-Executive Chairman
(DIN - 02180007)

per Abhishek Karia
Partner
Membership No : 132122

Anand Saraogi
Chief Financial Officer

Darshan A Patel- Managing Director
(DIN - 02047676)

Jayesh R Patel
Company Secretary
Membership No : A14898

Place : Ahmedabad
Date : 10th May 2025

Place : Ahmedabad
Date : 10th May 2025

Kilburn Chemicals Limited

Statement Of Changes In Equity For The Year Ended 31st March 2025

(a) Equity Share Capital (Refer Note 13)

For the year ended 31 March 2025 — **Rs. In Lakhs**

Particulars	Note	No of Shares	Amount
Issued, Subscribed and fully paid equity shares of Rs 10 each			
At 1st April 2024		**1,21,50,000**	**1,215.00**
Changes in Equity Share Capital due to prior period errors		-	-
Restated balance at 1 April 2024		**1,21,50,000**	**1,215.00**
Changes in equity share capital during the year	13	-	-
At 31st March 2025		**1,21,50,000**	**1,215.00**

For the year ended 31 March 2024 — **Rs. In Lakhs**

Particulars	Note	No of Shares	Amount
Issued, Subscribed and fully paid equity shares of Rs 10 each			
At 1st April 2023		**1,21,50,000**	**1,215.00**
Changes in Equity Share Capital due to prior period errors		-	**-**
Restated balance at 1 April 2023		**1,21,50,000**	**1,215.00**
Changes in equity share capital during the year	13	-	-
As at 31st March 2024		**1,21,50,000**	**1,215.00**

(b) Instruments Entirely Equity in Nature (Refer Note 14)

For the year ended 31 March 2025 — **Rs. In Lakhs**

Particulars	Amount
Issued, Subscribed and fully paid equity shares of Rs 10 each	
At 1st April 2024	**42,384.22**
Changes in Instruments Entirely Equity in Nature due to prior period errors	-
Restated balance at 1 April 2024	**42,384.22**
Changes in Instruments Entirely Equity in Nature during the year	11,421.63
At 31st March 2025	**53,805.85**

For the year ended 31 March 2024 — **Rs. In Lakhs**

Particulars	Rs. in Lakhs
Issued, Subscribed and fully paid equity shares of Rs 10 each	
At 1st April 2023	**24,580.00**
Changes in Instruments Entirely Equity in Nature due to prior period errors	-
Restated balance at 1 April 2023	**24,580.00**
Changes in Instruments Entirely Equity in Nature during the year	17,804.22
At 31st March 2024	**42,384.22**

(Rs. in Lakhs)

Particulars	(c) Other Equity (Refer Note15)				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earning	
Opening Balance at April 1, 2023	**1,801.72**	**2,237.56**	**1,347.50**	**(3,320.31)**	**2,066.48**
Changes in accounting policy or prior period errors	-	-	-	-	**-**
Balance as at 1st April 2023	**1,801.72**	**2,237.56**	**1,347.50**	**(3,320.31)**	**2,066.48**
(Loss) for the year	-	-	-	(4,256.02)	(4,256.02)
Other Comprehensive Income for the year (net of taxes)	-	-	-	4.89	4.89
Total Comprehensive (Loss) for the year	**-**	**-**	**-**	**(4,251.13)**	**(4,251.13)**
As at 31st March 2024	**1,801.72**	**2,237.56**	**1,347.50**	**(7,571.44)**	**(2,184.66)**
Changes in accounting policy or prior period errors	-	-	-	-	-
Balance as at 1st April 2024	**1,801.72**	**2,237.56**	**1,347.50**	**(7,571.44)**	**(2,184.66)**
(Loss) for the year	-	-	-	(8,907.93)	(8,907.93)
Other Comprehensive Income for the year (net of taxes)	-	-	-	17.27	17.27
Total Comprehensive (Loss) for the year	**-**	**-**	**-**	**(8,890.66)**	**(8,890.66)**
As at 31st March 2025	**1,801.72**	**2,237.56**	**1,347.50**	**(16,462.10)**	**(11,075.32)**

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 Abhishek Karia
Partner
Membership No : 132122

Place : Ahmedabad
Date : 10th May 2025

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

Anand Saraogi
Chief Financial Officer

Ankit N Patel-Executive Chairman
(DIN - 02180007)

Jayesh R Patel
Company Secretary
Membership No : A14898

Darshan A Patel- Managing Director
(DIN - 02047676)

Place : Ahmedabad
Date : 10th May 2025

1. Corporate information

The financial statements comprise financial statements of Kilburn Chemicals Limited (the Company) (CIN U24117GJ1990PLC135801) for the year ended March 31, 2025. The Company is a public company limited by shares domiciled in India and is incorporated under the provisions of the Companies Act,2013. The registered office of the Company is located at Meghmani House, Nr. Safal Profitaire, Prahlad Nagar, Satellite, Ahmedabad 380015, Gujarat, India.

The Company has a manufacturing unit at Jolwa Village at Dahej Gujarat (Dahej Facility). The company is engaged 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.

The Financial Statements were approved for issue in accordance with a resolution of the directors on May 10, 2025.

2. Material Accounting Policies

2.1 Statement of Compliance and basis of Preparation

The financial statements have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 (Ind As compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on accrual basis and under historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding 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 lakhs up to two decimals (INR 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements provide comparative information in respect of the previous period.

2.2 Significant accounting estimates, assumptions and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

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 34 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. The carrying value of Property, plant and equipment has been disclosed in note 3.1.

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.

Recognition of deferred taxes:

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits under the Income Tax Act, 1961. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.3 Summary of Material accounting policies

a. Current Vs. Non-Current classification:

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.
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 period up to twelve months as its operating cycle.

b. Revenue from contract with customer

Revenue from contract with customer is recognized when control of the goods or services 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 or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Sale of Goods

Revenue from sale of goods is recognized 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 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, existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Contract Balances

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 recognized for the earned consideration that is conditional.

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 instruments – initial recognition and subsequent measurement.)

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.

c. Other Income

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.

d. 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 functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses 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 recognised in 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 a 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 profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

e. Fair Value Measurement

The Company measures certain financial instruments at fair value 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, Executive Directors 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 38.

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

f. Property, Plant and Equipment

Items of property, plant and equipment except items stated below are stated at cost are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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 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 charged are over following estimated useful lives:

Asset	Estimated Useful life
Right to use – Leasehold Land	99 Years
Building	30 Years
Plant & Machinery	15 Years
Reactors / Storage Tanks	20 Years
Furniture and Fixtures	10 Years
Computers	3 Years
Other equipments	5 Years

g. 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 costs which can be capitalised are directly attributable to development of the asset for its intended use.

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 unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is as follows:

Assets	Amortisation Method	Amortisation period
Product Licenses	On Straight-line basis	5 years

h. 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. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

i. Taxes

Current income tax

Tax expense comprises current tax expense and deferred tax.

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 in the countries where the Company operates and generates taxable income.

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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

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 and does not give rise to equal taxable and deductible temporary differences;

- 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 and does not give rise to equal taxable and deductible temporary differences;

The carrying amount of deferred tax assets 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.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business.

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.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

j. 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

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (b) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Financial assets at amortised cost (debt instruments)

A 'financial asset' 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 or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Financial Assets designated at Fair Value Through other comprehensive income (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Equity instruments designated at fair value through OCI include investments in equity shares and compulsory convertible debentures of non-listed companies. The company holds non-controlling interests (between 0.20 % to 2.28 %) in these companies. These investments were irrevocably designated at fair value through OCI as the company considers these investments to be strategic in nature.

Financial Asset at Fair Value Through Profit or Loss (FVTPL)

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised 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 (a) 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 and
- Other 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

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 profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortized costs

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 30-360 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.

De-recognition

A financial liability is derecognised from balance sheet 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 or 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 group or the counterparty.

k. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, Packing Material and Stores and Spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Finished goods: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on moving weighted average basis.

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.

l. 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.

m. 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 scheme is funded with an insurance Company in the form of a qualifying insurance policy.

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. The aforesaid leave encashment is funded with an insurance Company in the form of a qualifying insurance policy.

Re-measurements, comprising of acturial 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.

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.

Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss. Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Accumulated compensated absences which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are treated as other long term employee benefits for measurement purposes.

