

KOTHARI PHYTOCHEMICALS & INDUSTRIES LTD.

CIN : U15491WB1897PLC001365

DIN

BOARD OF DIRECTORS : SRI A. V. KOTHARI – Director 02572346
: SMT. VEDIKA KOTHARI – Director 07189991
: SRI S. BAGRI – Director 00659888
: SRI A. KHANDELWAL – Director 00416445
: SRI A. AGARWAL – Director 00054252
: SRI A. K. TOSHNIWAL – Managing Director 06872891

AUDITORS : SINGHI & CO.
CHARTERED ACCOUNTANTS

BANKERS : BANK OF BARODA

REGISTERED OFFICE : C – 4, GILLANDER HOUSE,
8, N. S. ROAD, KOLKATA – 700 001

REGISTRAR & SHARE TRANSFER AGENT : MAHESHWARI DATAMATICS PRIVATE LIMITED
23, R. N. MUKHERJEE ROAD (5TH FLOOR),
KOLKATA – 700 001

MANUFACTURING UNITS

PHYTOCHEMICALS DIVISION : MADURAI (Tamil Nadu)
Mfrs. of: Chemicals and Crude Drugs

CLARO INDIA DIVISION : GUMMIDIPOONDI (Tamil Nadu)
Mfrs. of: Phenolic Resin

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Phone: 2230 – 2331 (6 Lines), E. Mail: hokothari@yahoo.com



Website: www.kothariphyto.com CIN: U15491WB1897PLC001365

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting ONE HUNDRED TWENTY SEVENTH (127th) Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March 2023.

1. FINANCIAL SUMMARY AND PERFORMANCE OF THE COMPANY:

Amount (₹ in '00)

Particulars	2022 – 23	2021 – 22
Gross Sales	2,681,341.13	2,462,090.52
Other Operating Revenue	88,377.64	42,244.46
Other Income	507,166.92	652,520.24
Total Revenue	3,276,885.69	3,156,855.22
Earnings before Depreciation, Amortisation & Taxation	896,472.84	1,338,731.37
Less : Depreciation and Amortisation	45,453.24	50,082.65
Profit before Taxation	851,019.60	1,288,648.72
Less : Provision for Taxation		
Current Tax	290,000.00	236,000.00
Deferred Tax (Net)	(23,823.64)	54,861.36
Profit for the year	584,843.24	997,787.36
Other Comprehensive Income	(4,125.17)	2,897.41
Total Comprehensive Income	580,718.07	1,000,684.77
STATEMENT OF RETAINED EARNINGS		
At the beginning of the year	1,660,399.46	1,334,457.57
Add : Profit for the year	584,843.24	997,787.36
Add : Other Comprehensive Income (net of taxes)	(4,125.17)	2,897.41
Less : Dividend Paid	135,911.13	174,742.88
Transfer to General Reserve	1,000,000.00	500,000.00
At the end of the year (Balance)	1,105,206.40	1,660,399.46
EPS (Amount in ₹)	15.06	25.70

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2. DIVIDEND

In continuation to steady dividend policy and performance outlook, your Directors are pleased to recommend payment of dividend @ 30 % i. e. ₹ 3/- per Ordinary Share of ₹ 10/- each for the year under review. The total payout amounts to ₹ 1,16,49,525/-. (Rupees One Crore Sixteen Lakhs Forty Nine Thousand Five Hundred Twenty Five Only).

3. RESERVE

An amount of ₹ 10,00,00,000/- (Rupees Ten Crore only) has been transferred to the General Reserve for the financial year ended 31st March, 2023. The balance amount of profit retained in surplus Profit & Loss.

4. SHARE CAPITAL

The Paid – up Share Capital of the Company as on 31st March, 2023 was ₹ 3,88,31,750/- (Rupees Three Crore Eighty Eight lakhs Thirty One Thousand Seven Hundred and Fifty only). There has been no change in the Equity Share Capital of the Company during the year.

5. DEMATERIALIZATION OF SHARES

The shares of the Company are delisted, however, pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014, and as per Rule 9A further issue of securities in dematerialized form by unlisted public company as such the

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company has continued the connectivity from both depositories CDSL and NSDL for admission of its Equity Shares in dematerialized form.

Maheshwari Datamatics Private Limited is the Registrar and Share Transfer Agent of the Company.

6. ADOPTION OF INDIAN ACCOUNTING STANDRAD (IND – AS)

The Company has followed the treatment laid down in the Indian Accounting Standards (Ind AS) and the results for the year ended 31st March, 2023 are in compliance with Indian Accounting Standard (Ind AS) notified by the Ministry of Corporate Affairs.

7. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year Ordinary Shares relevant to unpaid dividend remained unclaimed for a continuous period of seven years and Unclaimed Dividend for the dividend paid for the financial year 31st March, 2015 has been transferred to Investor Education and Protection Fund (IEPF). The details are as under:

No. of Shares	-	217
No. of Shareholders	-	73
Unclaimed Dividend for 2014 – 2015	-	₹ 41,743/-

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8. MANAGEMENT'S DISCUSSION AND ANALYSIS

During the year under review, in view of implementation of Ind AS Accounting Policy the value of Investment in Shares were valued at Market price as on 31st March, 2023 which resulted in decrease in current value of Investment in shares and Mutual Fund. Accordingly, the Profit has been decreased in proportion to the diminishing market value of investment in shares and mutual fund. Further, the profit for the year from the manufacturing activities was increased in proportion to turnover.

As a whole, the Profit earned after Tax is ₹ 5.84 Crores as against ₹ 9.97 Crores during the previous year. The Turnover was marginally increased remained as ₹ 26.81 Crores as compared to ₹ 24.62 Crores in the last year.

SEGMENTWISE PERFORMANCE

a) PHYTOCHEMICALS DIVISION

During the year under review the turnover of the division has increased to ₹ 18.84 Crore as compared to ₹ 17.19 Crore in last year.

NEW PROJECT

The division has obtained Environmental Clearance (EC) From Ministry of Environment, Forest and Climate Change (MoEF&CC), New Delhi and applied for GO – Relaxation and CTE – Expansion with Tamil Nadu Pollution Control Board (TNPCB). Our file CTE / GO relaxation was scrutinized at TNPCB office, Chennai

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and on the recommendation of the Board our application is forwarded to secretariat for Government approval, which is still awaited. Also due to Covid – 19 disruption, the project implementation got delayed. The management is confident of obtaining the necessary approvals and expects to complete the Project in the next 12 to 18 months.

b) CLARO INDIA DIVISION

The Company has entered into an “Memorandum of Understanding” (MOU) dated 26th May 2023 with a prospective Buyer for Sale of its CLARO INDIA Division (including Transfer of Lease hold Land) situated at B – 7 SIPCOT Industrial Complex Gummidipoondi – 601 201, Tamil Nadu subject to the Working Capital adjustments to be made at the time of handover of possession. The transaction in the MOU is subject to fulfilment of certain conditions specified in the MOU including obtaining various permission / approvals from SIPCOT and other statutory authorities.

OPPORTUNITIES AND THREATS

The prevailing exchange rate is helping us in short run to get better realisation. Power supply position is fairly comfortable. Once commercial production of new Phyto products start, it would increase revenue of the Company.

OUT LOOK

The commercial production of New Phyto Products in the coming year may increase the Revenue and Profits.

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Once we start production of our new products, revenue will increase.

RISK AND CONCERNS

The Company has taken adequate insurance policies to cover the risk of bulk Assets. Proper care being taken by the Board from time to time to avoid any unforeseen circumstances.

However, Natural Calamities, Changes in the Government Policies and Local factors are always an area of concern, that will have a direct impact on the profits of the Company.

The Board of Directors supervises the affairs of the Company through the Managing Director and Executives on daily basis. The risk identified are mitigated with their working experience in the area of Business, Competition, Finance and Human Management.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Effective Internal control in all operational areas exist in all the Divisions of the Company. Financial records are maintained according to Indian Accounting Standard introduced by the Government. Internal Audit is conducted by Neha Bothra & Co., Chartered Accountants, an Independent Professional firm of Chartered Accountants. The Internal Audit Reports are reviewed and discussed with the senior management and corrective actions are implemented as per requirement.

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HUMAN RESOURCES

The Company is constantly working on providing the best working environment to its employees with a view to inculcate future leadership and autonomy among them. Value and competencies of employees and workers are enriched through various development strategies and they are rewarded suitably.

CAUTIONARY STATEMENT

The statements contained in the Board's Report & Management Discussion and Analysis contain certain facts relating to the future and therefore are forward looking within the meaning of applicable laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statues, market forces and other associated and incidental factors may however lead to variation in actual results. This Report should be read in conjunction with the financial statements included herein and the notes thereto. Readers are cautioned not to place undue reliance on these forward – looking statements that speak only as of their dates.

9. DIRECTORS

None of the Directors are disqualified under Section 164 (2) of the Companies Act, 2013.

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Smt. Vedika Kothari (DIN: 07189991) Non – executive Director retires by rotation from the Board and being eligible, offer herself for re – election. The Board recommend her reappointment. No other changes have been occurred in Directorship of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 134 (5) of the Companies Act, 2013 your Directors hereby state and confirm that:

- i) in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures;
- ii) 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 at the end of the financial year and of the Profit of the company for that period;
- iii) 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;
- iv) the directors had prepared the annual accounts on a going concern basis;

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- v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
 - vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

Sri A. K. Toshniwal (DIN: 06872891) has been re – appointed as Managing Director for a further period of 1 year w. e. f. 1st April, 2023 till 31st March, 2024, subject to the approval of shareholders at forthcoming Annual General Meeting (AGM). The Board recommend passing on resolution for his re – appointment on the terms and conditions as set out in the Notice of 127th Annual General Meeting.

REMUNERATION RATIO OF DIRECTORS / KEY MANAGERIAL PERSONNEL / EMPLOYEES.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 are not applicable to the Company. The remuneration paid to Managing Director and Directors are well within the limits prescribed under the Companies Act, 2013.

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10. PUBLIC DEPOSITS

The Company has not accepted any deposits from members and public under Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

11. NUMBER OF BOARD MEETINGS HELD

During the year under review Four Board Meetings were held, which are as follows:

SI. NO.	DATE OF BOARD MEETING
1	14/07/2022
2	29/08/2022
3	05/12/2022
4	20/03/2023

Directors attending the Board Meetings and last Annual General Meeting are as follows:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM on 27.09.2022
Sri A. V. Kothari	Non – Executive	4	Yes
Smt. V. Kothari	Non – Executive	4	Yes

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Sri S. Bagri	Non – Executive	4	Yes
Sri A. Khandelwal	Non – Executive	4	Yes
Sri A. Agarwal	Non – Executive	1	No
Sri A. K. Toshniwal	Executive – Managing Director	1	Yes

12. COMMITTEES OF THE BOARD

At present the Board has Stakeholders Relationship Committee, the details of which is given under:

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Sri A. Khandelwal, Chairman, Sri S. Bagri and Smt. V. Kothari members.

The Committee met once during the year under review, on 20th March, 2023.

The details of attendance of each member at these meetings are as follows: -

Name of Member	No. of Meetings Attended
Sri A. Khandelwal, Chairman	1
Sri S. Bagri	1
Smt. V. Kothari	1

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During the year, no complain received from the Investors, nor any share transfer pending as on 31st March, 2023.

None of the Complaints remain pending as a matter of routine practice, for a period exceeding 30 days. All requests for transfer of shares have been processed on time and there are no transfers pending for more than 15 days.

13. STATUTORY AUDITORS

M/S Singhi & Company, Chartered Accountants, (Firm Registration No. 302049E) were earlier appointed as the Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of 126th Annual General Meeting till the conclusion of 131st Annual General Meeting of the Company i. e. upto the Financial year ending 31st March, 2027.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors. Since pursuant to the Companies Amendment Act, approval for ratification of Auditor's appointment by the members is no longer required in the Annual General Meeting till the tenure of his appointment therefore, the same is not proposed at the ensuing Annual General Meeting.

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14. AUDIT REPORTS

There are no qualifications or observations or remarks made by the Statutory Auditors in their Report.

15. COMPLIANCE WITH SECRETARIAL STANDARD

Secretarial Standard 1: Meeting of the Board of Directors and Secretarial Standard 2: General Meeting, as applicable have been complied by the Company.

16. SECERATARIAL AUDIT

As the Company does not fall under the purview and scope of Section 204 of Companies Act, 2013 and other applicable provisions, if any, therefore, Secretarial Audit is not applicable to the Company.

17. CORPORATE SOCIAL RESPONSIBILITY

Your Company is conscious of its Social Responsibility and the environment in which it operates. Over the years, the Company aims towards improving the life of the people.

Company's CSR policy covers activities relating to

- i) Eradicating extreme hunger and poverty;
- ii) Promotion of education and Health Care;

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-
- iii) Promoting gender equality and empowering women;
 - iv) Ensuring environmental sustainability;
 - v) Employment enhancing vocational skills;
 - vi) Social business projects;
 - vii) Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government or State Governments for socio – economic development and relief, and, funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

During the Financial year 2022 – 2023, in compliance with Section 135 of the Act, an amount of ₹ 16.36 Lakh was spent by the Company in CSR activities.