Presentation and disclosure

For the purpose of presentation of defined benefit plans, the allocation between the short term and long-term provisions have been made as determined by an actuary. Obligations under other long-term benefits are classified as short-term provision, if the Company does not have an unconditional right to defer the settlement of the obligation beyond 12 months from the reporting date. The Company presents the entire compensated absences as short-term provisions since employee has an unconditional right to avail the leave at any time during the year.

n. 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.

o. Contingent liabilities

Contingent liability is:

(i)a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or

(ii) a present obligation that arises from past events but is not recognized because;
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

p. Leases

The Company assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (_) Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office equipment and premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).
The Company applies the low-value asset recognition exemption on a lease-by-lease basis. In making this assessment, the Company also factors below key aspects:

- The assessment is conducted on an absolute basis and is independent of the size, nature, or circumstances of the lessee.
- The assessment is based on the value of the asset when new, regardless of the asset's age at the time of the lease.
- The lessee can benefit from the use of the underlying asset either independently or in combination with other readily available resources, and the asset is not highly dependent on or interrelated with other assets.
- If the asset is subleased or expected to be subleased, the head lease does not qualify as a lease of a low-value asset.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

m. 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 balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the Standalone 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:

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 pigment, the Company does not operate in more than one business segment.

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

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2025, except for amendments to the existing Indian Accounting Standards (Ind AS). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

The following amendments are effective from April 1,2024:

Introduction of Ind AS 117

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all “insurance contracts” regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

Additionally, amendments have been made to Ind AS 101, First-time Adoption of Indian Accounting Standards, Ind AS 103, Business Combinations, Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, Ind AS 107, Financial Instruments: Disclosures, Ind AS 109, Financial Instruments and Ind AS 115, Revenue from Contracts with Customers to align them with Ind AS 117. The amendments also introduce enhanced disclosure requirements, particularly in Ind AS 107, to provide clarity regarding financial instruments associated with insurance contracts.

Amendments to Ind AS 116 -Lease liability in a sale and leaseback

The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of use asset it retains.

The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have impact on the Company’s Financial Statements.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

Note - 3 **(Rs. In Lakhs)**

Property, Plant and Equipment, Capital Work In Progress and Intangible Assets as on 31st March 2025

Note No.	Particulars	Gross Block (refer note iv)				Accumulated Depreciation / Amortisation				Net Block	
		Opening as at 1st April 2024	Addition	Deduction	Closing as at 31st March 2025	Opening as at 1st April 2024	Charge for the Year	On Deduction	Closing as at 31st March 2025	As at 31st March 2025	As at 31st March 2024
3.1	**Property, Plant and Equipment**										
1	ROU - Leasehold Land	2,661.38	-	-	2,661.38	174.36	28.92	-	203.28	2,458.10	2,487.02
2	Building	4,218.05	7,523.75	-	11,741.80	748.04	276.57	-	1,024.61	10,717.19	3,470.01
3	Plant & Equipment	16,851.68	33,458.97	30.79	50,279.86	6,237.45	1,928.35	11.01	8,154.79	42,125.07	10,614.23
4	Furniture & Fixtures	32.88	29.24	-	62.12	4.17	4.64	-	8.81	53.31	28.71
5	Computers	9.72	0.31	-	10.03	3.77	3.06	-	6.83	3.20	5.95
6	Other Equipments	60.27	62.93	-	123.20	34.50	9.98	-	44.48	78.72	25.77
	Sub Total	**23,833.98**	**41,075.20**	**30.79**	**64,878.39**	**7,202.29**	**2,251.52**	**11.01**	**9,442.80**	**55,435.59**	**16,631.69**
3.3	**Intangible Assets**										
1	Licenses	12.88	-	-	12.88	2.80	2.57	-	5.37	7.51	10.08
	Sub Total	**12.88**	**-**	**-**	**12.88**	**2.80**	**2.57**	**-**	**5.37**	**7.51**	**10.08**
	Total	**23,846.86**	**41,075.20**	**30.79**	**64,891.27**	**7,205.09**	**2,254.09**	**11.01**	**9,448.17**	**55,443.10**	**16,641.77**

3.2 Capital Work In Progress

(Rs. In Lakhs)

Particulars	Total
Cost	
As at March 31, 2024	**37,295.24**
Addition	972.10
Capitalisation	(37,241.99)
As at March 31, 2025	**1,025.35**

(i) Capital Work-In-Progress as at 31st March 2025 comprises expenditure for the Plant & Machineries and Buildings in the course of construction of manufacturing facility.

(ii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2025 is Rs.861.15 Lakhs (31st March 2024: Rs.1,438.44 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 8.48% to 8.90% (31 March 2024: 8.42% to 8.80%), which is the effective interest rate of the specific borrowings taken for capital project.

(iii) Refer Note 39 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 is netted off as on 1 April 2015.

(v) Refer Note 16 for details of charge created against the above mentioned assets.

(vi) Refer Note 35 for details of contractual commitments for the acquisition of Property, Plant and Equipments.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

(vii) Details of capitalisation of expenditure

The Company has capitalised following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalised.

Particulars	As at 31st March 2025	As at 31st March 2024
Balance at the beginning of the year included in capital work - in- progress	**6,329.98**	**742.12**
Add: Expenditure during construction of projects		
Power and Fuel Expenses (Refer Note (a) below)	1,761.45	3,398.61
Borrowing Costs (Refer Note ii above)	861.15	1,438.45
Cost of Raw Material Consumed	1,156.63	1,120.39
Sale of Products Manufactured from trial run	(1,899.93)	(896.22)
Other Expenses (Refer Note (a) below)	364.56	526.63
	8,573.85	**6,329.98**
Less: Capitalized during the year	8,573.85	-
Balance at the end of the year included in capital work - in-progress	**-**	**6,329.98**

Notes:-
(a) Other expenses and Power and Fuel are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(viii) The recoverable amount of the Titanium Dioxide manufacturing unit of the Company is determined as a single CGU. The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rate applied to the cash flow projections for impairment testing during the current year is 15.57% which is considered reasonable by the management. The growth rate used to extrapolate the cash flows of the unit beyond the five-year period is 3.00%. This growth is the same as the long-term average growth rate for industry. As a result of the analysis, management did not identify impairment for this CGU.

Key assumptions used for the purpose of valuation are: Sales rate, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), Growth rates used to extrapolate cash flows beyond the forecast period, Weighted Average Cost of Capital (WACC).

On a careful evaluation of the aforesaid assumptions, the management of the Company has concluded that the recoverable value of CGU exceeds the carrying amount of the assets as at March 31, 2025 and hence the assets are not impaired. However, if the foresaid assumptions were to change in future, there could be corresponding impact on the recoverable amount.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

Note - 3 **(Rs. In Lakhs)**

Property, Plant and Equipment, Capital Work In Progress and Intangible Assets as on 31st March 2024

Note No.	Particulars	Gross Block (refer note iv)				Accumulated Depreciation / Amortisation				Net Block	
		Opening as at 1st April 2023	Addition	Deduction	Closing as at 31st March 2024	Opening as at 1st April 2023	Charge for the Year	On Deduction	Closing as at 31st March 2024	As at 31st March 2024	As at 31st March 2023
3.1	**Property, Plant and Equipment**										
1	ROU - Leasehold Land	2,661.38	-	-	2,661.38	145.44	28.92	-	174.36	2,487.02	2,515.94
2	Building	4,218.05	-	-	4,218.05	600.76	147.28	-	748.04	3,470.01	3,617.29
3	Plant & Equipment	16,839.03	15.20	2.55	16,851.68	5,181.03	1,057.34	0.92	6,237.45	10,614.23	11,657.99
4	Furniture & Fixtures	19.29	13.59	-	32.88	1.49	2.68	-	4.17	28.71	17.81
5	Computers	6.18	3.54	-	9.72	1.35	2.42	-	3.77	5.95	4.83
6	Other Equipments	44.87	15.40	-	60.27	30.40	4.10	-	34.50	25.77	14.48
	Sub Total	**23,788.80**	**47.73**	**2.55**	**23,833.98**	**5,960.47**	**1,242.74**	**0.92**	**7,202.29**	**16,631.69**	**17,828.34**
3.3	**Intangible Assets**										
1	Licenses	12.88	-	-	12.88	0.22	2.58	-	2.80	10.08	12.66
	Sub Total	**12.88**	**-**	**-**	**12.88**	**0.22**	**2.58**	**-**	**2.80**	**10.08**	**12.66**
	Total	**23,801.68**	**47.73**	**2.55**	**23,846.86**	**5,960.69**	**1,245.32**	**0.92**	**7,205.09**	**16,641.77**	**17,841.00**

3.2 Capital Work In Progress

(Rs. In Lakhs)

Particulars	Total
Cost	
As at March 31, 2023	**21,020.84**
Addition	16,274.40
Capitalisation	-
As at March 31, 2024	**37,295.24**

(i) Capital Work-In-Progress as at 31st March 2024 comprises expenditure for the Plant & Machineries and Buildings in the course of construction of manufacturing facility.

(ii) The amount of borrowing costs added to cost of capital work-in-progress during the year ended 31st March 2024 is Rs.1,438.44 Lakhs (31st March 2023: Rs.389.99 Lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation ranges between 8.42% to 8.80% (31 March 2023: 6.57% to 8.80%), which is the effective interest rate of the specific borrowings taken for capital Project.

(iii) Refer Note 39 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 is netted off as on 1 April 2015.

(v) Refer Note 16 for details of charge created against the above mentioned assets.

(vi) Refer Note 35 for details of contractual commitments for the acquisition of Property, Plant and Equipments.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

vii) Details of capitalisation of expenditure

The Company has capitalised following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalised.

Particulars	31st March 2024	31st March 2023
Balance at the beginning of the year included in capital work - in- progress	**742.12**	**-**
Add: Expenditure during construction of projects		
Power and Fuel Expenses (Refer Note (a) below)	3,398.61	301.72
Borrowing Costs (Refer Note ii above)	1,438.45	389.99
Cost of Raw Material Consumed	1,120.39	4.08
Sale of Products Manufactured from trial run	(896.22)	(2.15)
Other Expenses (Refer Note (a) below)	526.63	48.48
	6,329.98	**742.12**
Less: Capitalized during the year	-	-
Balance at the end of the year included in capital work - in-progress	**6,329.98**	**742.12**

Notes:-

(a) Other expenses and Power and Fuel are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

Capital work in progress (CWIP) Ageing Schedule As at 31 March 2025 **(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	87.96	-	-	-	**87.96**
Projects temporarily suspended (refer note (i) below)	884.14	53.25	-	-	**937.39**
Total	**972.10**	**53.25**	**-**	**-**	**1,025.35**

Capital work in progress (CWIP) Ageing Schedule as at 31 March 2024 **(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	16,274.40	20,880.13	140.71	-	**37,295.24**
Projects temporarily suspended	-	-	-	-	**-**
Total	**16,274.40**	**20,880.13**	**140.71**	**-**	**37,295.24**

Projects in progress, whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024

(Rs. In Lakhs)

Particulars	To be completed within				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Titanium Dioxide Plant and Rutile grade Plant (refer note i below)	37,295.24	-	-	-	37,295.24
Total	**37,295.24**	-	-	-	**37,295.24**

Note i) The Company initially intended to enhance the production capacity of it's Dahej facility and manufacture rutile grade of titanium dioxide (TiO2) . However, after careful technical and operational evaluations, the company revised its plan to optimize production efficiency and product quality of Anatase grade TiO2 considering which Rutile Grade TiO2 Project has been temporarily suspended and there is no management plan / intention to terminate the project.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

NOTE:4 FINANCIAL ASSETS : INVESTMENTS

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Investment at fair value through Other Comprehensive Income		
Investments in Fully Paid Equity Shares (Unquoted)		
Nil (31st March 2024 - 9,500) Equity Shares of Meghmani Foundation of Rs. 10/- each *	-	0.95
Total	**-**	**0.95**

* Investment in Meghmani Foundation of Rs. 0.95 Lakhs has been written off during the year.

NOTE:5 OTHER FINANCIAL ASSETS (NON CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Unsecured, Considered Good		
Security Deposits	135.86	211.68
Bank Deposits with original maturity of more than 12 months (refer note below)	1.00	1.00
Total	**136.86**	**212.68**

Note : -

Bank deposits amounting Rs 1 Lakh (31st March 2024 - Rs. 1 Lakh) were for varying periods of 1 to 6 years and carries interest of 7.00% (31st March 2024 - 7.00%).

NOTE:6 NON CURRENT TAX ASSETS (NET)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Tax deducted at source (TDS)	22.72	15.96
Total	**22.72**	**15.96**

NOTE:7 OTHER NON-CURRENT ASSETS

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Unsecured, Considered Good		
Capital Advances	9.80	935.39
Balance with Government Authorities - GST credit (net)	2,735.34	1.54
Total	**2,745.14**	**936.93**

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

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Raw Materials	1,499.42	2,647.61
Work In Progress	477.88	-
Finished Goods	740.32	-
Stores and Spares	337.33	216.12
Others (Packing and Fuel Material)	134.21	131.41
Total	**3,189.16**	**2,995.14**

i. During the year ended 31st March 2025, Rs. 1462.41 lakhs (31st March 2024: Nil) was recognised as an expense for inventories carried at net realisable value.

ii. Provision of slow moving and non moving inventory is Nil as at 31st March 2025 (31st March 2024: Nil)

iii.Refer Note 18 for details of Inventories pledged against borrowings.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:9 TRADE RECEIVABLES

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Trade receivables		
Trade receivables	559.35	79.53
Trade Receivables from related parties	-	-
Total Trade receivables	**559.35**	**79.53**
Break-up for Trade Receivables		
Trade receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good	559.35	79.53
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	559.35	**79.53**
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	**559.35**	**79.53**

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 37.
For information about Credit Risk and Market Risk related to Trade Receivables, Refer Note 38.
No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

Trade receivables Ageing Schedule
As at 31 March 2025 **(Rs. in Lakhs)**

PARTICULARS	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	359.78	197.39	-	2.18	-	-	559.35
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	**359.78**	**197.39**	**-**	**2.18**	**-**	**-**	**559.35**

As at 31 March 2024 (Rs. in Lakhs)

PARTICULARS	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	72.05	5.30	2.18	-	-	-	79.53
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	**72.05**	**5.30**	**2.18**	**-**	**-**	**-**	**79.53**

There are no unbilled receivables as at March 31, 2025 and March 31, 2024 , hence the same is not disclosed in the ageing Schedule.

NOTE:10 CASH AND CASH EQUIVALENTS

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Balance with Banks in Current Account	305.08	203.73
Cash on hand	0.19	0.08
Total	**305.27**	**203.81**

NOTE:11 OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Unsecured, Considered Good		
Other Receivable (refer note 37)	74.68	-
Bank Deposits (refer note i below)	-	1.00
Total	**74.68**	**1.00**

Note : -

Bank deposits amounting Rs Nil (31st March 2024 - Rs. 1 Lakh) were for varying periods of 3 to 12 months and carries interest of Nil (31st March 2024 - 7.00%).

NOTE:12 OTHER CURRENT ASSETS

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Unsecured, Considered Good		
Balance with Government Authorities - GST credit (net)	4,590.00	6,866.64
Advances to Suppliers	188.55	213.21
Export Benefit Receivable (refer note i below)	0.03	0.98
Prepaid Expenses	23.30	26.18
Total	**4,801.88**	**7,107.01**

i) Since the management expects to utilise the licenses for payment of duties, accordingly, the same has been classified as other current assets.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

NOTE:13 EQUITY SHARE CAPITAL

AUTHORISED SHARE CAPITAL	No. of shares	Rs. in Lakhs
Equity shares of Rs. 10 each.		
As at 1st April 2023	**1,60,00,000**	**1,600.00**
Changes during the year	-	-
As at 31st March 2024	**1,60,00,000**	**1,600.00**
Changes during the year	-	-
As at 31st March 2025	**1,60,00,000**	**1,600.00**

AUTHORISED SHARE CAPITAL	No. of shares	Rs. in Lakhs
Cumulative Redeemable Preference Shares of Rs. 100 each.		
As at 1st April 2023	**4,00,000**	**400.00**
Changes during the year	-	-
As at 31st March 2024	**4,00,000**	**400.00**
Changes during the year	-	-
As at 31st March 2025	**4,00,000**	**400.00**

ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL	No. of shares	Rs. in Lakhs
Equity shares of Rs. 10 each.	1,21,50,000	1,215.00

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 2023	**1,21,50,000**	**1,215.00**
Changes during the year	-	-
As at 31st March 2024	**1,21,50,000**	**1,215.00**
Changes during the year	-	-
At 31st March 2025	**1,21,50,000**	**1,215.00**

Terms / Rights attached to Equity shares

The Company has only 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. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

Details of Equity shares of Rs 10 each, as held by promoters

As at 31 March 2025

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**		

As at 31 March 2024

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**		

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

Details of Shareholder holding more than 5% Equity Shares

PARTICULARS	As at 31st March 2024		As at 31st March 2023	
	No of Shares	% of Holding	No of Shares	% of Holding
Meghmani Organics Limited (Holding Company)	1,21,49,400	**100%**	1,21,49,400	**100%**

As per records of the Company, including its register of shareholder / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

There are no shares allotted for consideration other than cash during last 5 years
The Board of Directors have not proposed dividend for the year ended March 31, 2025 and March 31, 2024.