Annual Report on CSR activities is annexed herewith as Annexure ‘I’ forming a part of this report.

Pursuant to Section 135 of the Companies Act, 2013 (‘Act’) and Rule 4(1) and Rule 4(2) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (‘Rules’) provides that entities undertaking Corporate Social Responsibility (CSR) to file E Form CSR – 1 for all their CSR projects from 1 April 2021. Accordingly, contribution made through implementing Agencies have filed the required Form and registered themselves with MCA.

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Further pursuant to Section 135 of the Companies Act, 2013 ('Act') and Rule every Company covered under the provision of Section 135(1) of the Companies Act, 2013 shall furnish a report on its Corporate Social Responsibility in the form CSR – 2 to the Registrar of Companies for the preceding financial year 2021 – 2022. Accordingly, the Company has filed Form No. CSR – 2 with MCA for the Financial Year 2021 – 22.

18. RELATED PARTY TRANSACTIONS

All the contracts or arrangement entered into by the Company is in accordance with the provisions of Section 188 of the Companies Act, 2013 and the same are on arm's length Basis. As per Indian Accounting Standard 24, Transactions are disclosed under Note No. 35 of the Financial Statement. Accordingly, the Related Party Transaction as required under the Companies Act, 2013 in Form AOC – 2 is not applicable.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of loan given and Investment in Securities are provided under Note No. 12 and 5 of the Financial Statement respectively. However, the Company has not given any Guarantees to any persons, during the year under review. As per the provisions of section 186 of the Companies Act, 2013, the aggregate of Loans, Investments made by the Company are within the ceiling approved by the members through resolution passed in the General Meeting.

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20. EXTRACT OF ANNUAL RETURN

The MCA vide the Companies (Management and Administration) Amendment Rules, 2021 dated, March 05, 2021, substituted Rule 12 of the rules, the Extract of the Annual Return in Form MGT – 9 is no more required to be attached. However, copy of annual return will be uploaded in the website www.kothariphyto.com of the company once filed with Registrar of Companies.

21. SUBSIDIARIES & ASSOCIATES

Since the Company is holding more than 20 % shares of Gillanders Arbuthnot & Company Limited hence the same stands to be an Associate Company by virtue of Section 2 (6) of the Companies Act, 2013.

Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of our Associate Company is given in the prescribed format AOC – 1 which is annexed as Annexure 'II' and forming part of this report. The Company does not have any subsidiary Company.

22. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial statements for the financial year ended on 31st March, 2023 prepared as per the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act'), Rules framed therein and the applicable Indian Accounting Standards are provided in the Annual Report.

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

The information related to energy conservation, technology absorption and foreign exchange earnings & Outgo in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given as Annexure 'III' and forming part of this Report.

24. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material order has been passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and company's operations in future.

25. MATERIAL CHANGES AND COMMITMENTS

The Company has entered into an "Memorandum of Understanding" (MOU) dated 26th May 2023 with a prospective Buyer for Sale of its CLARO INDIA Division (including Transfer of Lease hold Land) situated at B – 7 SIPCOT Industrial Complex Gummidipoondi – 601 201, Tamil Nadu subject to the Working Capital adjustments to be made at the time of handover of possession. The transaction in the MOU is subject to fulfilment of certain conditions specified in the MOU

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including obtaining various permission / approvals from SIPCOT and other statutory authorities.

26. VIGIL MECHANISM

Since, the Company is not a listed Company and does not fall within the ambit of Section 177 of the Companies Act, 2013, the provision of Vigil Mechanism is not applicable to the Company.

27. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDDRESSAL) ACT, 2013

The Company is committed to provide a safe work environment to its employees. During the year under review, no case of sexual harassment was reported.

28. INDUSTRIAL RELATIONS

The Directors wish to place on record their appreciation for the services rendered by all categories of employees of the Company. Employer – Employee relation was cordial and in good harmony during the year under report.

29. PROCEEDINGS UNDER IBC

There are neither any applications made nor any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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30. ACKNOWLEDGEMENT

The Directors would like to record their appreciation for the co – operation and support extended by the Shareholders, Banks, Government Agencies and all its Stakeholders.

On behalf of the Board,

Sd/-

Sd/-

A. V. Kothari

A. K. Toshniwal

Director

Managing Director & CEO

Kolkata

Dated: 4th September, 2023

(DIN: 02572346)

(DIN: 06872891)

ANNEXURE – I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub – Section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline on CSR policy of the Company:

Kothari Phytochemicals & Industries Limited (KPIL) believes that growth, success and progress of a Company are not reflected only by the strength of its financial statements, but also by its ability to make a positive difference in the lives of the people, environment and the society at large. KPIL tries to address the needs of people by taking sustainable initiatives in the area of health, education, environmental conservation, infrastructure & community development, protection of national heritage and contribution to developmental / relief funds set up by the Government.

2. The web – link where the CSR policy and CSR projects approved by the board are disclosed on the website of the company:

- a) CSR Policy - <https://www.kothariphyto.com/ginfo.php>
- b) CSR Projects - <https://www.kothariphyto.com/ginfo.php>

Pursuant to amendment in Corporate Social Responsibility (CSR) Rules vide Companies Amendment Act 2019, Companies Amendment Act, 2020 & Companies (CSR Policy) Amendment Rules, 2021 w. e. f. 22/01/2021, CSR Committee not required, if amount to be spent by a Company does not exceed fifty lakh rupees. In such cases Board shall discharge all functions of CSR Committee.

In view of the amendments CSR committee has been dissolved during the year. However, the CSR Committee hold meeting on 29th August, 2022, for intimating the Board of Directors about the policy formulated for carrying CSR activities.

3. Details of impact assessment of CSR projects carried out in pursuance of sub – rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

The Company is not required to carry out the Impact Assessment as required as per sub – rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

4. Details of the amount available for set off in pursuance of sub – rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable.

5. Average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 for spending during the Financial Year 2022 – 2023:

The average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 for the Financial Year 2022 – 2023 was ₹ 818.13 Lakhs, Calculated as under:

Net Profit for the year 2019 – 2020 ₹ 538.25 Lakhs
Net Profit for the year 2020 – 2021 ₹ 1,074.99 Lakhs
Net Profit for the year 2021 – 2022 ₹ 760.38 Lakhs

6. (a) Two percent of the average net profits of the Company as per Section 135 (5) of the Companies Act, 2013 for spending during the Financial Year 2022 – 2023:

Two percent of average net profit of the Company as per Section 135 (5) of the Companies Act, 2013 to be spent during the Financial Year 2022 – 2023 is ₹ 16.36 Lakhs.

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c).

The Total CSR Obligation for the Financial Year 2022 – 2023 was ₹ 16.36 Lakhs.

7. (a) CSR amount spent or unspent for the financial year 2022 – 2023:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5) of the Companies Act, 2013.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13,26,210/-	* 3,10,045/-	29.04.2023	Nil	Nil	Nil

* Ongoing Project

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the project (Amount in ₹)	Amount spent in the current financial Year (Amount in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (Amount in ₹)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration number
----- NIL -----												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (Amount in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Upgrading and Modernizing the Operation Theatre at The Kothari Medical Centre, Kolkata	Preventive Health Care	Yes	Kolkata, West Bengal		8,26,000/-	No	Kothari Group CSR Trust Registration No. CSR00012315	
2	Construction of a House of Smt. Arti Devi, Jamthar, Madhubani, Hata Rupauli, Bihar – 847404	Setting up homes for poor and aged woman	No	Madhubani, Bihar		2,35,000/-	No		
3	Construction of a House of Smt. Sampa Singh Dakshin Shyampur, Daragtala, Shekh Para, Maheshtala, Budge Budge, South 24 Parganas – 700137	Setting up homes for poor and aged woman	Yes	Budge Budge, West Bengal		1,18,000/-	No		
4	Promoting education including Special education and employment enhancing vocation skills especially among children women elderly and the differently abled and livelihood enhancement Project.	Promoting Education	Yes	Kolkata, West Bengal		1,47,210/-	No		
TOTAL						13,26,210/-			

(d) Amount spent in Administrative Overheads: Nil.

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

(f) Total amount spent for the Financial Year 2022 – 2023 (8b+8c+8d+8e): ₹ 13.26 Lakhs.

(g) Excess amount for set off, if any: Nil.

8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Amount in ₹)	Amount spent in the reporting Financial Year (Amount in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any.			Amount remaining to be spent in succeeding financial years (Amount in ₹)
				Name of the Fund	Amount in ₹	Date of transfer	
1.	2021 - 2022	15,20,769/-	14,37,520/-	Nil	Nil	Nil	83,249/-
2.	2020 – 2021			----- NIL -----			
3.	2019 - 2020			----- NIL -----			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the Project		(6) Project Duration	(7) Amount allocated for the project (Amount in ₹)	(8) Amount spent in the current financial Year (Amount in ₹)	(9) Amount remaining to be spent in succeeding financial years (Amount in ₹)	(10) Mode of Implementation – Direct (Yes / No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration number
1.	Undertaking steps and measures to prevent soil erosion by River Ganga	Ensuring environmental sustainability and ecological balance	Yes	Hooghly District,	West Bengal	3 years	15,20,769/-	14,37,520/-	83,249/-	No	Kothari Group CSR Trust	CSR0012315

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spending during the financial year:

Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of CSR assets (Amount in ₹)	Details of the entity or public authority or beneficiary under whose name such capital assets is registered, their address etc.	Details of the capital assets created or acquired (including complete address and location of the capital asset)
Nil			

10. Specify the reason(s), if the Company has failed to spend two percent of the average Net Profit as per section 135 (5): Not Applicable.

For and on behalf of the
Corporate Social Responsibility Committee

Sd/-
Ajit Khandelwal
(DIN : 00416445)
Chairman of the Committee

Place : Kolkata
Date: 4th September, 2023

Sd/-
Surendra Bagri
(DIN : 00659888)
Member

Sd/-
Anand Vardhan Kothari
(DIN : 02572346)
Member

KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED
CIN : U15491WB1897PLC001365

ANNEXURE – II

Form AOC – 1

(Pursuant to first proviso to sub – section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries /
associate companies / joint ventures**

Part “ A ” : Subsidiaries

NOT APPLICABLE

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sl. No.
2. Name of the Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.
5. Share capital
6. Reserves & Surplus
7. Total assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before taxation
12. Provision for taxation
13. Profit after taxation
14. Proposed Dividend
15. % of shareholding

Notes : The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “ B ” : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Gillanders Arbuthnot & Company Limited
1. Latest audited Balance Sheet Date	12th May, 2023.
2. Shares of Associate / Joint Ventures held by the company on the year end	
No.	55,01,078
Amount of Investment in Associates / Joint Venture	₹ 51,748,615/-
Extent of Holding %	25.78 %
3. Description of how there is significant influence	Significant influence arises by adequate voting right.
4. Reason why the associate / joint venture is not consolidated	N. A.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 6,086.92 Lakh (25.78% of ₹ 23,611.01 Lakh)
6. Profit / Loss for the year	
i. Considered in Consolidation	Net Profit ₹ 525.80 Lakh & Other Comprehensive Income ₹ (49.05 Lakh)
ii. Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL

Note : This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

On behalf of the Board

Sd/-
R. Gupta
Chief Financial Officer

Kolkata
Dated: 4th September, 2023

Sd/-
A. V. Kothari
Director
DIN : 02572346

Sd/-
A. K. Toshniwal
Mg. Director
DIN : 06872891

ANNEXURE - III

INFORMATION PURSUANT TO SEC, 134 (3) (m) OF THE COMPANIES ACT, 2013 AND RULE 8 (3) (A) OF THE COMPANIES (ACCOUNTS) RULES, 2014 FOR CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of energy:

i. Steps taken or impact on conservation of energy

- a. To reduce the Power consumption, Sun light Acrylic Sheet – to be fixed in the plant by removing steel roof sheet.
- b. LED fittings to be fixed in the QC Lab, Personnel Office and Nux Vomica Plant.

ii. Steps taken for utilizing alternate source of energy

Solar panel system are to be implemented for all street lights inside the Factory in future.

iii. Capital Investment on Energy Conservation Equipment

No capital expenditure was incurred for Energy Conservation Equipment. However, all balancing equipment and devices as and when used have been debited to the respective expenditure in the statement of Profit and Loss.