NOTE:14 INSTRUMENTS ENTIRELY EQUITY IN NATURE

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Unsecured Perpetual Securities	53,805.85	42,384.22
Total	**53,805.85**	**42,384.22**

The Company has issued unsecured perpetual securities of Rs. 11,961.00 lakhs to its Holding Company, Meghmani Organics Limited ("MOL"). The securities are redeemable at the option of the Company and carry non-cumulative coupon rate of 8%. The Company has classified this instrument as equity under Ind AS 32 "Financial Instruments". Further, during the year, the Company has further issued unsecured perpetual securities of Rs. 11,421.63 lakhs (31st March 2024: 17,804.22 lakhs) to MOL.

NOTE:15 OTHER EQUITY

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
(1) Securities Premium		
Balance as at the Beginning of the year	2,237.56	2,237.56
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	1,801.72
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
Balance as at the end of the year	**1,347.50**	**1,347.50**
(4) Retained Earnings		
Balance as at the Beginning of the year	(7,571.44)	(3,320.31)
Add : (Loss) for the year	(8,907.93)	(4,256.02)
Add : Other Comprehensive Income for the Year (Net of tax)	17.27	4.89
Balance as at the end of the year	**(16,462.10)**	**(7,571.44)**
Total	**(11,075.32)**	**(2,184.66)**

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

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 reserve can be utilised only for limited purposes such as issuance of bonus shares and buy back of shares in accordance with the provisions of the Companies Act, 2013

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, (iv) write back of excess liabilities pursuant to resolution plan approved by NCLT. The reserves so created shall be utilised as per the provisions of the Companies Act, 2013

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.

Retained Earnings

Retained Earnings are the profits/(losses) that the Company has earned till date, less any transfer to General Reserve, Dividend paid to Shareholders. It also includes Re-measurement gain/(loss) on defined benefit plans that will not be Re-classified to the Statement of Profit and loss.

NOTE:16 BORROWINGS

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
SECURED		
Term Loan Facilities from Banks :		
In Indian currency (refer note below)	18,817.78	19,905.64
Total	**18,817.78**	**19,905.64**
Current maturity of long term borrowing disclosed under 'short term borrowings' (Refer Note 18)	4,427.71	2,985.85
Total non-current borrowing	**14,390.07**	**16,919.79**

Refer Note No - 38 for Interest rate Risk and Liquidity Risk.

Details of Security and Repayment Terms :

i) The Company has availed Rupee Term Loan facility of Rs. 25,000.00 Lakhs of which company has drawn Rs. 22,138.57 Lakhs(31 March 2024: 19,905.64 Lakhs). The Facility is secured by (a) First charge by way of Hypothecation on the movable Property, Plant and Equipment of the Company (b) First charge by way of mortgage created on immovable Property, Plant and Equipment of the Company and (c) Corporate guarantee by Meghmani Organics Limited. The borrowing carries interest at 1 Month T-Bill + 6.50% p.a. payable at monthly rest. The effective interest rate ranges from 8.48% to 8.90% (31 March 2024: 8.42% to 8.80%) during the year. Outstanding balance for this borrowing is Rs 18,817.78 Lakhs (31 March 2024: 19,905.64 Lakhs). The loan will be repaid in 20 equal quarterly instalments starting from financial year 2024-25.

ii) Bank loan availed by the Company is subject to certain covenants relating to fixed asset coverage ratio, debt service coverage ratio, Minimum tangible net worth, total other liabilities to adjusted tangible net woth and total debt to adjusted tangible netwoth. All Covenants other than debt service coverage ratio have been complied as per the terms of loan agreement as at and for the year ended 31st March, 2025.The Company has obtained waiver from bank for covenants not complied with and for continuing the repayment as per the original sanctioned terms. Further company has obtained confirmation from bank that they do not intend to demand back the loan balance on account of deviation of covenant for the Financial Year 2024-25. Accordingly outstanding balances has been disclosed as per original repayment schedule.

iii) The Company has not defaulted for any repayment of Borrowings and Interest during the year.

NOTE:17 PROVISIONS (NON - CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Provision for Employee benefits		
Gratuity (Refer Note 34)	32.33	31.61
Total	**32.33**	**31.61**

NOTE:18 BORROWINGS (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Loans Repayable on Demand - Cash credit and working capital demand loan (refer note below)		
Secured Loans		
From Banks - In Indian Currency	455.00	-
Current maturities of Non Current Borrowings (Refer Note 16)		
Secured Loans	4,427.71	2,985.85
Total	**4,882.71**	**2,985.85**

Details of Security and Repayment Terms :

i) The Company has sanctioned limits for Cash credit, working capital demand loans and non fund based limits of Rs 7,500 Lakhs (31 March 2024: 7,500 lakhs) as sanctioned limit in Indian Currency. This loan is secured by way of hypothecation of the entire current assets of the company and Corporate Guarantee given by Meghmani Organics Limited.

ii) Interest rates on working capital demand loans and is 8.50% p.a. payable at monthly rest.
iii) The Company has not defaulted for any repayment of Borrowings and Interest during the year.
iv) The Company submits quarterly statements of assets hypothecated and the same are in agreement with the books.

NOTE:19 TRADE PAYABLES

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Total outstanding Dues of Micro and Small Enterprises (Refer Note 33)	171.76	213.09
Total outstanding Dues of Creditors other than Micro and Small Enterprises (Refer Note below)	3,182.27	1,159.76
Total	**3,354.03**	**1,372.85**

Terms and Conditions of the above Outstanding Dues :

Trade payables are non-interest bearing and are normally settled on 30-180 days terms. For amounts due to related parties and terms and conditions with Related Parties, Refer Note 37. Refer Note 38 for Company's credit risk management processes.

Trade payables Ageing Schedule
As at 31 March 2025 **(Rs. in Lakhs)**

PARTICULARS	Outstanding for following periods from due date of payment						
	Accrued Expenses	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	-	56.58	115.18	-	-	-	**171.76**
Total outstanding dues of creditors other than micro enterprises and small enterprises	506.47	1,223.20	1,435.37	17.24	-	-	**3,182.27**
Total	**506.47**	**1,279.78**	**1,550.55**	**17.24**	**-**	**-**	**3,354.03**

There are no disputed dues of above categories of trade payable and hence requisite amounts are Nil (31st March 2024: Nil)

As at 31 March 2024 (Rs. in Lakhs)

PARTICULARS	Outstanding for following periods from due date of payment						
	Accrued Expenses	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	-	99.52	113.57	-	-	-	**213.09**
Total outstanding dues of creditors other than micro enterprises and small enterprises	515.18	311.46	333.12	-	-	-	**1,159.76**
Total	**515.18**	**410.98**	**446.69**	**-**	**-**	**-**	**1,372.85**

There are no disputed dues of above categories of trade payable and hence requisite amounts are Nil (31st March 2023: Nil)

NOTE:20 OTHER FINANCIAL LIABILITIES (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Financial liabilities carried at amortised cost		
Interest Accrued but not due on Borrowings	140.24	138.15
Employee Benefit Payable	188.14	148.01
Payable for retention money	514.65	1,122.77
Payable for Capital Goods (Refer Note below)	226.54	697.23
Total	**1,069.57**	**2,106.16**

Refer Note 33 for Capital Creditors due to Micro Small and Medium enterprises

NOTE:21 OTHER CURRENT LIABILITIES

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Statutory Dues Payable	25.43	55.38
Other Payable (Refer Note below)	591.53	591.53
Total	**616.96**	**646.91**

Other Payable pertains to accrual of liability towards EPCG obligation.

NOTE:22 PROVISIONS (CURRENT)

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Provisions for Employee Benefits		
Compensated Absences (Refer Note 34)	12.31	12.29
Total	**12.31**	**12.29**

Note - Since Company does not have an unconditional right to defer settlement for any of the leave obligation, it is disclosed as current liabilities. However, the Company does not expect that all leave obligations will be settled in next 12 months.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

NOTE:23 REVENUE FROM OPERATIONS

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Revenue From Contracts with Customers		
i- Manufacturing Goods	2,804.14	-
Total Revenue From Contracts with Customers	**2,804.14**	**-**
Other Operating Revenue		
i- Power Sales	525.41	-
ii- Scrap Sales	66.76	109.74
Total Other Operating Revenue	**592.17**	**109.74**
Total Revenue From Operations	**3,396.31**	**109.74**

NOTE:23.1 Disaggregated revenue information

Refer Note 36 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contracts with customers".

NOTE:23.2 Contract assets and contract liabilities

The Company has recognised the following revenue-related contract asset and liabilities

PARTICULARS	Rs. in Lakhs	
	31st March 2025	31st March 2024
Trade Receivables (Refer Note 9)	559.35	79.53

Trade receivables are non-interest bearing and are generally on terms of 30 days. As at March 2025, Rs. Nil (March 2024: Rs. Nil) was recognised as provision for expected credit losses on trade receivables. There are no contract liablities outstanding as at 31st March 2025 and 31st March 2024.

NOTE:23.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Revenue as per contracted price*	2,888.62	-
Adjustments		
Sales return	(84.48)	-
Revenue from contract with customers	**2,804.14**	**-**

* Net of amount capitalised from trial run amounting to Rs.1,899.93 (March 31, 2024 Rs 896.22)

NOTE:23.4 Performance obligation

Information about the Company’s performance obligations are summarised below:

All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company does not have any remaining performance obligation for sale of goods or services which remains unsatisfied as at March 31, 2025 or March 31, 2024. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

NOTE:23.5 Information about major customers

For Information about major customers Refer Note 36.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

NOTE:24 OTHER INCOME

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest Income on		
- Bank Deposits	0.07	0.10
- Others including electricity deposits	7.51	1.55
Net Gain on Foreign Currency transactions	20.29	37.96
Liabilities no longer required written back	43.11	1.50
Income on sharing of ETP line	-	45.12
Profit On Sale/ Discard of Property, Plant and Equipment (including CWIP) (net)	-	0.92
Miscellaneous Income	7.77	13.53
Total	**78.75**	**100.68**

NOTE:25 COST OF MATERIALS CONSUMED*

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Raw Materials Consumed	3,174.76	-
Total	**3,174.76**	**-**

* Net of capitalisation -Refer note 3

The above amount comprises of Raw Material consumption generated from the accounting system and related adjustment thereto. Purchases therein amounts to Rs.2,026.57 lakhs and inventory balances of raw materials is as per note 8.

NOTE:26 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS*

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
(A) Inventories at the beginning of the year		
(i) Finished Goods	-	-
(ii) Work-in-Progress (WIP)	-	-
Total (A)	**-**	**-**
(B) Inventories at the end of the year		
(i) Finished Goods	740.32	-
(ii) Work-in-Progress (WIP)	477.88	-
Total (B)	**1,218.20**	
(Increase)in Inventory		
(i) Finished Goods	(740.32)	-
(ii) Work-in-Progress (WIP)	(477.88)	-
Changes in Inventories (A - B)	**(1,218.20)**	**-**

* Net of capitalisation -Refer note 3

NOTE:27 EMPLOYEE BENEFIT EXPENSE

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Salary, Wages and Bonus	1,378.30	1,042.96
Contribution to Provident Fund, Other Funds and Gratuity (Refer Note 34)	63.14	66.61
Staff Welfare Expenses	134.71	142.52
Total	**1,576.15**	**1,252.09**

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:28 FINANCE COSTS*

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest expense on :		
-Term Loans	915.57	-
-Working Capital Demand Loan	46.16	-
-Others	57.85	168.15
Other borrowing Costs (includes bank charges, etc.)	16.11	350.18
Total	**1,035.69**	**518.33**

* Net of capitalisation -Refer note 3

NOTE:29 OTHER EXPENSES*

PARTICULARS	Rs. in Lakhs	
	For the year	For the year
Consumption of Stores and Spares	479.42	303.61
Power & Fuel	2,558.23	2.80
Repairs and maintenance:		
- Buildings	34.82	26.42
- Plant and Machinery	385.54	196.86
Pollution Control Expenses	519.19	-
Factory expenses	68.55	41.00
Labour Contract Charges	846.12	527.92
Rent (refer note 39)	1.74	1.98
Rates & Taxes	2.36	-
Insurance	78.29	70.50
Consumption of Packing Materials	41.88	0.62
Legal & Professional Charges	111.48	66.60
Printing and Stationery	5.07	4.32
Security Service Charges	62.02	65.74
Transportation Expenses	10.07	20.92
Equipments Hire Charges	54.27	18.54
Sundry Balance Written Off	75.49	1.76
Water charges	137.92	-
Miscellaneous Expenses #	78.21	91.64
Audit Fees (refer note iii below)	9.83	9.47
Total	**5,560.50**	**1,450.70**

* Net of capitalisation -Refer note 3
# It does not include any item of expenditure with a value of more than 1% of Revenue from Operations.

(i) Donation to Political Parties amounts to Rs Nil (31st March 2024 - Rs Nil).

(ii) Conditions specified under section 135(1) of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014 for CSR provisions are not satisfied and hence CSR provisions are not applicable.

(iii) Payments to Auditors (Excluding taxes)

Particulars	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
(a) as Auditors	9.00	9.00
(b) for Reimbursement of Expenses	0.83	0.47
TOTAL	**9.83**	**9.47**

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:30 INCOME TAXES

The major components of income tax for the year ended March 31, 2025 and March 31, 2024 are:

(a) Amounts recognised in Profit and Loss **Rs. in Lakhs**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Current Tax (Net)		
Current Income Tax	-	-
Total	**-**	**-**
Deferred Tax Charge		
Relating to origination and reversal of temporary differences	-	-
Tax expense/(Credit) for the year	**-**	**-**

(b) Amounts recognised in other comprehensive income **Rs. in Lakhs**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Items that will not be reclassified to statement of profit and loss		
Tax on Remeasurements of the Defined Benefit Plans	-	-

(c) Reconciliation of effective Tax Rate **Rs. in Lakhs**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit/(Loss) Before Tax	**(8,907.93)**	**(4,256.02)**
Tax expenses at statutory income tax rate (31 March 2025: 25.17% and 31 March 2024: 25.17%)	(2,241.95)	(1,071.15)
Tax effect on non-deductible Expenses / Income not subjected to tax / other adjustments		
Deferred Tax not created on Business Loss and Unabsorbed Depreciation	2,241.95	1,071.15
Tax Expense as per Statement of Profit and Loss	**-**	**-**
Effective Tax Rate	**0.00%**	**0.00%**

(d) Items for which no deferred tax asset is recognised in the Balance Sheet:
As at the year ended on March 31, 2025 and March 31, 2024, the Company is having deductible temporary differences in form of brought forward losses and unabsorbed depreciation under the tax laws.

Movement in Deferred Tax balances for the year ended March 31, 2025 **Rs. in Lakhs**

Particulars	Net balance April 1, 2024	Recognised in profit and loss	Recognised in OCI	Net	Deferred tax asset as at March 31, 2025	(Deferred tax liability) as at March 31, 2025
Property, Plant and Equipment	-	(2,360.74)	-	(2,360.74)	-	(2,360.74)
Employee Benefits	-	11.24	-	11.24	11.24	-
Eligible Business Loss	-	7,982.31	-	7,982.31	7,982.31	-
Unrecognised Deferred Tax Asset		(5,632.80)		(5,632.80)	-	(5,632.80)
Tax Assets/(Liabilities)	**-**	**-**	**-**	**-**	**7,993.54**	**(7,993.54)**
Set off of Assets against liabilities						**7,993.54**
Net Tax Liabilities						**-**

Movement in Deferred Tax balances for the year ended March 31, 2024 **Rs. in Lakhs**

Particulars	Net balance April 1, 2023	Recognised in profit and loss	Recognised in OCI	Net	Deferred tax asset as at March 31, 2024	(Deferred tax liability) as at March 31, 2024
Property, Plant and Equipment	-	(1,528.38)	-	(1,528.38)	-	(1,528.38)
Employee Benefits	-	11.05	-	11.05	11.05	-
Eligible Business Loss	-	3,403.83	-	3,403.83	3,403.83	-
Unrecognised Deferred Tax Asset	-	(1,886.50)	-	(1,886.50)	-	(1,886.50)
Tax Assets/(Liabilities)	**-**	**-**	**-**	**-**	**3,414.88**	**(3,414.88)**
Set off of Assets against liabilities						**3,414.88**
Net tax Liabilities						**-**