(B) TECHNOLOGY ABSORPTION

No new technology was used and as such no marginal benefit of product quality improvement has been derived. No research expenditure was required to continue the present production facility.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	2022 – 2023	2021 - 2022
Earnings (₹)	1736.06 Lakh	1645.20 Lakh
Outgo (₹)	14.30 Lakh	7.16 Lakh

KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED

CIN : U15491WB1897PLC001365

General Shareholders' Information

Date, time & venue of the Annual General Meeting	The 127 th Annual General Meeting of the Company will be held through Video Conferencing / Other Audio – Visual Means on Tuesday, 26 th September, 2023 at 10.00 a.m. (IST).	
Financial Calendar 2023-2024 (tentative and subject to change)	<ul style="list-style-type: none">Financial YearAnnual Results for the year ending 31st March 2024	April to March <ul style="list-style-type: none">Audited Annual Results will be made out within the time stipulated under the Companies Act, 2013.
Dividend Payment Date	After 26 th September, 2023 within Stipulated Time.	
Book Closure Period	Wednesday 20 th September, 2023 to Tuesday 26 th September, 2023 (both days inclusive)	
E – Voting	(A) Remote E – Voting: From 22 nd September, 2023 (9.00 a. m.) till 25 th September, 2023 (5.00 p. m.). (B) E – Voting: On 26 th September, 2023, at the AGM.	
NSDL / CDSL – ISIN No.	INE264E01016.	

Distribution of shareholding as on 31st March, 2023

Ordinary Shares Held	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shares Held
Upto 500	1087	98.82	6929	0.18
501 – 1000	2	0.18	1800	0.05
1001 – 5000	2	0.18	3721	0.10
5001 – 10000	2	0.18	14500	0.37
10001 – 50000	3	0.27	45329	1.16
50001 – 100000	-	-	-	-
Above 100000	4	0.37	3810896	98.14
Total	1100	100	3883175	100

Shareholding pattern as on 31st March, 2023

Category	No. of shares held	% of shares held
Indian Promoters	3860857	99.43
Nationalised Banks & Mutual Funds	-	-
NRI / OCBs	-	-
Public	22318	0.57
Total	3883175	100.00

Registrars & Share Transfer Agent : Maheshwari Datamatics Private Limited
 23, R. N. Mukherjee Road, 5th Floor,
 Kolkata – 700 001.
 Ph: (033) 2248 – 2248 / 2243 - 5029
 Fax: (033) 2248 – 4787
 E – mail: mdpldc@yahoo.com

Share Transfer System : As per amended law, the transfer of shares can only be in dematerialized form, except where the claim is lodged for transmission or transposition or where the transfer deed(s) was lodged prior to 1st April, 2019. Shareholders are therefore, advised to dematerialize the shares held by them in physical form, if any. Requests for dematerialization of shares are processed and confirmation thereof is given by the RTA to the respective depositories i. e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the statutory time limit from the date of receipt of share certificates, provided the documents are complete in all respect.

Dematerialisation of Shares and Liquidity : The Company has entered into Agreements with both the Depositories registered under the Depositories Act, 1996, i. e. NSDL and CDSL to facilitate holding and trading in shares of the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996. As on 31st March 2023, shares representing total Ordinary Share Capital of the Company were held as under:

	No. of Shares	Percentage of Total Capital
In Dematerialised form	38,75,739	99.81 %
In Physical form	7,436	0.19 %
	<u>38,83,175</u>	<u>100.00 %</u>

Commodity Price Risk / Foreign Exchange Risk and Hedging : The Company did not engage in hedging activities.

Plant Locations :

(A) **Phytochemical Division**
 Nagari, Thanichchiyam Post – 625 221
 Madurai, Tamil Nadu

(B) **Claro India Division**
 B – 7, SIPCOT Industrial Complex,
 Gummidipoondi – 601 201,
 Tamil Nadu

Address for Correspondence

- (a) For Transfer of physical shares, request : Maheshwari Datamatics Private Limited
for dematerialization of shares, change 23, R. N. Mukherjee Road, 5th Floor,
of mandates / address or any other query Kolkata – 700 001
Ph: (033) 2248–2248 / 2243–5029
Fax: (033) 2248 – 4787
E – Mail: mdpldc@yahoo.com
- (b) For any investor grievance : Kothari Phytochemicals & Industries Limited
C - 4, Gillander House, 8, N. S. Road,
Kolkata – 700 001
Ph: (033) 2230 – 2331 (6 lines)
E – Mail: hokothari@yahoo.com
kothari.kamal@gillandersarbuthnot.com

For Kothari Phytochemicals & Industries Limited

Place : Kolkata
Dated : 4th September, 2023

Sd/-
A. K. Toshniwal
Managing Director & CEO
(DIN : 06872891)

INDEPENDENT AUDITOR'S REPORT

To the members of Kothari Phytochemicals & Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), cash flow statement and statement of changes in equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit (including other comprehensive income), cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The

results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

S No	Key Audit Matters	Auditor's Response
1	<p>Revenue Recognition:</p> <p>The Company recognizes revenue when control has been transferred to the customer as detailed out in Significant Accounting Policies, Note 2 (j). The Company has varied contract terms with customers for export sales as well as domestic sales. There is a risk of inappropriate revenue recognition if deliverables are recorded in the incorrect period or revenue is not accounted for in line with contractual terms with customers. The key audit matter focuses on recognition of revenue by reference to contracted shipping terms and the transfer of ownership for Product and delivery spanning the year end.</p>	<p>Our Audit procedures related to Revenue recognition included the following, among others:</p> <ul style="list-style-type: none"> ➤ Assessed the Company's accounting policies relating to revenue and incentives by comparing with applicable accounting standards. ➤ Assessed the design and implementation and testing the operating effectiveness of Company's internal controls over the recognition of revenue. ➤ Verified on test basis, the underlying documents for the export sales as well as domestic sales transactions. ➤ Compared the historical trend of receipt of payments from customers. ➤ Assessed disclosures in standalone financial statements in respect of revenue recognition as specified in Ind AS 115.
2	<p>Recoverability of Investments including in an Associate Company:</p> <p>The Company has investments in certain companies including with an Associate Company with a carrying value of (Rs in '00) 4,306,437.72</p> <p>Assessment of the recoverable amount of the Investments has been identified as a Key audit matter.</p>	<p>Our Audit procedures related to Recoverability of Investments included the following, among others:</p> <ul style="list-style-type: none"> ➤ We have obtained and read management's assessment for identification of indicators of impairment. ➤ We have performed test of controls over impairment process through inspection of evidence of performance of these controls. ➤ We have verified on test basis, the valuation methodology adopted by the Company for valuing its Investments. ➤ We have assessed the compliance of the disclosures made in the standalone financial statements with the Indian accounting standards (Ind AS).

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information in the Annual Report, but does not; include the Standalone Financial Statements and our Auditor's Report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2022 have been audited by the predecessor auditor M/s. K. Ray & Co., who have expressed an unmodified opinion on the standalone financial statements vide their report dated August 29, 2022.

Our opinion on the audited standalone financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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 Indian 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 31st March, 2023 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule II of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 33.01 to the Standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delays in transferring amounts, if any, 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, other than as disclosed in the notes to the accounts, if any, 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 Intermediaries 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, other than as disclosed in the notes to the accounts, if any, 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, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The dividend declared or paid during the year as well as the dividend proposed (which is subject to members approval at the ensuing Annual General Meeting) by the Holding Company are in compliance with Section 123 of the Act.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For Singhi & Co.
Chartered Accountants
Firm Regn. No. 302049E

Sd/-
Sudesh Choraria
Partner
Membership No.204936
UDIN: 23204936BGYIVD2984

Place: Mumbai
Date: September 4, 2023

Annexure – A to the Independent Auditor’s Report of even date to the members of Kothari Phytochemicals & Industries Limited on the Standalone financial Statements as of and for the year ended March 31, 2023

(Referred to in paragraph I of our Report on Other legal and regulatory requirements)

We report that:

i. In respect of its Property Plant and Equipment and Intangible Assets:

- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) As explained to us, the Company has a regular program of conducting physical verification of its property, plant and equipment in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
- c) According to the information and explanations given to us and on the basis of our examination, title deeds of the immovable property (other than self - constructed immovable property (buildings), and where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in schedule of Property, Plant and Equipment to the standalone financial statements, are held in the name of the Company.
- d) The Company has not revalued its property, plant and equipment and intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- e) According to information and explanations given by the management, no proceedings have been 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. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company

ii. a) As per information and explanations provided to us, physical verification has been conducted by the management at reasonable intervals during the year in respect of inventory of raw materials, Materials in Process and finished goods and no material discrepancies were noticed on such physical verification.

b) The Company has not availed any working capital loan during the year. Therefore, the provisions of clause 3(ii)(b) of the Order are not applicable to the Company.

iii. a) According to the information and explanations provided to us, the Company has made investments, granted loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Further. the Company has not provided any guarantee or security during the year. The required particulars are given below:

Particulars	Loans Advanced (Rs. in “00”)
Aggregate amount granted/ provided during the year:	
- Subsidiaries, Joint Ventures & Associate	-
- Fellow Subsidiary	
- Other Parties	250,000.00
Balance outstanding as at balance sheet date in respect of above:	
- Subsidiaries, Joint Ventures & Associate	-
- Fellow Subsidiary	10,00,000.00
- Other Parties	250,000.00

- b) The Investments made, and the terms and conditions of the grant of Loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's Interest.
- c) As per the information and explanation provided to us, the loans granted to the parties are repayable on demand and there is no stipulation of schedule of repayment of principal and payment of interest thereon.
- d) As per the information and explanation provided to us, there was no overdue loan amount remaining outstanding as at the year-end.
- e) According to the information and explanations given to us, no amount of loan or advances has been renewed or extended or fresh loan granted to settle the overdue of existing loan given to the same parties.
- f) The Company has granted loan to a related party which is repayable on demand and the terms or period of repayment has not been specified. The aggregate amount of such Loans amounted to Rs.10,00,000 ("00") as on 31st March 2023 and forms 80 % of all Loans granted by the Company.
- iv. In our opinion and according to explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantees and securities as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public or amount which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) rules 2014 (as amended)
- vi. The Central Government of India has not mandated the maintenance of cost records u/s section 148(1) of the Companies Act 2013 and the rules framed there under for any of the products of the Company. Therefore, the provision of clause 3(vi) of the said Order are not applicable to the Company.
- vii. According to the information and explanations given to us, and the records of the Company examined by us:
- a) The Company has been generally regular in depositing amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable. There were no material undisputed outstanding statutory dues as at the year end, which were due for a period of more than six months from the date they became payable.
- b) The particulars of dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in '00)	Period to which the amount relates	Forum where dispute pending
Tamil Nadu General Sales Tax Act, 1959	Sales Tax.	3225.70	1986-89	The Tamil Nadu Taxation special Tribunal, as per directions of the High Court of Madras.
Goods & Service Tax Act, 2017 (Tamil Nadu)	GST	1673.07	2017-18 & 2018-19	Commissioner of GST & Central Excise (Appeals)

- viii. According to information and explanations given to us, there are no transactions which are not recorded in the books of accounts but have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961(43 of 1961). Therefore, provisions of clause 3(viii) of the Order are not applicable to the Company.
- ix. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not availed any loans or borrowings from any financial institution, bank, Government or debenture holders. Therefore, provisions of clause 3(ix)(a) to (f) of the Order are not applicable to the Company.
- x. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the order are not applicable to the Company.
b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- xi. a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.
b) We have not come across any instance of fraud, therefore report under sub-section 12 of section 143 of the Companies Act,2013 is not required to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c) As reported to us by the management, there were no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standards (Ind AS) 24, Related Party Disclosures specified under section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- xiv. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business; We have considered internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, paragraph 3 (xvi)(a) of the Order is not applicable to the Company.
b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company;

- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company;
- d. According to the representations given by the management, the Company does not have any CIC. Therefore, the provisions of clause 3(xvi)(d) of the Order are not applicable to the Company;
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year. Therefore, the provisions of clause 3(xvii) of the Order are not applicable to the Company.
- xviii. During the year there has been a rotation of auditors due to completion of the term, but there has not been any resignation of the statutory auditors during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected date of realization of financial assets and payments of financial liabilities, other Information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that company is not capable of meeting liabilities existing at the date of balance sheet as and when they fall due within the period of one year from the balance sheet date.
We, however, state that this is not an assurance as to the future viability of the Company. Further our reporting is based on the facts up to the date of 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. In respect of Corporate Social Responsibility Expenditure:
- a) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of CSR Expenditure other than ongoing CSR projects, there were no amount remaining unspent u/s 135 (5) of the Companies Act, hence no amount was required to be transferred to a Fund specified in Schedule VII to the Companies Act.
- b) In our opinion, there are no ongoing projects towards Corporate Social Responsibility (CSR) requiring a transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For Singhi & Co.
Chartered Accountants
Firm Regn. No. 302049E

Sd/-
Sudesh Choraria
Partner
Membership No.204936
UDIN: 23204936BGYIVD2984

Place: Mumbai
Date: September 4, 2023

Annexure – B to the Independent Auditor’s Report of even date to the members of Kothari Phytochemicals & Industries Limited on the Standalone financial Statements as of and for the year ended March 31, 2023

(Referred to in paragraph 2(f) of our Report on Other legal and regulatory requirements)

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

We have audited the Internal Financial Controls over Financial Reporting of Kothari Phytochemicals & Industries Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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 (the "Guidance Note") issued by the Institute of Chartered Accountant of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s Internal Financial Controls over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such control operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, 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 system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company’s Internal Financial Control over Financial Reporting 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 over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, 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 over Financial Reporting to future periods are subject to the risk that the Internal Financial Control over Financial Reporting 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 to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over financial Reporting were operating effectively as at 31st March 2023, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note.

For Singhi & Co.
Chartered Accountants
Firm Regn. No. 302049E

Sd/-
Sudesh Choraria
Partner
Membership No.204936
UDIN: 23204936BGYIVD2984

Place: Mumbai

Date: September 4, 2023

Amount (₹ in '00)

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	3,73,404.12	4,07,394.27
Capital Work - in - progress	3A	3,47,503.45	3,44,503.45
Intangible Assets	4	36.55	36.55
Financial Assets			
i. Investments in Associates	5	5,17,486.15	5,17,486.15
ii. Investments other than Investments in Associates	5	37,88,951.57	37,77,978.10
iii. Other Financial Assets	6	19,985.92	22,277.58
Other Non - Current Assets	7	8,269.88	2,976.01
Total Non - Current Assets		50,55,637.64	50,72,652.11
Current Assets			
Inventories	8	2,97,066.92	5,89,133.04
Financial Assets			
i. Trade Receivables	9	1,67,764.30	1,44,586.47
ii. Cash and Cash Equivalents	10	10,61,761.52	3,42,632.35
iii. Bank Balances other than Cash and Cash Equivalents	11	3,01,896.27	5,12,705.52
iv. Loans	12	12,50,000.00	10,00,000.00
v. Other Financial Assets	13	9,489.42	441.46
Current Tax Assets (Net)	14	5,295.56	7,809.28
Other Current Assets	15	1,04,652.75	1,80,767.89
Total Current Assets		31,97,926.74	27,78,076.01
Total Assets		82,53,564.38	78,50,728.12
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	3,88,317.50	3,88,317.50
Other Equity			
Reserves and Surplus	17	75,49,001.46	71,04,194.52
Total Equity		79,37,318.96	74,92,512.02
LIABILITIES			
Non - Current Liabilities			
Provisions	18	5,768.73	16,200.24
Deferred Tax Liabilities (Net)	19	1,31,462.75	1,56,876.34
Total Non - Current Liabilities		1,37,231.48	1,73,076.58
Current Liabilities			
Financial Liabilities			
i. Trade Payables	20	-	-
- Dues of Micro Enterprises and Small Enterprises		-	-
- Dues of Creditors other than Micro Enterprises and Small Enterprises		1,08,803.67	1,15,733.31
ii. Other Financial Liabilities	21	44,160.23	44,421.84
Other Current Liabilities	22	8,471.89	11,429.17
Provisions	18	17,578.15	13,555.20
Total Current Liabilities		1,79,013.94	1,85,139.52
Total Liabilities		3,16,245.42	3,58,216.10
Total Equity and Liabilities		82,53,564.38	78,50,728.12

Significant Accounting Policies

2

The Notes referred to above form an integral part of the standalone financial statements.

This is the Balance Sheet referred to in our report of even date.

On behalf of the Board

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

Sd/-
(Sudesh Choraria)
Partner
Membership No. 204936

Sd/-
R. Gupta
Chief Financial Officer

Sd/-
A. V. Kothari
Director
DIN : 02572346

Sd/-
A. K. Toshniwal
Mg. Director
DIN : 06872891

Kolkata
Dated: 4th September, 2023

Amount (₹ in '00)

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

INCOME :	Note	2022-2023	2021-2022
Revenue from Operations	23	27,69,718.77	25,04,334.98
Other Income	24	5,07,166.92	6,52,520.24
Total Revenue		32,76,885.69	31,56,855.22
EXPENDITURE :			
Cost of Materials Consumed	25	11,17,959.00	10,37,348.48
Purchases of Trading Goods		1,20,000.00	-
Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - Trade	26	24,932.87	53,434.94
Employee Benefits Expense	27	3,09,154.77	3,10,948.60
Depreciation and Amortisation Expense	28	45,453.24	50,082.65
Power & Fuel	29	1,38,721.69	1,14,335.24
Other Expenses	30	6,69,644.52	3,02,056.59
Total Expenses		24,25,866.09	18,68,206.50
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		8,51,019.60	12,88,648.72
Exceptional Items		-	-
PROFIT BEFORE TAX		8,51,019.60	12,88,648.72
Tax Expense	31		
- Current Tax		2,90,000.00	2,36,000.00
- Deferred Tax (Net)		(23,823.64)	54,861.36
Total Tax Expenses		2,66,176.36	2,90,861.36
PROFIT FOR THE YEAR		5,84,843.24	9,97,787.36
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Post - Employment benefit obligations		(5,715.12)	4,014.14
Tax Expense on the above		1,589.95	(1,116.73)
Other Comprehensive Income for the year		(4,125.17)	2,897.41
Total Comprehensive Income for the year		5,80,718.07	10,00,684.77
EARNINGS PER ORDINARY SHARE OF ₹ 10/- EACH	32		
Basic and Diluted (Amount in ₹)		15.06	25.70

The Notes referred to above form an integral part of the standalone financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

Sd/-
(Sudesh Choraria)
Partner
Membership No. 204936

Sd/-
R. Gupta
Chief Financial Officer

Sd/-
A. V. Kothari
Director
DIN : 02572346

Sd/-
A. K. Toshniwal
Mg. Director
DIN : 06872891

Kolkata

Dated: 4th September, 2023

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023			
	2022-2023		2021-2022
A. Cash Flow from Operating Activities :			
Profit before Tax		8,51,019.60	12,88,648.72
Adjustments for :			
Depreciation and Amortisation Expense	45,453.24		50,082.65
Dividend Income from Non-Current Investment	(30,502.90)		(9,655.71)
Net (Gain)/Loss on sale of Non-Current Investments	(2,93,419.85)		(50,797.41)
Net Fair Value (Gain)/Loss on Non-Current Investments measured at FVTPL	3,32,951.77		(4,55,537.00)
Bad & Sundry Receivables written off	1,515.00		2.37
Profit / (Loss) on Sales of Fixed Assets(Net)	6,162.34		-
Interest (Net)	(1,45,077.00)		(1,23,099.78)
Liabilities & Provisions no longer required written back	(1,356.89)	(84,274.29)	(12,283.89)
Operating Profit before Working Capital Changes		<u>7,66,745.31</u>	<u>6,87,359.95</u>
Adjustments for :			
Trade and Other Receivables	44,336.17		(40,005.18)
Inventories	2,92,066.12		(2,986.58)
Trade and Other Payables	(20,627.34)	3,15,774.95	434.36
		<u>3,15,774.95</u>	<u>(42,557.40)</u>
Cash Generated from Operations		10,82,520.26	6,44,802.55
Direct Taxes - (Payments)/Refunds (Net)	(2,87,486.28)	(2,87,486.28)	(2,41,630.12)
Net Cash (Used in) / From Operating Activities		<u>7,95,033.98</u>	<u>4,03,172.43</u>
B. Cash Flow From Investing Activities :			
Purchase of Property, Plant and Equipment/ Intangible Assets	(20,625.43)		(8,514.89)
Dividend Received	30,502.90		9,655.71
Purchase of Non- Current Investments	(14,93,426.04)		(7,94,527.54)
(Increase) / Decrease in Loans Given	(2,50,000.00)		(6,00,000.00)
Proceeds from Sale of Non- Current Investments	14,42,920.65		3,57,769.78
Movement in Other Bank Balances	2,10,809.25		85,752.01
Interest Received	1,40,112.97		1,37,499.54
Net Cash (Used in) / From Investing Activities		<u>60,294.30</u>	<u>(8,12,365.39)</u>

STANDALONE CASH FLOW STATEMENT (Contd.)

	2022-2023		2021-2022	
C. Cash Flow from Financing Activities				
Interest Paid	-		-	
Dividends Paid	(1,36,199.11)		(1,74,923.18)	
Net Cash (Used in) / From Financing Activities		(1,36,199.11)		(1,74,923.18)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		7,19,129.17		(5,84,116.14)
Cash and Cash Equivalents (Note No. 10)				
Opening	3,42,632.35		9,26,748.49	
Closing	10,61,761.52	7,19,129.17	3,42,632.35	(5,84,116.14)

NOTES :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard-7 on Cash Flow Statement.
- Previous year's figures have been regrouped / re-arranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

	Sd/-	Sd/-	Sd/-	Sd/-
	(Sudesh Choraria)	R. Gupta	A. V. Kothari	A. K. Toshniwal
Kolkata	Partner	Chief Financial Officer	Director	Mg. Director
Dated: 4th September, 2023	Membership No. 204936		DIN : 02572346	DIN : 06872891

Amount (₹ in '00)

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

A) EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the current reporting period	3,88,317.50	3,88,317.50
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	<u>3,88,317.50</u>	<u>3,88,317.50</u>

B) OTHER EQUITY

Particulars	Reserves & Surplus				Total
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earnings	
Balance as at 31st March 2021	91,930.40	14,506.57	48,37,358.09	13,34,457.57	62,78,252.63
Comprehensive Income for the year					
Add / (Less) : Profit / (Loss) for the year	-	-	-	9,97,787.36	9,97,787.36
Add / (Less) : Other Comprehensive Income, net of Income Tax	-	-	-	2,897.41	2,897.41
Total Comprehensive Income for the year	-	-	-	10,00,684.77	10,00,684.77
Add / (Less) : Transfer to General Reserve	-	-	5,00,000.00	(5,00,000.00)	-
Add / (Less) : Dividend	-	-	-	(1,74,742.88)	(1,74,742.88)
Balance as at 31st March 2022	91,930.40	14,506.57	53,37,358.09	16,60,399.46	71,04,194.52
Comprehensive Income for the year					
Add / (Less) : Profit / (Loss) for the year	-	-	-	5,84,843.24	5,84,843.24
Add / (Less) : Other Comprehensive Income, net of Income Tax	-	-	-	(4,125.17)	(4,125.17)
Total Comprehensive Income for the year	-	-	-	5,80,718.07	5,80,718.07
Add / (Less) : Transfer to General Reserve	-	-	10,00,000.00	(10,00,000.00)	-
Add / (Less) : Dividend	-	-	-	(1,35,911.13)	(1,35,911.13)
Balance as at 31st March 2023	91,930.40	14,506.57	63,37,358.09	11,05,206.40	75,49,001.46

Note : There are no changes in Other Equity due to changes in Accounting Policies or prior period errors

The accompanying notes form an integral part of these Standalone Financial Statements.

As per our Report of even date annexed.

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

	Sd/- (Sudesh Choraria) Partner Membership No. 204936 Kolkata Dated: 4th September, 2023	Sd/- R. Gupta Chief Financial Officer	Sd/- A. V. Kothari Director DIN : 02572346	Sd/- A. K. Toshniwal Mg. Director DIN : 06872891
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NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - I****BASIS OF PREPARATION :****(a) Statement of Compliance**

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time, notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The standalone financial statements are approved by the Board of Directors of the Company at their meeting held on 4th September, 2023.

Details of the Company's accounting policies are included in Note 2.

(b) Functional and Presentation Currency

These standalone financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All financial information presented in Indian Rupees (₹) have been rounded off to the nearest hundred upto two decimals as per the requirements of Schedule III, unless otherwise stated.

(c) The standalone financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

Items	Measurement basis
(i) Certain financial assets and financial liabilities	Fair Value
(ii) Employee's defined benefit plan	As per actuarial valuation
(iii) Assets held for sale	Lower of its carrying amount and less fair value costs to sale

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(d) Use of Estimates and Judgments

In preparing these standalone financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the standalone financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and Estimation Uncertainties

In the process of applying the Company's accounting policies, management has made the following judgments, which have most effect on the amounts recognized in the standalone financial statements.

- Estimation of Useful life and residual value of property, plant and equipment;
- Determining the fair values of investments, in particular of the unlisted securities;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Recognition of deferred tax assets; availability of future taxable profit against which carried forward tax losses can be used;
- Estimation of defined benefit obligations: key actuarial assumptions;
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows.

(e) Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 : Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 38 B.

Determination of Fair Values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Financial Assets

The fair value of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques.

(ii) Trade and Other Receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short – term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Financial Liabilities

Financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

(f) Current and Non – Current Classification

All assets and liabilities are classified as current or Non – current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is expected to be realized within 12 months after the reporting date; or

- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non – current financial assets.

All other assets are classified as non – current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be settled in the Company's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is due to be settled within 12 months after the reporting date; or
- (iv) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non – current financial liabilities.

All other liabilities are classified as non – current.

Deferred tax assets and liabilities are classified as non – current assets and liabilities.