The Company has not recognised net deferred tax asset amounting to Rs 7,993.54 lakhs (March 31,2024 Rs 3,414.88 lakhs) since it is not probable that taxable profit will be available in future against which losses and brought forward depreciation can be utilised.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:31 OTHER COMPREHENSIVE INCOME

PARTICULARS	Rs. in Lakhs	
	For the year ended 31st March 2025	For the year ended 31st March 2024
Statement of other comprehensive income		
Remeasurement gain on defined benefit plans (Refer Note 34)	17.27	4.89
Income tax effect on above	-	-
Total	17.27	4.89

NOTE:32 EARNINGS PER SHARE

Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) 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 2025	For the year ended 31st March 2024
(Loss) attributable to Equity Shareholders	(8,907.93)	(4,256.02)
Weighted Average number of Equity Shares outstanding (Nos)	1,21,50,000	1,21,50,000
Basic and Diluted Earnings Per Share (Rs.)	(73.32)	(35.03)
Face value per Equity Share (Rs.)	10	10

Note: 33 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, 2025 has been made in the Financial Statements based on information received and available with the Company. 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 2025	For the year ended 31st March 2024
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	171.76	213.09
Capital Payable	5.83	335.09
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)	53.02	168.10
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	-	-

Above information has been determined to the extent such parties have been identified on the basis intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:34 EMPLOYEE BENEFITS

(a) Defined Benefit Plan

The company has defined gratuity plan which is governed by the Payment of Gratuity Act, 1972. Under the Gratuity 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:

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

Particulars	31st March 2025	31st March 2024
Opening balance of defined benefit obligation	50.63	8.56
Service Cost		
a. Current Service Cost	16.37	16.52
Interest Cost	4.18	2.62
Benefits Paid	(10.38)	-
Re-measurements		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/(Gain) from changes in financial assumptions	2.19	0.83
c. Actuarial Loss/(Gain) from experience over the past period	(19.33)	(5.68)
Effect of acquisition/ (divestiture)	-	-
Transfer in/ (out)	9.15	27.78
Changes in foreign exchange rates	-	-
Closing balance of the defined benefit obligation	**52.81**	**50.63**

Table 2: Reconciliation of Fair Value of Plan Assets **(Rs. In Lakhs)**

Particulars	31st March 2025	31st March 2024
Opening Balance of Fair Value of Plan Assets	**19.01**	-
Contributions by Employer	10.38	18.40
Benefits Paid	(10.38)	-
Interest Income on Plan Assets	1.34	0.57
Re-measurements	-	-
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	0.13	0.04
Closing Balance of Fair Value of Plan Assets	**20.48**	**19.01**
Actual Return on Plan Assets	*1.47*	*0.61*
Expected Employer Contributions for the coming period	*20.00*	-

Table 3: Expenses recognised in the Profit and Loss Account **(Rs. In Lakhs)**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Service Cost		
a. Current Service Cost	16.37	16.52
Net Interest on net defined benefit liability/ (asset)	2.84	2.05
Employer Expenses	**19.21**	**18.57**

Table 4: Income recognised in the other comprehensive income **(Rs. In Lakhs)**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Actuarial (Loss)/Gain from changes in financial assumptions	(2.19)	(0.83)
Actuarial (Loss)/Gain from experience over the past year	19.33	5.68
Return on Plan assets, excluding amount included in net interest on the net defined benefit	0.13	0.04
Total income recognised in the other comprehensive income	**17.27**	**4.89**

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

Table 5: Net Liability/ (Asset) recognised in the Balance Sheet **(Rs. In Lakhs)**

Particulars	31st March 2025	31st March 2024
Present Value of DBO	52.81	50.63
Fair Value of Plan Assets	20.48	19.01
Liability/ (Asset) recognised in the Balance Sheet	32.33	31.62
Funded Status [Surplus/(Deficit)]	(32.33)	(31.62)
Of Which, Short term Liability	-	-
Experience Adjustment on Plan Liabilities: (Gain)/Loss	(19.33)	(5.68)

Table 6: Percentage Break-down of Total Plan Assets

Particulars	31st March 2025	31st March 2024
Equity instruments	0%	0%
Debt instruments	0%	0%
Real estate	0%	0%
Derivatives	0%	0%
Investment Funds with Life Insurance Company (LIC)	100%	100%
Of which, Unit Linked	0%	0%
Of which, Traditional/ Non-Unit Linked	100%	100%
Asset-backed securities	0%	0%
Structured debt	0%	0%
Cash and cash equivalents	0%	0%
Total	**100%**	**100%**

Table 7: Actuarial Assumptions

Particulars	31st March 2025	31st March 2024
Salary Growth Rate	10% p.a.	10% p.a.
Discount Rate	6.4% p.a.	7% p.a.
Interest Rate for interest on net DBO	7% p.a.	7.2% p.a.
Withdrawal Rate	12% p.a.	12% p.a.
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average remaining duration of the obligation	5.5 years	6 years

Table 8: Movement in Other Comprehensive Income **(Rs. In Lakhs)**

Particulars	31st March 2025	31st March 2024
Opening Balance (Loss)	**6.47**	**1.58**
Re-measurements on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(2.19)	(0.83)
c. Actuarial (Loss)/Gain from experience over the past period	19.33	5.68
Re-measurements on Plan Assets		
a. Return on Plan assets, excluding amount included in net interest on the net defined benefit	0.13	0.04
Closing Balance (Loss)	**23.74**	**6.47**

Table 9: Sensitivity Analysis

For the year ended 31st March 2025	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by 3.91 lakhs	DBO decreases by 3.48 lakhs
Discount Rate	DBO decreases by 3.56 lakhs	DBO increases by 4.09 lakhs
Withdrawal Rate	DBO decreases by 1.37 lakhs	DBO increases by 1.49 lakhs

Mortality (increase in expected lifetime by 1 year)	DBO increases by 0.01 lakhs
Mortality (increase in expected lifetime by 3 years)	DBO increases by 0.04 lakhs

For the year ended 31st March 2024	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by 4.30 lakhs	DBO decreases by 3.84 lakhs
Discount Rate	DBO decreases by 3.91 lakhs	DBO increases by 4.48 lakhs
Withdrawal Rate	DBO decreases by 1.29 lakhs	DBO increases by 1.40 lakhs

Mortality (increase in expected lifetime by 1 year)	DBO increases by 0.01 lakhs
Mortality (increase in expected lifetime by 3 years)	DBO increases by 0.03 lakhs

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analysis.

Table 10: Movement in Surplus/ (Deficit) **(Rs. In Lakhs)**

Particulars	**For the year ended 31st March 2025**	**For the year ended 31st March 2024**
Surplus/ (Deficit) at start of year	**(31.62)**	**(8.56)**
Net transfer (in)/ out	**(9.15)**	**(27.78)**
Movement during the year		
Current Service Cost	(16.37)	(16.52)
Net Interest on net DBO	(2.84)	(2.05)
Actuarial gain/ (loss)	17.27	4.89
Contributions	10.38	18.40
Surplus/ (Deficit) at end of year	**(32.33)**	**(31.62)**

(b) Amount recognised as expense in respect of compensated absences is Rs. 8.56 lakhs (March 31, 2024 -Rs 7.31 lakhs).
Amount of provision for compensated absences is as below:

Particulars	**31st March 2025**	**31st March 2024**
Current Liabilites	12.31	12.29
Total	**12.31**	**12.29**

(c) Defined Contribution Plans

i) The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The Company has recognised provident fund contribution of Rs 43.87 Lakhs (March 31, 2024 Rs 36.13 Lakhs) and contribution to Other Labour Fund amounting to Rs 0.06 Lakhs (March 31, 2024 Rs 11.91 Lakhs) as expense, Refer Note 27 under the head ‘Contributions to Provident and Other Funds’.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:35 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

A Claims against the company not acknowledged as debts

The Company does not have any contingent liablities as at March 31, 2025 and March 31, 2024.

B Capital Commitments

	Rs. in Lakhs	
Particulars	**31st March 2025**	**31st March 2024**
Estimated amount of contracts pending execution on capital accounts and not provided for (net of advances)	1,020.60	2,160.85

NOTE:36 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

Segment Revenue:
Segment revenue is analysed based on the location of customers regardless of where the goods are produced. The following provides an analysis of the Company's sales by geographical Markets:

Rs. in Lakhs

Particulars	31st March 2025	31st March 2024
Revenue:		
Within India	3,396.31	109.74
Outside India	-	-
Total	**3,396.31**	**109.74**

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

Rs. in Lakhs

Particulars	31st March 2025	31st March 2024
Carrying amount of segment assets		
Within India	59,213.59	54,873.94
Outside India	-	-

The Company has 4 customers (31 March 2024 - Nil) which has accounted for more than 10% of the Company's revenue. Total amount of revenue from the customers was Rs. 2,602.50 Lakhs for the year ended March 31, 2025.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:37 RELATED PARTIES DISCLOSURES :-

➡	Holding Company	:	Meghmani Organics Limited (MOL)
➡	Enterprises in which Key Managerial Personnel [KMP] & their close members have significant influence	:	Epigral Limited (Epigral) Meghmani Crop Nutrition Limited (MCNL)
➡	Key Managerial Personnel :	:	Mr. Ankit Patel (Executive Chairman) Mr. Darshan Patel (Managing Director) Mr. Karana Patel (Director) Mr. Maulik Patel (Director) Mr. Kaushal Soparkar (Director) Mr. G.S. Chahal (Chief Financial Officer) (upto 30.06.2024) Mr. Anand Saraogi (Chief Financial Officer) (w.e.f 01.07.2024) Mr. Jayesh R Patel (Company Secretary)
➡	Trust	:	Meghmani Foundation

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:37 RELATED PARTIES DISCLOSURES :-
Transaction with Related Parties in ordinary course of business

Rs. in Lakhs

Particulars	Holding Company		Enterprises in which Key Managerial Personnel [KMP] & their close members have significant influence		Total	
	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2025	For the year ended 31st March 2024	For the year ended 31st March 2025	For the year ended 31st March 2024
Purchase of Goods	69.73	-	-	-	69.73	-
Purchase of Goods- Epigral	-	-	41.22	14.62	41.22	14.62
Purchase of Property Plant and Equipment	12.81	150.31	-	-	12.81	150.31
Purchase of Licences	34.09	5.72	-	-	34.09	5.72
Corporate Guarantee Commission	-	325.00	-	-	-	325.00
Sale of Goods / Power	801.83	17.88	-	-	801.83	17.88
Sale of Property Plant and Equipment	19.75	-	-	-	19.75	-
Sale of Property Plant and Equipment to MCNL	-	-	-	0.68	-	0.68
Issue of Unsecured Perpetual Securities	11,421.63	17,804.22	-	-	11,421.63	17,804.22
Reimbursement of Expenses*	20.40	-	-	-	20.40	-
Total	**12,380.24**	**18,303.13**	**41.22**	**15.30**	**12,421.46**	**18,318.43**

*The company reimburses salary cost to its Holding Company for employees (including KMP) deployed for performing operational, financial and other functions.

Outstanding Balance with Related Parties: **Rs. in Lakhs**

Particulars	Holding Company		Enterprises in which Key Managerial Personnel [KMP] & their close members have significant influence		Total	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Other Recievable	74.68	-	-	-	74.68	-
Payable to Epigral	-	-	53.29	4.20	53.29	4.20

NOTE:37 RELATED PARTIES DISCLOSURES :-

Terms and Conditions of transactions with related parties

(1) Sales to related parties and concerned balances

For terms of transaction

Sales are made to related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties, who purchase goods and services of the Company in similar quantities. Such sales generally include payment terms requiring related party to make payment within 30 days from the date of invoice.

For terms of balance

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 30 days from the reporting date (31 March 2024: 30 days from the reporting date). For the year ended 31 March 2025, the Company has not recorded any impairment on receivables due from related parties (31 March 2024: Nil).

(2) Purchases of goods and related balances

For terms of transaction

Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar purchase transactions entered into by the Company with the other non-related parties. Such purchases generally include payment terms requiring the Company to make payment within 30 days from the date of invoice.

For terms of balance
Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 30 days from the reporting date (31 March 2024: 90 to 180 days from the reporting date).

(3) Items of Property, Plant and Equipment (PPE) Sold to the related party

During the year 2024-25, the company sold items of PPE to Mghmani Organics Limited. The sales was made on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiated and agreed price and payment terms by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar transactions entered into by the Company with the other non-related parties. Such sales generally include payment terms within 90 days from the date of invoice. The amount was fully recieved at the reporting date.

(4) 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. The Holding Company has also charged corporate guarantee commission on the same at arms lengths and is in the ordinary course of business.

(5) Issue of Unsecured Perpetual Securities to Meghmani Organics Limited (Holding Company) in Kilburn Chemicals Limited ("KCL")
The Holding Company has invested in perpetual securities of KCL to finance the acquisition of new machines for manufacturing of Titanium Dioxide plant and funding working capital requirements. The investment has been utilized by the Company for the purpose for it was obtained. The securities are redeemable at the option of the Company and carry non-cumulative coupon rate of 8%. Refer note 14 regarding details of perpetual securities of the Company held by the Holding Company.

(6) The Company's transactions with related parties are at arm's length. Management believes that the company's transactions with related parties post March 31, 2025 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. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. Transaction with related parties disclosed are excluding applicable taxes.

Commitments with Related Parties
The Company has not provided any commitment to the related party as at March 31, 2025 (March 31, 2024: Rs.Nil).

NOTE:38 FINANCIAL INSTRUMENTS – FAIR VALUE HIERARCHY

The material 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.

Fair Values

A. Category-wise classification of financial instrument

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(Rs. in Lakhs)

31st March 2025	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial Assets				
Non-Current Other Financial Assets (Refer Note 5)	-	-	136.86	136.86
Trade Receivables (Refer Note 9)	-	-	559.35	559.35
Cash and Cash Equivalents (Refer Note 10)	-	-	305.27	305.27
Other Current Financial Asset (Refer Note 11)			74.68	74.68
Total Financial Assets	**-**	**-**	**1,076.16**	**1,076.16**
Financial Liabilities				
Non-Current Borrowings (Refer Note 16)	-	-	14,390.07	14,390.07
Current Borrowings (Refer Note 19)	-	-	4,882.71	4,882.71
Trade Payables (Refer Note 20)	-	-	3,354.03	3,354.03
Other Current Financial Liabilities (Refer Note 21)	-	-	1,069.57	1,069.57
Total Financial Liabilities	**-**	**-**	**23,696.38**	**23,696.38**

The carrying value of financial instruments by categories as of March 31, 2024 is as follows:

(Rs. in Lakhs)

31st March 2024	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)	-	-	212.68	212.68
Trade Receivables (Refer Note 9)	-	-	79.53	79.53
Cash and Cash Equivalents (Refer Note 10)	-	-	203.81	203.81
Other Current Financial Asset (Refer Note 11)			1.00	1.00
Total Financial Assets	**-**	**0.95**	**497.02**	**497.97**
Financial Liabilities				
Non-Current Borrowings (Refer Note 16)	-	-	16,919.79	16,919.79
Current Borrowings (Refer Note 19)	-	-	2,985.85	2,985.85
Trade Payables (Refer Note 20)	-	-	1,372.85	1,372.85
Other Current Financial Liabilities (Refer Note 21)	-	-	2,106.16	2,106.16
Total Financial Liabilities	**-**	**-**	**23,384.65**	**23,384.65**

The management assessed that carrying value of cash and cash equivalents, trade payables, trade receivables, current investments and other financial assets and liabilities as at March 31, 2025 and March 31, 2024 are reasonable approximations of their fair values largely due to the short-term maturities of these instruments. 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.

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025
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).

In determining fair value measurement, the impact of potential climate related matters which may affect this fair value measurement of assets and liabilities in the finicial statements have been considered.

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**	**Significant Observable Input**
	31st March 2025	**31st March 2024**		
Investment at FVTOCI (unquoted) (Refer Note 4)	-	0.95	Level 3	Third Party Independent Valuation Report

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, 2025 and March 31, 2024.

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 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.

The Company has exposure to the following risks arising from financial instruments
- Credit risk ;
- Market risk ; and
- Liquidity risk

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

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 is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits placed with banks.

Trade Receivables

The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. The exposure in credit risk arising out of major customers is generally backed by letter of credit . The Company's exposure and wherever appropriate the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company.

The Company does not have higher concentration of credit risks. Total trade receivable as on March 31, 2025 is Rs.559.35 Lakhs (March 31, 2024 - Rs. 79.53 Lakhs).

Refer Note 9 for ageing of trade receivables.

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. There are no credit losses historically.