Operating Cycle

For the purpose of current / non – current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 2

SIGNIFICANT ACCOUNTING POLICIES:

(a) Property, Plant and Equipment

(i) Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of duties, taxes, after deducting trade discounts and rebates, incidental expenses, erection / commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A Property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

Property, plant and equipment under construction are disclosed as Capital work – in – progress.

(ii) Transition to Ind AS

On transition to Ind AS, the Company has selected to continue with the carrying value of all of its property, plant and equipment recognized as on 1st April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment [See Note 3].

(iii) Subsequent Expenditure

Subsequent costs are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iv) Depreciation

Depreciation for the year is recognized in the Statement of Profit and loss.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets.

The useful lives have been determined based on technical evaluation done by the management and are in line with the useful life specified in Part C of Schedule II to the Companies Act; 2013. The residual values are not more than 5 % of the original cost of the asset.

Depreciation on additions / (disposals) is provided on a pro – rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

Freehold land is not depreciated.

Leasehold properties are depreciated over the primary period of lease or their respective useful lives, whichever is shorter.

Depreciation method, useful lives and residual values of property, plant and equipment are reviewed at each financial year – end and adjusted prospectively, if appropriate.

(v) Capital work – in – Progress (CWIP)

Capital work – in – progress (CWIP) includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on project under implementation are treated Pre – operative expenses pending allocation to the asset and are shown under CWIP.

(b) Intangible Assets

(i) Computer Software

Computer software are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization.

(ii) Amortisation

Amortisation is calculated to write off the cost of Intangible assets over their estimated useful lives using the straight – line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Class of assets	Management estimate of useful life (in years)
Computer Software	3

Amortisation method and useful lives are reviewed at the end of each financial year and adjusted, if appropriate.

(iii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in Statement of Profit and Loss as incurred.

(c) Inventories

Inventories are valued as under:

- Raw Materials - At cost on weighted average method / FIFO
- Stores and Spare Parts - At cost on weighted average method / FIFO
- Materials in Process - At estimated Cost
- Finished Goods - At cost on weighted average method or Net Realizable Value, whichever is lower

Cost of Inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

Net Realizable Value (NRV) 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.

(d) Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non – monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non – monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction.

Exchange differences are recognized in the Statement of Profit and Loss in the period in which they arise.

(e) Impairment

(i) Impairment of Financial Instruments: Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Impairment of Non – Financial Assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash – generating units).

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.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

(f) Financial Instruments

(i) Recognition and Initial Measurement

Financial assets and liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

All financial assets are initially recognized at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs are attributable to the acquisition of the financial assets.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balance and derivative financial instruments.

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft, derivative financial instruments etc.

(ii) Classification and Subsequent Measurement of Financial Assets

On initial recognition, a financial asset is classified and measured at:

- amortised cost; or
- fair value through other comprehensive income (FVOCI) - Equity Investment; or
- fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial Assets at Amortised Cost

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL.

- (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- (b) the contractual terms of the financial 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.

Financial Assets at Fair Value through other Comprehensive Income (FVOCI)

On initial recognition of an equity investment that is not held for trading the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment – by – investment basis.

Financial assets are measured at the FVOCI if both the following conditions are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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

All financial assets which do not meet the criteria for categorization as at amortised cost or FVOCI as described above are classified as at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

Financial Assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is recognized in Statement of Profit and Loss
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to Statement of Profit and Loss.

Financial Liabilities: Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at FVTPL.

A financial liability is classified as at FVTPL if it is classified as held – for – trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit and Loss.

(iii) Derecognition

Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial Liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(g) Employee Benefits

(i) Short – Term Employee Benefits

Short – term employee benefit obligations are measured on an undiscounted basis and are expected as the related service is provided. A liability is recognized for the amount expected to be paid, if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined Contribution Plans

Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when contributions are made to the related schemes.

(iii) Defined Benefit Plans

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

(iv) Compensated Absences

The employees of the company are entitled to compensated absences which are both accumulating and non – accumulating in nature.

The expected cost of accumulating compensated absences is measured on the basis of an annual independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Remeasurement gains or losses are recognized in profit or loss in the period in which they arise.

(h) Provision (other than for Employee Benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Expected future operating losses are not provided for. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(i) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is possible. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

(j) Recognition of Revenue

Revenue is recognized to the extent it is probable that economic benefits would flow to the company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Revenue from sale of goods is recognized when transfer of control of promised products to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation, in accordance with Ind AS 115 " Revenue from contract with customers".

(k) Expenses

All expenses are accounted for on accrual basis.

(l) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(m) Income Tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognized in the Statement of profit and Loss.

(i) Current Tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable Tax rates and the provisions of the Income Tax Act, 1961 and other applicable Tax Laws.

(ii) Deferred Tax

Deferred tax is provided, on all temporary differences at the reporting date between the carrying amount of assets and liabilities for financial reporting purposes and its tax base. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement of Profit and Loss. Deferred tax assets include Minimum Alternate Tax (MAT) paid (tax credit) in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability and is considered as an asset if it is probable that future taxable profit will be available against which these tax credit can be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

(n) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision – maker (CODM).

The chief operating decision – maker, who is responsible for allocation of resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

(i) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter segment transfers.

Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Company's intermediate and final products and estimated realizable value in case of by – products.

(ii) Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and / or on a reasonable basis, have been disclosed as "Unallocable".

(o) Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a Substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(p) Cash and Cash Equivalents

Cash and cash equivalents include cash and cash – on – deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non – cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(r) 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.

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.

(s) Interest in Associate

Investments in associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(t) Recent Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

- (i) Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.
- (ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
- (iii) Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 3****PROPERTY, PLANT AND EQUIPMENT****Year ended 31st March, 2023**

	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Electric Installation	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tubewell and Water Works	Total
Gross Carrying Amount											
Opening Gross Carrying Amount	12,624.00	19,852.83	4,03,010.82	13,47,641.00	57,557.02	14,159.07	33,664.11	5,432.15	42,595.72	5,199.16	19,41,735.88
Additions during the year	-	-	-	16,816.15	809.28	-	-	-	-	-	17,625.43
On Disposals / Adjustments during the year	-	-	-	46,411.03	-	357.68	1,779.50	295.90	-	-	48,844.11
Closing Gross Carrying Amount	<u>12,624.00</u>	<u>19,852.83</u>	<u>4,03,010.82</u>	<u>13,18,046.12</u>	<u>58,366.30</u>	<u>13,801.39</u>	<u>31,884.61</u>	<u>5,136.25</u>	<u>42,595.72</u>	<u>5,199.16</u>	<u>19,10,517.20</u>
Accumulated Depreciation											
Accumulated Depreciation upto 1st April, 2022	3,825.62	-	2,26,271.00	11,80,571.23	53,866.29	12,099.07	17,135.52	4,757.39	31,027.49	4,788.00	15,34,341.61
Depreciation charge during the year	127.52	-	9,524.95	30,483.93	359.75	628.19	148.77	173.25	3,855.67	151.21	45,453.24
On Disposals / Adjustments during the year	-	-	-	40,479.68	-	333.76	1,572.43	295.90	-	-	42,681.77
Closing Accumulated Depreciation	<u>3,953.14</u>	<u>-</u>	<u>2,35,795.95</u>	<u>11,70,575.48</u>	<u>54,226.04</u>	<u>12,393.50</u>	<u>15,711.86</u>	<u>4,634.74</u>	<u>34,883.16</u>	<u>4,939.21</u>	<u>15,37,113.08</u>
Net Carrying Amount	<u>8,670.86</u>	<u>19,852.83</u>	<u>1,67,214.87</u>	<u>1,47,470.64</u>	<u>4,140.26</u>	<u>1,407.89</u>	<u>16,172.75</u>	<u>501.51</u>	<u>7,712.56</u>	<u>259.95</u>	<u>3,73,404.12</u>

Year ended 31st March, 2022

	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Electric Installation	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tubewell and Water Works	Total
Gross Carrying Amount											
Deemed Cost as at 1st April, 2021	12,624.00	19,852.83	4,03,010.82	13,40,100.19	57,517.18	13,404.83	33,484.11	5,432.15	42,595.72	5,199.16	19,33,220.99
Additions during the year	-	-	-	7,540.81	39.84	754.24	180.00	-	-	-	8,514.89
On Disposals / Adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	<u>12,624.00</u>	<u>19,852.83</u>	<u>4,03,010.82</u>	<u>13,47,641.00</u>	<u>57,557.02</u>	<u>14,159.07</u>	<u>33,664.11</u>	<u>5,432.15</u>	<u>42,595.72</u>	<u>5,199.16</u>	<u>19,41,735.88</u>
Accumulated Depreciation											
Accumulated Depreciation upto 1st April, 2021	3,698.10	-	2,16,675.59	11,47,169.48	53,514.20	11,900.04	16,760.31	4,635.55	26,037.10	3,868.59	14,84,258.96
Depreciation charge during the year	127.52	-	9,595.41	33,401.75	352.09	199.03	375.21	121.84	4,990.39	919.41	50,082.65
On Disposals / Adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	<u>3,825.62</u>	<u>-</u>	<u>2,26,271.00</u>	<u>11,80,571.23</u>	<u>53,866.29</u>	<u>12,099.07</u>	<u>17,135.52</u>	<u>4,757.39</u>	<u>31,027.49</u>	<u>4,788.00</u>	<u>15,34,341.61</u>
Net Carrying Amount	<u>8,798.38</u>	<u>19,852.83</u>	<u>1,76,739.82</u>	<u>1,67,069.77</u>	<u>3,690.73</u>	<u>2,060.00</u>	<u>16,528.59</u>	<u>674.76</u>	<u>11,568.23</u>	<u>411.16</u>	<u>4,07,394.27</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 3A	As at 31st March, 2023	As at 31st March, 2022
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CAPITAL WORK IN PROGRESS

Capital work in Progress	3,47,503.45	3,44,503.45
	<u>3,47,503.45</u>	<u>3,44,503.45</u>

Capital work in Progress ageing Schedule as at 31st March, 2023

Particulars	Amount in Capital work in Progress for a period of				As at 31st March, 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	3,000.00	-	-	3,44,503.45	3,47,503.45
Projects temporarily Suspended	-	-	-	-	-
	3,000.00	-	-	3,44,503.45	3,47,503.45

Capital work in Progress ageing Schedule as at 31st March, 2022

Particulars	Amount in Capital work in Progress for a period of				As at 31st March, 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	3,44,503.45	3,44,503.45
Projects temporarily Suspended	-	-	-	-	-
	-	-	-	3,44,503.45	3,44,503.45

For Capital work in Progress, whose completion is overdue or has exceeded its cost compared to its original plan, Capital work in Progress completion schedule are as below :

As at March 31, 2023

Particulars	To be completed in				As at 31st March, 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects completion overdue	-	-	-	-	-
New Phytochemical Project	3,000.00	-	-	3,44,503.45	3,47,503.45
	3,000.00	-	-	3,44,503.45	3,47,503.45

As at March 31, 2022

Particulars	To be completed in				As at 31st March, 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects completion overdue	-	-	-	-	-
New Phytochemical Project	-	-	-	3,44,503.45	3,44,503.45
	-	-	-	3,44,503.45	3,44,503.45

Reasons for delay in Project Implementation (For both Financial Year 2021 - 2022 and 2022 - 2023).

The Company has applied for GO - Relaxation CTE - Expansion with Tamil Nadu Pollution Control Board (TNPCB) which has been recommended and forwarded to the Secretariat, Government of Tamil Nadu, for their necessary approval, which is still awaited. Also due to Covid - 19 disruption, the project implementation got delayed. The management is confident of obtaining the necessary approvals and expects to complete the Project in the next 12 to 18 months.