Expected credit loss assessment

For trade receivables, as a practical expedient, the Company compute credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. Accordingly, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

Credit Impaired

For expected credit loss as at each reporting date the Company assesses position for the assets for which credit risk has not significantly increased from initial recognition, assets for which credit risk has increased significantly but are not credit impaired and for assets for which credit risk has increased significantly and are credit impaired. The Company assesses detrimental impacts on the estimated future cash flows of the financial asset including loans, receivables and other assets. Based on the assessment of the observable data relating to significant financial difficulty and creditworthiness of the counterparties, the management believes that there are no financial assets which are credit impaired except as disclosed in the notes to the financial statements.

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.

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, 2025 and March 31, 2024 are as below:

The Company has no exposure to foreign currency risk as at March 31, 2025.

The Company's exposure to foreign currency risk as at March 31, 2024, are as follows

(Rs. in Lakhs)

Particulars	**USD Denominated**
Financial Assets	
Non-Current Investments	-
Other Non-Current Financial Assets	-
Current Assets	
Trade Receivables	-
Cash and Cash Equivalents	-
Other Current Financial Asset	-
Total	**-**
Financial Liabilities	
Non-Current Borrowings	-
Current Borrowings	-
Trade Payables	-
Other Current Financial Liabilities	3.41
Total	**3.41**

Unhedged Foreign Currency exposure as at reporting period

Particulars	**31st March 2025**	**31st March 2024**
Other Current Financial Liabilities	-	3.41
Total	**-**	**3.41**

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars 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.

	Profit or (Loss)		**Equity, net of tax**	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31st March 2024				
5% movement				
USD	0.17	(0.17)	0.13	(0.13)

There are no Forward Contracts outstanding as at 31 March 2025 (31 March 2024: Nil)

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

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 and Short 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 2025**	**31st March 2024**
Non Current - Borrowings	14,390.07	16,919.79
Current Borrowings	4,882.71	2,985.85
Total	**19,272.78**	**19,905.64**

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)

	Profit or (Loss)		**Equity, Net of Tax**	
Particulars	**100 bp increase**	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
31st March 2025				
Non Current - Borrowings	(143.90)	143.90	(107.68)	107.68
Current Borrowings	(48.83)	48.83	(36.54)	36.54
Total	**(192.73)**	**192.73**	**(144.22)**	**144.22**
31st March 2024				
Non Current - Borrowings	(169.20)	169.20	(126.61)	126.61
Current Borrowings	(29.86)	29.86	(22.34)	22.34
Total	**(199.06)**	**199.06**	**(148.96)**	**148.96**

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)

Year ended 31 March 2025	On demand	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	455.00	5,883.05	16,528.20	-	22,866.25
Other Financial Liabilities	-	1,069.57	-	-	1,069.57
Trade Payable	-	3,354.03	-	-	3,354.03

(Rs. in Lakhs)

Year ended 31 March 2024	On demand	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	-	5,178.00	21,457.73	1,131.49	27,767.22
Other Financial Liabilities	-	2,106.16	-	-	2,106.16
Trade Payable	-	1,372.85	-	-	1,372.85

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

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

NOTE:39 LEASES

(A) Transition to Ind AS 116 'Leases' :

The Company has certain leases of office equipment with low value. The Company applies the 'lease of low - value assets ' recognition exemptions for this lease.

(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 2025**	**31st March 2024**
Opening Balance	2,487.02	2,515.94
Additions during the year	-	-
Depreciation charged during the year (refer note 3)	28.92	28.92
Closing Balance	**2,458.10**	**2,487.02**

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

Particulars	**For the year ended 31st March 2025**	**For the year ended 31st March 2024**
Depreciation expense of right-of-use assets (refer note 3)	28.92	28.92
Expense relating to short-term leases (included in other expenses)	1.74	1.98
Total Expenses	**30.66**	**30.90**

Kilburn Chemicals Limited
Notes to the Financial Statements for the year ended 31st March 2025

NOTE:40 RATIOS

Ratio	Numerator	Denominator	31st March 2025	31st March 2024	% change	Reason for variance above 25% year on year
Current Ratio	Current Assets	Current Liabilities	0.90	1.46	-38.35%	There is a decrease in current ratio on account of increase in trade payables and short term borrowings due to commencement of operations
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.44	0.48	-8.76%	No major variance
Debt Service Coverage Ratio	Earnings for debt service = Net profit/(losses) after taxes + Non-cash operating expenses + Interest expenses + Other adjustment like loss on sale of Assets	Debt service = Interest + Principal Repayments	(1.47)	(0.90)	63.16%	There is a decrease in debt service coverage ratio on account of increase in losses for the current year
Return on Equity Ratio	Net Profits/(Losses) after taxes	Average Shareholder's Equity	-20.9%	-14.6%	43.24%	There is a decrease in return on equity on account of increase in losses for the current year
Inventory Turnover Ratio	Revenue from Operation	Average Inventory	1.10	0.06	1592.90%	There is a increase in inventory turnover ratio due to increase in operations
Trade Receivables Turnover Ratio	Revenue from Operation	Average Trade Receivable	10.63	2.69	295.13%	There is a increase in Trade Receivables Turnover ratio due to increase in revenue
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	1.13	2.28	-50.31%	There is a decrease in trade payble turnover ratio on account of increase in average payables due to commencement of operations
Net Capital Turnover Ratio	Revenue from Operation	Working capital = Current assets – Current liabilities	(3.38)	0.03	-10143.86%	This ratio is negative as current liablities are more than current assets
Net Profit Ratio	Net Profits/(Losses) after taxes	Revenue from Operation	-262.28%	-3878.15%	-93.24%	There is a increase in Net Profit Ratio due to increase in Revenue
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-12.45%	-6.10%	104.28%	There is a decrease in return on capital employed on account of higher losses for the current year.
Return on Investment	Interest (Finance Income)	Average of Investment in Subsidiary & Bank Deposit	7.00%	3.39%	106.50%	There is increase in the return on investment on account of reduced investment in current year

NOTE:41 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares or instruments in the nature of Equity to its holding company. The Company includes within net debt, interest bearing borrowings, lease liabilities, less cash and cash equivalents. There were no changes in the objectives, policies or processes during the year ended March 31, 2025 and March 31, 2024.

Particulars	**(Rs. In Lakhs)**	
	31st March 2025	**31st March 2024**
Total Interest bearing liabilities	19,272.78	19,905.64
Less : Cash and cash equivalent	305.27	203.81
Adjusted net debt	**18,967.51**	**19,701.83**
Total equity	**43,945.53**	**41,414.56**
Adjusted net debt to total equity ratio	**0.43**	**0.48**

NOTE:42 OTHER DISCLOSURES THE YEAR ENDED 31ST MARCH, 2025 AND 31ST MARCH, 2024

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

(ii) The Company does 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 does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial

(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 has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

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

(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 has not been declared as wilful defaulter by any bank or financial institution or other lender.

NOTE:43 AUDIT TRAIL

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for certain changes made using privileged access rights to the SAP application and the underlying HANA database. Further, no instance of audit trail feature being tampered with was noted in respect of the accounting software. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

Kilburn Chemicals Limited

Notes to the Financial Statements for the year ended 31st March 2025

NOTE:44 GOING CONCERN

The Company has incurred a loss of Rs. 8,890.66 lakhs and Rs. 4,251.13 lakhs for the year ended March 31, 2025 and March 31, 2024 respectively. Further, the company has incurred Cash losses of Rs. 6,621.46 lakhs and Rs. 3,010.46 Lakhs for the year ended March 31, 2025 and March 31, 2024 respectively. As on March 31, 2025, Company's current liabilities exceeds its current assets by Rs. 1,005.24 Lakhs. Basis the impairment assessment and the projections prepared by management and approved by the Board of Directors, the Company will be able to eliminate cash losses in the coming years and will be profitable going forward. The Company has also received a letter of financial support from its Holding Company. Based on this support and the projected cash flows, the financial statements have been prepared on a going concern basis.

NOTE:45 EVENTS OCCURRED AFTER THE BALANCE SHEET DATE

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of financial statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 10th May 2025 there were no material subsequent events to be recognized or reported that are not already disclosed.

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 N Patel-Executive Chairman** **(DIN - 02180007)**
per Abhishek Karia **Partner** **Membership No : 132122**	**Anand Saraogi** **Chief Financial Officer**	**Darshan A Patel- Managing Director** **(DIN - 02047676)**
	Jayesh R Patel **Company Secretary** **Membership No : A14898**	
Place : Ahmedabad **Date : 10th May 2025**		**Place : Ahmedabad** **Date : 10th May 2025**