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 4****INTANGIBLE ASSETS****Year ended 31st March, 2023**

	Software	Total
Gross Carrying Amount		
Opening Gross Carrying Amount	731.00	731.00
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	<u>731.00</u>	<u>731.00</u>
Accumulated Amortisation		
Opening accumulated amortisation	694.45	694.45
Amortisation charge for the year	-	-
Disposals	-	-
Closing Accumulated Amortisation	<u>694.45</u>	<u>694.45</u>
Closing Net Carrying Amount	<u>36.55</u>	<u>36.55</u>

Year ended 31st March, 2022

	Software	Total
Gross Carrying Amount		
Opening Gross Carrying Amount	731.00	731.00
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	<u>731.00</u>	<u>731.00</u>
Accumulated Amortisation		
Opening accumulated amortisation	636.58	636.58
Amortisation charge for the year	57.87	57.87
Disposals	-	-
Closing Accumulated Amortisation	<u>694.45</u>	<u>694.45</u>
Closing Net Carrying Amount	<u>36.55</u>	<u>36.55</u>

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 5

	Face Value ₹	Number of Shares / Units	As at 31st March, 2023 Amount	As at 31st March, 2022 Number of Shares / Units	Amount
NON - CURRENT INVESTMENTS					
A. INVESTMENT IN ASSOCIATES:					
In Equity Instruments - Quoted, fully paid up - at Cost					
Gillanders Arbuthnot & Company Limited	10	55,01,078	5,17,486.15	55,01,078	5,17,486.15
TOTAL A			5,17,486.15		5,17,486.15
B. INVESTMENT IN OTHERS:					
(i) In Equity Instruments - Quoted, fully paid up at FVTPL					
Welspun Corporation Limited	5	4,000	8,020.00	7,500	12,555.00
Kesoram Textile Mills Limited	2	104	-	104	-
Albert David Limited	10	90,500	4,63,857.75	90,500	4,80,283.50
Balmer Lawrie & Company Limited	10	1,050	1,164.45	1,050	1,183.35
Electrosteel Castings Limited	1	-	-	4,000	1,578.00
GMR Airports Infrastructure Limited	1	6,000	2,433.00	5,000	1,847.50
Graphite India Limited	2	1,500	3,938.25	1,500	7,542.75
Larsen and Toubro Limited	2	800	17,313.60	1,000	17,676.50
Tata Steel Limited	1	15,000	15,675.00	1,500	19,608.00
Pilani Investments & Industries Corporation Limited	10	4,100	66,366.70	4,100	69,492.95
The West Coast Paper Mills Limited	2	-	-	500	1,671.25
Infosys Limited	5	2,500	35,698.75	2,500	47,671.25
Kansai Nerolac Paints Limited	1	4,000	15,472.00	5,000	23,387.50
Suven Life Sciences Limited	1	9,000	4,365.00	6,000	5,562.00
Suven Pharmaceuticals Limited	1	12,000	56,688.00	13,520	83,614.44
Trent Limited	1	-	-	2,500	31,887.50
Shree Cements Limited	10	-	-	30	7,209.78
Steel Authority of India Limited	10	-	-	1,000	985.50
Bharat Petroleum Corporation Limited	10	3,500	12,050.50	2,000	7,187.00
The Tata power Company Limited	1	2,000	3,805.00	2,000	4,773.00
VA Tech Wabag Limited	2	1,000	3,519.00	1,000	2,804.00
Aditya Birla Fashion & Retail Limited	10	-	-	2,000	6,042.00
ITC Limited	1	1,500	5,752.50	1,500	3,759.75
Coal India Limited	10	-	-	1,500	2,745.75
Tata Consultancy Services Limited	1	600	19,235.40	200	7,479.90
Hikal Limited	2	4,500	12,674.25	1,000	4,023.00

Hindalco Industries Limited	1	4,500	18,240.75	2,500	14,237.50
The Jammu & Kashmir Bank Limited	1	-	-	7,000	2,261.00
Axis Bank Limited	2	-	-	2,500	19,028.75
Exide Industries Limited	1	4,000	7,118.00	3,000	4,533.00
GMR Power & Urban Infra Limited	5	500	79.75	500	168.00
Aurobindo Pharma Limited	1	1,500	7,771.50	-	-
Deepak Nitrite Limited	2	500	9,213.00	-	-
Himadri Speciality Chemical Limited	1	2,000	1,746.00	-	-
ICICI Bank Limited	2	500	4,386.25	-	-
Indusind Bank Limited	10	200	2,135.90	-	-
IRB Infrastructure Developers Limited	1	25,000	6,287.50	-	-
Tata Motors Limited	2	1,500	6,312.00	-	-
Zensar Technologies Limited	2	1,000	2,743.50	-	-
TOTAL B (i)			<u>8,14,063.30</u>		<u>8,92,799.42</u>
(ii) In Equity Instruments - Unquoted, fully paid up at FVTPL					
Tulip Tea Company Limited	25	1,160	91.10	1,160	91.10
Aaham Printers Private Limited (in Liquidation)	100	15	0.01	15	0.01
Satyam Financial Services Limited	10	2,50,000	43,200.00	2,50,000	39,625.00
Vidyasagar Industries Private Limited	10	4,50,000	45,000.00	4,50,000	45,000.00
Bharat Fritz Werner Limited	2	8,45,875	12,52,994.64	8,45,875	11,37,278.94
Bharat Fritz Werner Limited DVR	2	2,000	2,962.60	2,000	2,689.00
TOTAL			<u>13,44,248.35</u>		<u>12,24,684.05</u>
Less: Provision for Diminution in carrying amount of Investments			45,000.00		45,000.00
TOTAL B (ii)			<u>12,99,248.35</u>		<u>11,79,684.05</u>
(iii) In Mutual Funds - Quoted, fully paid up at FVTPL					
Mirae Asset Large Cap Fund - Direct Plan - Growth Growth	10	2,39,486.5890	2,02,303.90	2,39,486.5890	2,02,215.29
SBI Healthcare Opportunities Fund - Regular Growth	10	34,056.2420	73,964.27	34,056.2420	75,431.61
UTI Healthcare Fund - Regular Growth Plan	10	50,684.9970	72,683.20	50,684.9970	79,576.81
UTI Value Opportunities Fund - Direct Plan - Growth Plan - Growth	10	1,47,218.1080	1,54,844.01	1,47,218.1080	1,55,557.43
Kotak Equity Opportunities Fund - Growth (Regular Plan)	10	64,811.0980	1,31,760.31	64,811.0980	1,27,108.17
UTI Liquid Cash Plan - Direct Plan - Growth	10	7,671.9610	2,83,049.87	-	-
ICICI Prudential Liquid Fund - Growth	10	21,989.3130	72,708.61	-	-
Bharat Bond FOF - April 2023 - Direct Plan Growth	10	17,86,794.9300	2,18,351.70	-	-
HDFC Focused 30 Fund - Regular Plan - Growth	10	94,951.9140	1,24,794.35	-	-
UTI Nifty 50 Index Fund - Direct Plan - Growth	10	69,069.9980	81,488.78	-	-
ICICI Prudential India Opportunities Fund Growth	10	2,31,708.2910	45,183.12	-	-
Aditya Birla Sun Life Frontline Equity Fund - Growth - Direct Plan	10	-	-	41,630.2400	1,51,817.16
IDFC Core Equity Fund - Growth - (Regular Plan)	10	-	-	3,05,131.7050	2,08,649.06
Aditya Birla Sun Life Frontline Equity Fund - Growth - Regular Plan	10	-	-	22,441.7150	75,713.86
HDFC Small Cap Fund - Regular Plan - Growth Plan	10	-	-	2,32,655.4750	1,65,206.33

Aditya Birla Sun Life Digital India Fund - Growth - Direct Plan	10	-	-	1,08,658.7660	1,62,857.76
Axis Focused 25 Fund - Regular Growth	10	-	-	1,89,904.7150	81,867.92
ICICI Prudential Technology Fund - Direct Plan - Growth	10	-	-	66,722.6420	1,17,118.25
ICICI Prudential Technology Fund - Growth	10	-	-	27,838.2520	45,262.22
Axis Focused 25 Fund - Direct Plan - Growth	10	-	-	1,18,540.3950	57,112.76
TOTAL B (iii)				14,61,132.12	17,05,494.63
(iv) In Bonds - at FVTPL					
9.00 % HDFC Limited 29.11.2028	1000000	6	64,507.80	-	-
9.10 % Tata International Limited Perpetual	1000000	15	1,50,000.00	-	-
TOTAL B (iv)			2,14,507.80		-
TOTAL B (i to iv)			37,88,951.57		37,77,978.10
TOTAL (A + B)			43,06,437.72		42,95,464.25
Aggregate carrying amount of quoted investments (including investments in Mutual Funds & Bonds)			30,07,189.37		31,15,780.20
Aggregate carrying amount of unquoted investments			12,99,248.35		11,79,684.05
			43,06,437.72		42,95,464.25
Aggregate Market Value of Quoted Investments in Associates			33,91,414.59		36,63,717.95
Aggregate Market Value of Quoted Investments other than Associates			8,14,063.30		8,92,799.42
Aggregate Book Value of Unquoted Investments			13,44,248.35		12,24,684.05
Aggregate Repurchase price of Mutual Funds			14,61,132.12		17,05,494.63
Aggregate Repurchase price of Bonds			2,14,507.80		-
Provision for diminution in the value of Investments			(45,000.00)		(45,000.00)

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 6	As at 31st March, 2023	As at 31st March, 2022
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OTHER FINANCIAL ASSETS (NON - CURRENT)

(Unsecured, Considered good unless stated otherwise)

Security Deposits	19,985.92	22,277.58
	<u>19,985.92</u>	<u>22,277.58</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 7	As at 31st March, 2023	As at 31st March, 2022
OTHER NON - CURRENT ASSETS		
Capital Advances	7,935.14	2,641.27
Others	859.95	859.95
	<hr/>	<hr/>
	8,795.09	3,501.22
Less: Provision for Doubtful Advances	525.21	525.21
	<hr/>	<hr/>
	8,269.88	2,976.01

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	As at 31st March, 2023	As at 31st March, 2022
NOTE - 8		
INVENTORIES		
(Valued at Lower of Cost and Net Realisable Value)		
Raw Materials	47,472.43	3,03,439.66
Materials - in - Process	1,88,201.81	2,04,256.81
Finished Goods	16,165.29	25,043.16
Stores and Spare Parts	45,227.39	56,393.41
	<u>2,97,066.92</u>	<u>5,89,133.04</u>

KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED

CIN : UI5491WBI897PLC001365

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 9	As at 31st March, 2023	As at 31st March, 2022
TRADE RECEIVABLES		
(Unsecured)		
- Trade Receivables considered good	1,67,764.30	1,44,586.47
- Trade Receivables which have significant increase in Credit Risk	-	-
- Trade Receivables - credit impaired	200.01	200.01
	<u>1,67,964.31</u>	<u>1,44,786.48</u>
Less : Expected Credit Loss Allowance	200.01	200.01
	<u>1,67,764.30</u>	<u>1,44,586.47</u>

Trade Receivable ageing Schedule as on 31-March-2023.

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Trade Receivables - considered good	1,67,764.30	-	-	-	-	1,67,764.30
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	200.01	200.01
	<u>1,67,764.30</u>	-	-	-	200.01	<u>1,67,964.31</u>
Less : Expected Credit Loss Allowance	-	-	-	-	200.01	200.01
Total	<u>1,67,764.30</u>	-	-	-	-	<u>1,67,764.30</u>

Trade Receivable ageing Schedule as on 31-March-2022.

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Trade Receivables - considered good	1,44,586.47	-	-	-	-	1,44,586.47
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	200.01	200.01
	<u>1,44,586.47</u>	-	-	-	200.01	<u>1,44,786.48</u>
Less : Expected Credit Loss Allowance	-	-	-	-	200.01	200.01
Total	<u>1,44,586.47</u>	-	-	-	-	<u>1,44,586.47</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 10	As at 31st March, 2023	As at 31st March, 2022
CASH AND CASH EQUIVALENTS		
Balances with Banks		
- In Current Accounts	9,10,857.88	3,42,125.62
Fixed Deposits of Maturity of Less than 3 Months	1,50,000.00	-
Cash in Hand	903.64	506.73
	<u>10,61,761.52</u>	<u>3,42,632.35</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - II	As at 31st March, 2023	As at 31st March, 2022
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
Other Bank Balances		
Fixed Deposits with Bank of Maturity more than 3 months but less than 12 months	3,00,000.00	5,10,521.27
Balances with Banks		
- Unpaid Dividend Account	1,896.27	2,184.25
	<u>3,01,896.27</u>	<u>5,12,705.52</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 12	As at 31st March, 2023	As at 31st March, 2022
LOANS		
Loan to Related Parties	10,00,000.00	10,00,000.00
Loans to other Bodies Corporate	2,50,000.00	-
	<u>12,50,000.00</u>	<u>10,00,000.00</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 13	As at 31st March, 2023	As at 31st March, 2022
OTHER FINANCIAL ASSETS (CURRENT)		
Security Deposits	4,083.93	-
Interest accrued on Loans and Deposits	5,405.49	441.46
	9,489.42	441.46

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 14	As at 31st March, 2023	As at 31st March, 2022
CURRENT TAX ASSETS (NET)		
Advance Income Tax (Net of Provisions)	5,295.56	7,809.28
	<u>5,295.56</u>	<u>7,809.28</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 15	As at 31st March, 2023	As at 31st March, 2022
OTHER CURRENT ASSETS		
Advances to Suppliers & Others	11,363.78	40,675.66
Balance with Statutory / Government Authorities	75,845.77	1,02,007.72
Export Incentive Receivable	2,207.58	22,849.23
Others	15,235.62	15,235.28
	<u>1,04,652.75</u>	<u>1,80,767.89</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 16	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
SHARE CAPITAL :				
AUTHORISED :				
Preference Shares of ₹ 100/- each.	3,00,000	3,00,000.00	3,00,000	3,00,000.00
Ordinary Shares of ₹ 10/- each.	1,70,00,000	17,00,000.00	1,70,00,000	17,00,000.00
		<u>20,00,000.00</u>		<u>20,00,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP:				
Ordinary Shares of ₹ 10/- each fully paid-up.	38,83,175	3,88,317.50	38,83,175	3,88,317.50
		<u>3,88,317.50</u>		<u>3,88,317.50</u>

16.1 The Company has issued Ordinary shares having a par value of ₹ 10/- per share. Each holder of Ordinary shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the holders of Ordinary shares will be entitled to receive remaining assets of the Company, after payment of Secured, Unsecured Liabilities and Other Creditors. The distribution will be in proportion to the number of Ordinary shares held by the shareholders.

16.2 The details of shareholders holding more than 5 % shares.

Name	As at 31st March 2023		As at 31st March 2022	
	% held	No. of Shares	% held	No. of Shares
Kothari Investment & Industries Private Limited	72.83%	2828080	72.83%	2828080
M. D. Kothari & Company Limited	14.85%	576525	14.85%	576525
G. Das & Company Private Limited	5.57%	216291	5.57%	216291

16.3 Statement of shareholding of Promoters.

Shares held by promoters Promoter name	As at 31st March 2023		As at 31st March 2022		% change in shareholding
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Arun Kumar Kothari	2121	0.05%	2121	0.05%	0.00%
Paramsukhdas Suganchand HUF	19040	0.49%	19040	0.49%	0.00%
Prabhawati Devi Kothari	6500	0.17%	6500	0.17%	0.00%
Anand Vardhan Kothari	13300	0.34%	13300	0.34%	0.00%
Kothari Investment & Industries Private Limited	2828080	72.83%	2828080	72.83%	0.00%
M. D. Kothari & Company Limited	576525	14.85%	576525	14.85%	0.00%
G. Das & Company Private Limited	216291	5.57%	216291	5.57%	0.00%
Albert David Limited	190000	4.89%	190000	4.89%	0.00%
Satyam Financial Services Limited	1000	0.03%	1000	0.03%	0.00%
Premier Suppliers Private Limited	8000	0.21%	8000	0.21%	0.00%

Shares held by promoters Promoter name	As at 31st March 2022		As at 31st March 2021		% change in shareholding
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Arun Kumar Kothari	2121	0.05%	2021	0.05%	0.00%
Paramsukhdas Suganchand HUF	19040	0.49%	19040	0.49%	0.00%
Prabhawati Devi Kothari	6500	0.17%	6500	0.17%	0.00%
Anand Vardhan Kothari	13300	0.34%	13300	0.34%	0.00%
Kothari Investment & Industries Private Limited	2828080	72.83%	2828080	72.83%	0.00%
M. D. Kothari & Company Limited	576525	14.85%	576525	14.85%	0.00%
G. Das & Company Private Limited	216291	5.57%	216291	5.57%	0.00%
Albert David Limited	190000	4.89%	190000	4.89%	0.00%
Satyam Financial Services Limited	1000	0.03%	1000	0.03%	0.00%
Premier Suppliers Private Limited	8000	0.21%	8000	0.21%	0.00%

16.4 The reconciliation of the number of shares outstanding is set out below.

	As at 31st March, 2023	As at 31st March, 2022
Ordinary Shares at the beginning of the year	38,83,175	38,83,175
Ordinary Shares at the end of the year	<u>38,83,175</u>	<u>38,83,175</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 17**

	As at 31st March, 2023	As at 31st March, 2022
OTHER EQUITY		
RESERVES AND SURPLUS		
Capital Reserve		
Balance at the beginning of the year	91,930.40	91,930.40
Balance at the end of the year	91,930.40	91,930.40
Securities Premium Account		
Balance at the beginning of the year	14,506.57	14,506.57
Balance at the end of the year	14,506.57	14,506.57
General Reserve		
Balance at the beginning of the year	53,37,358.09	48,37,358.09
Add : Transferred from Statement of Profit and Loss	10,00,000.00	5,00,000.00
Balance at the end of the year	63,37,358.09	53,37,358.09
Retained Earning		
Balance at the beginning of the year	16,60,399.46	13,34,457.57
Add : Profit for the year	5,84,843.24	9,97,787.36
Add : Other Comprehensive Income for the year	(4,125.17)	2,897.41
Total for the year	22,41,117.53	23,35,142.34
Less : Appropriations :		
Transferred to General Reserve	10,00,000.00	5,00,000.00
Dividend Paid	1,35,911.13	1,74,742.88
Total appropriations	11,35,911.13	6,74,742.88
Balance at the end of the year	11,05,206.40	16,60,399.46
	75,49,001.46	71,04,194.52

17.1 The Board of Directors recommended a dividend of ₹ 3/- per share for the year ended 31st March, 2023 (P. Y. ₹ 3.50 per share) on fully paid ordinary shares. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total estimated ordinary dividend to be paid is (₹ in '00) 116,495.25

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 18	As at 31st March, 2023			As at 31st March, 2022		
	Current	Non - Current	Total	Current	Non - Current	Total
PROVISIONS						
Employee Benefit Obligation						
Leave Obligations	9,784.53	5,768.73	15,553.26	9,450.52	6,469.96	15,920.48
Gratuity	7,793.62	-	7,793.62	4,104.68	9,730.28	13,834.96
	<u>17,578.15</u>	<u>5,768.73</u>	<u>23,346.88</u>	<u>13,555.20</u>	<u>16,200.24</u>	<u>29,755.44</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 19	As at 31st March, 2023				As at 31st March, 2022			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
DEFERRED TAX LIABILITIES (NET)								
Deferred Tax Liabilities arising out of :								
Timing Difference on Depreciable Assets	32,795.83	(2,566.01)	-	30,229.82	33,752.65	(956.82)	-	32,795.83
Fair Valuation of Investments	1,47,727.90	(24,859.64)	-	1,22,868.26	90,800.99	56,926.91	-	1,47,727.90
Total Deferred Tax Liabilities	1,80,523.73	(27,425.65)	-	1,53,098.08	1,24,553.64	55,970.09	-	1,80,523.73
Deferred Tax Assets arising out of :								
Provision for Doubtful Receivables	58.24	-	-	58.24	58.24	-	-	58.24
Provision for Diminution in Value of Investments	13,104.00	-	-	13,104.00	13,104.00	-	-	13,104.00
Accrued Expenses Deductible on Payment basis	10,485.15	(3,602.01)	1,589.95	8,473.09	10,493.15	1,108.73	(1,116.73)	10,485.15
Total Deferred Tax Assets	23,647.39	(3,602.01)	1,589.95	21,635.33	23,655.39	1,108.73	(1,116.73)	23,647.39
	1,56,876.34	(23,823.64)	(1,589.95)	1,31,462.75	1,00,898.25	54,861.36	1,116.73	1,56,876.34

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 20	As at 31st March, 2023	As at 31st March, 2022
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TRADE PAYABLES

Dues of Micro & Small Enterprises	-	-
Others	1,08,803.67	1,15,733.31
	<u>1,08,803.67</u>	<u>1,15,733.31</u>

(As per information available with the Company no amount is due to Micro, Small and Medium Enterprises)

Trade payable ageing Schedule as on 31-March-2023.

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Dues - MSME	-	-	-	-	-	-
Undisputed Dues - Others	-	83,894.07	617.74	-	24,291.86	1,08,803.67
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	-	83,894.07	617.74	-	24,291.86	1,08,803.67

Trade payable ageing Schedule as on 31-March-2022.

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Dues - MSME	-	-	-	-	-	-
Undisputed Dues - Others	-	1,00,881.31	-	13,570.00	1,282.00	1,15,733.31
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	-	1,00,881.31	-	13,570.00	1,282.00	1,15,733.31

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 21	As at 31st March, 2023	As at 31st March, 2022
OTHER FINANCIAL LIABILITIES		
Commission Payable	3,358.65	3,358.65
Employees Dues Payable	17,631.94	17,938.78
Unpaid Dividends	1,896.27	2,184.25
Others *	21,273.37	20,940.16
	<u>44,160.23</u>	<u>44,421.84</u>

* Other Liabilities includes Outstanding Liabilities, other than above.

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 22	As at 31st March, 2023	As at 31st March, 2022
OTHER CURRENT LIABILITIES		
Statutory Dues Payables	8,471.89	11,429.17
	<u>8,471.89</u>	<u>11,429.17</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 23****2022-2023****2021-2022****REVENUE FROM OPERATIONS****SALE OF PRODUCTS**

Calcium Sennoside	36,627.98		2,227.50
Brucine & its Salts	90,259.00		58,899.25
Strychnine & its Salts	17,56,803.57		16,52,877.95
Chlorpropamide	-		4,500.00
Formaldehyde	23,230.50		17,525.56
Paraformaldehyde	53,831.72		86,821.86
Phenolic Resin	7,20,588.36		6,39,238.40
		26,81,341.13	24,62,090.52

OTHER OPERATING REVENUE

Export Incentives	29,000.53		20,809.38
Claims Received	99.90		362.58
Sale of Scrap	59,277.21		19,585.24
Miscellaneous Receipts	-		1,487.26
		88,377.64	42,244.46
		27,69,718.77	25,04,334.98

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 24****2022-2023****2021-2022****OTHER INCOME****Income from Financial Assets**

- Interest on Advances, Deposits and Others - Gross	1,45,077.00	1,23,099.78
- Dividend Income from Non - Current Investments	30,502.90	9,655.71
- Net Gain / (Loss) on Sale of Non - Current Investments	2,93,419.85	50,797.41
- Net Fair Value Gain / (Loss) on Non - Current Investments measured at FVTPL	-	4,55,537.00
	<u>4,68,999.75</u>	<u>6,39,089.90</u>
Exchange Rate Fluctuation (Net)	25,842.74	-
Liabilities / Provision no longer required, written back	1,356.89	12,283.89
Miscellaneous Income	10,967.54	1,146.45
	<u>5,07,166.92</u>	<u>6,52,520.24</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 25****2022-2023****2021-2022****COST OF MATERIALS CONSUMED**

Raw Materials at the beginning of the year	2,98,152.62	2,64,553.21
Add : Purchases	8,67,278.81	10,70,947.89
Less : Raw Materials at the end of the year	47,472.43	2,98,152.62
	<u>11,17,959.00</u>	<u>10,37,348.48</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 26****2022-2023****2021-2022****CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK - IN - PROGRESS AND STOCK - IN - TRADE****Finished Goods**

Opening Inventories	25,043.16		37,779.54
Closing Inventories	<u>16,165.29</u>		<u>25,043.16</u>
Net (Increase) / Decrease		8,877.87	12,736.38

Materials - in - Process

Opening Inventories	2,04,256.81		2,44,955.37
Closing Inventories	<u>1,88,201.81</u>		<u>2,04,256.81</u>
Net (Increase) / Decrease		16,055.00	40,698.56
		<u>24,932.87</u>	<u>53,434.94</u>

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 27****2022-2023****2021-2022****EMPLOYEE BENEFITS EXPENSE**

Salaries, Wages and Bonus

2,72,950.83

2,73,840.25

Contribution to Provident and Other Funds

21,921.63

23,058.22

Workmen and Staff Welfare Expenses

14,282.31

14,050.13

3,09,154.77**3,10,948.60**

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 28****2022-2023****2021-2022****DEPRECIATION AND AMORTISATION EXPENSE**

Depreciation of Property, Plant and Equipment

45,325.72

49,955.13

Amortisation *

127.52

127.52

45,453.24**50,082.65**

* Includes (₹ in '00) 127.52 (2021 - 2022 (₹ in '00) 127.52) on Leasehold Land under Note - 3.

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 29****2022-2023****2021-2022****POWER & FUEL**

Power and Fuel

1,38,721.69

1,14,335.24

1,38,721.691,14,335.24

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 30****2022-2023****2021-2022****OTHER EXPENSES****Manufacturing Expenses**

Consumption of stores and spare parts	24,934.24	19,672.06
Repairs to Buildings	3,941.18	1,602.80
Repairs to Machinery	55,667.34	31,435.79
Repairs to Other Assets	3,587.76	4,465.35
	88,130.52	57,176.00

Selling and Distribution Expenses

Freight, Shipping, Delivery and Selling Expenses	89,088.75	92,565.19
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Establishment Expenses

Rent	6,089.00	5,559.00
Rates and Taxes	10,804.05	9,147.46
Bank Charges	1,777.70	4,243.67
Travelling and Conveyance Expenses	30,717.53	35,044.13
Postage and Telephone	2,945.35	3,310.52
Printing and Stationery	2,027.20	1,810.80
Subscription	843.36	449.15
Insurance	10,260.57	8,374.80
Motor Vehicle Expense	3,484.70	4,164.70
Directors' Sitting Fees	460.00	520.00
Directors' Commission	3,000.00	3,000.00
Managing Directors Remuneration	32,938.60	31,075.60
Legal and Professional Fee	13,292.44	15,508.56
Internal Audit Fees	708.00	708.00
Loss on Sale of Fixed Assets (Net)	6,162.34	-
Bad and Sundry Receivables Written off	1,515.00	2.37
Input GST (RCM)	622.80	633.60
Corporate Social Responsibility Expenses	16,362.55	15,207.69
Net Fair Value (Gain) / Loss on Non - Current Investments measured at FVTPL	3,32,951.77	-
Donation	500.00	-
Exchange Rate Fluctuations	-	237.29
Miscellaneous Expenses	12,444.85	10,622.81
	4,89,907.81	1,49,620.15

Payment to Auditors *

Auditor	1,864.75	1,864.75
For Other Services	560.00	710.00
For Reimbursement of Expenses	11.69	39.50
For GST	81.00	81.00
	2,517.44	2,695.25
	6,69,644.52	3,02,056.59

* including payments to predecessor Auditor

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 31****2022-2023****2021-2022****TAX EXPENSE****Current Tax**

Current Tax on Profits for the year

2,90,000.002,36,000.00**Deferred Tax**

Decrease / (Increase) in Deferred Tax Assets

(3,602.01)

1,108.73

(Decrease) / Increase in Deferred Tax Liabilities

(27,425.65)55,970.09**Total Deferred Tax Expense**(23,823.64)54,861.362,66,176.362,90,861.36**Reconciliation of Estimated Income Tax expense at Indian Statutory Income Tax rate to income tax expense reported in Statement of Total Comprehensive Income.****2022-2023****2021-2022****Total Profit before Income Tax Expenses****8,51,019.60****12,88,648.72**

Indian Income Tax Rate

27.82%

29.12%

Estimated Income Tax Expenses on above profit**2,36,753.65****3,75,254.51****Tax effect of adjustments to reconcile estimated income tax expenses to reported Income Tax Expenses**

a) Effect of Deferred Tax created at different rates

17,585.37

(1,80,224.85)

b) Expenses that are not deductible in determining taxable income

4,552.06

4,428.48

c) Others

7,285.2891,403.222,66,176.362,90,861.36

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 32****2022-2023****2021-2022****EARNING PER ORDINARY SHARE OF ₹ 10/- EACH**

Profit for the year (Amount ₹ in '00)	5,84,843.24	9,97,787.36
Number of Ordinary Shares at the beginning of the year	38,83,175	38,83,175
Number of Ordinary Shares at the end of the year	38,83,175	38,83,175
Weighted average number of Ordinary Shares outstanding during the year	38,83,175	38,83,175
Basic and diluted earnings per Ordinary share (Amount in ₹)	15.06	25.70

Amount (₹ in '00)

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 33****2022 - 2023** **2021 - 2022**

33.01 Contingent Liabilities / Disputed Liabilities : (To the extent not provided for)

Claims against the Company not acknowledged as debts :-

i) Sales Tax under dispute	3,225.70	3,225.70
ii) GST under dispute	1,673.07	-
iii) Demand in respect of earlier years made by Provident Fund Commissioner under appeal	983.17	983.17

33.02 Commitments :

Estimated amount of Contracts to be executed on Capital Account and not provided for :-

[Net of Advance (Amount ₹ in '00) 8,916.27/- (2022 (Amount ₹ in '00) 8,916.27)]	23,216.27	23,216.27
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NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 34****Employee Benefits:**

As per Indian Accounting Standard- 19 "Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan:

Employee Benefits in the form of Provident Fund and Employees' State Insurance Scheme (ESI) are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution.

The contributions to the defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under:

Defined Contribution Plan

	<u>Year ended 31 March 2023</u>	<u>Year ended 31 March 2022</u>
Employer's Contribution to Provident Fund	15,251.03	15,751.57
Employer's Contribution to Employees' State Insurance Scheme	3,205.30	2,996.97

Post employment defined benefit plan - Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed continuously atleast five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The approved gratuity fund is in the form of a trust and is governed by the Board of Trustees who are responsible for administration of investment of the plan assets. The trust has taken an insurance policy with the Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

The present value of defined benefits obligations, fair value of defined plan assets, actuarial gain/ (loss) on plan assets, expense recognised in the Statement of Profit and Loss and Other Comprehensive Income, actuarial assumptions and other information are given in the succeeding tables.

Net defined benefit liabilities

	<u>As at 31 March 2023</u>	<u>As at 31 March 2022</u>
Present value of defined benefit obligations	56,934.93	64,007.66
Fair value of plan assets	49,141.31	50,172.70
Net defined benefit liabilities	(7,793.62)	(13,834.96)

Reconciliation of the net defined benefit liabilities:

Description	Gratuity (Funded)	
	<u>As at 31 March 2023</u>	<u>As at 31 March 2022</u>
(i) Reconciliation of present value of defined benefit obligations		
(a) Balance at the Beginning of the year	64,007.66	60,634.79
(b) Current service cost	2,943.75	3,142.57
(c) Interest Cost	3,887.13	4,244.44
(d) Benefits paid	(19,284.40)	-
(e) Actuarial (gain)/ loss on defined benefit obligations:		
- due to change in financial assumptions	(318.02)	(729.60)
- due to experience changes	5,698.81	(3,284.54)
Balance at the end of the year	56,934.93	64,007.66

(ii) Reconciliation of fair value of plan assets		
(a) Balance at the Beginning of the year	50,172.70	46,890.37
(b) Actual return on plan assets	(334.33)	-
(c) Interest income	3,587.34	3,282.33
(d) Employer Contribution	15,000.00	-
(e) Benefits paid	19,284.40	-
Balance at the end of the year	49,141.31	50,172.70
(iii) Expense recognised in Statement of Profit and Loss		
(a) Current service cost	2,943.75	3,142.57
(b) Net Interest cost	299.79	962.11
Amount charged to Profit and Loss	3,243.54	4,104.68
(iv) Remeasurement recognised in Other Comprehensive Income		
(a) Actuarial gain/ (loss) on defined benefit obligations	(5,715.12)	4,014.14
(b) Actuarial gain/ (loss) on plan assets	-	-
Actuarial gain/ (loss) on plan assets	(5,715.12)	4,014.14
(v) Category of Plan assets		
Insurer Managed Fund	100.00%	100.00%

The Employee's Gratuity Fund Scheme, a Defined Benefit Plan, is administered by Life Insurance Corporation of India (LIC).

Life Insurance Corporation of India (LIC) makes payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit as prescribed.

(vi) Actuarial assumptions		
Principal actuarial assumptions at the reporting date (expressed as weighted averages)	As at 31 March 2023	As at 31 March 2022
(a) Discount rate %	7.15%	7.00%
(b) Expected Return on Plan Assets %	7.15%	7.00%
(c) Expected Rate of Salary increase %	6.00%	6.00%
(d) Mortality Rates	IALM 2012- 2014Ultimate	IALM 2012- 2014Ultimate
(e) Withdrawal rates	6.00%	6.00%

(vii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below :

	As at 31 March 2023				As at 31 March 2022			
	Increase		Decrease		Increase		Decrease	
(a) Discount rate (0.50% movement)	-1.80%	55910.10	1.90%	58014.99	-2.06%	62689.74	2.18%	65403.67
(b) Salary growth (0.50% movement)	1.90%	58015.55	-1.82%	55900.42	2.18%	65402.39	-2.08%	62678.86
(c) Attrition Rate (0.50% movement)	0.00%	56935.50	0.00%	56934.36	0.00%	64005.74	0.00%	64009.58
(d) Mortality Rate (10% movement)	0.00%	56937.21	0.00%	56932.65	0.00%	64009.58	0.00%	64005.74

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown

Risk Exposure

The company is exposed to a number of risks in respect of the defined benefit plan. In particular, the Company is exposed to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets and change in the discount rate.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 35 Information in accordance with the requirements of Related Party Disclosures.

A) LIST OF RELATED PARTIES

Holding Company :-

Kothari Investment & Industries Private Limited

Fellow Subsidiary :-

Satyam Financial Services Limited

Enterprises in which the Company is having substantial interest - Associate :-

Gillanders Arbuthnot & Company Limited

Names of the Key Management Personnel of the Company :-

Key Management Personnel

Sri A. V. Kothari	Non - Executive Director
Smt. V. Kothari	Non - Executive Director
Sri S. Bagri	Non - Executive, Independent Director
Sri A. Khandelwal	Non - Executive, Independent Director
Sri A. Agarwal	Non - Executive, Independent Director
Sri A. K. Toshniwal	Executive - Managing Director
Sri R. Gupta	Chief Financial Officer

Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence :-

Albert David Limited

Bharat Fritz Werner Limited

Entity where the Company is in a position to exercise control :-

Kothari Group CSR Trust

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2023

NOTE - 36 Information on Segment Reporting.

The Company has two primary business segments viz : Bulk Drugs and Chemicals.

Bulk Drugs comprises of manufacture, Job Work and sale of Bulk Drugs and related products.

Chemicals comprises of manufacture and sale of Formaldehyde and Phenolic Resin etc.

Others represent all unallocable items not included in the segments.

There are no intersegment transaction during the year.

Information about Business Segments

	Amount (₹ in '00)			
	Bulk Drugs	Chemicals	Others	Total
Revenue External				
(Revenue from Operations)				
2022 - 2023	19,70,410.40	7,99,308.37	-	27,69,718.77
2021 - 2022	17,56,379.38	7,47,955.60	-	25,04,334.98
Profit / (Loss) before Tax				
2022 - 2023	7,39,817.97	(2,197.05)	1,13,398.68	8,51,019.60
2021 - 2022	7,02,580.13	(3,038.60)	5,89,107.19	12,88,648.72
Depreciation and Amortization				
2022 - 2023	37,852.77	5,116.33	2,484.14	45,453.24
2021 - 2022	41,332.78	5,131.01	3,618.86	50,082.65
Capital Expenditure				
2022 - 2023	20,625.43	-	-	20,625.43
2021 - 2022	8,514.89	-	-	8,514.89
Assets				
2022 - 2023	19,50,335.64	3,05,311.65	59,97,917.09	82,53,564.38
2021 - 2022	20,05,160.73	4,20,857.79	54,24,709.60	78,50,728.12
Liabilities *				
2022 - 2023	61,650.24	90,505.41	1,64,089.77	3,16,245.42
2021 - 2022	76,231.21	85,235.99	1,96,748.90	3,58,216.10

* Excluding Shareholders' Funds

Information about Secondary Segments

Segment Revenue (External) by Geographical Location of Customers

	Within India	Outside India	Total
2022 - 2023	9,64,909.78	18,04,808.99	27,69,718.77
2021 - 2022	7,86,363.42	17,17,971.56	25,04,334.98

Segment Assets by Geographical Locations

2022 - 2023	22,55,647.29	-	22,55,647.29
2021 - 2022	24,26,018.52	-	24,26,018.52

Segment Capital Expenditure

2022 - 2023	20,625.42	-	20,625.42
2021 - 2022	8,514.89	-	8,514.89

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 37 Derivative Instruments and Unhedged Foreign Currency Exposure :

(i) The Company has not entered into any forward contract during the year.

(ii) There is no unhedged foreign currency exposure as at 31st March 2023.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 38****FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT****A. Accounting Classification and Fair Values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Amount (₹ in '00)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Investments	43,06,437.72	43,06,437.72	42,95,464.25	42,95,464.25
Trade receivables	1,67,764.30	1,67,764.30	1,44,586.47	1,44,586.47
Cash and cash equivalents	10,61,761.52	10,61,761.52	3,42,632.35	3,42,632.35
Bank balances other than cash and cash equivalents above	3,01,896.27	3,01,896.27	5,12,705.52	5,12,705.52
Loans	12,50,000.00	12,50,000.00	10,00,000.00	10,00,000.00
Other financial assets	29,475.34	29,475.34	22,719.04	22,719.04
	71,17,335.15	71,17,335.15	63,18,107.63	63,18,107.63
Financial liabilities				
Trade Payables	1,08,803.67	1,08,803.67	1,15,733.31	1,15,733.31
Other financial liabilities	44,160.23	44,160.23	44,421.84	44,421.84
	1,52,963.90	1,52,963.90	1,60,155.15	1,60,155.15

B. Measurement of Fair Values**Valuation Techniques and Significant Unobservables Inputs**

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, investments in Government Securities, borrowings, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short - term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximates fair value.

C. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- (i) Credit Risk.
- (ii) Liquidity Risk.
- (iii) Market Risk.

Risk Management Framework

The Company's principal financial liabilities include borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis.

As per simplified approach, the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the credit loss allowance for trade receivables.

The movements of Trade Receivables and Expected Credit Loss are as follows:

Amount (₹ in '00)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivable (Gross)	1,67,964.31	1,44,786.48
Less : Expected Credit Loss	200.01	200.01
Trade Receivables (Net)	1,67,764.30	1,44,586.47

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due.

(iii) Market Risk

Market risk is the risk that changes in market prices - foreign exchange rates and interest rates etc. that will affect the Company's income of the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 39

Capital Management

The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders and debt includes borrowings.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 40

Disclosures in accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities :

[a] Details of expenditure on CSR Activities as per Section 135 of Companies Act , 2013 read with schedule VII are as below :

Amount (₹ in '00)

Particulars	2022 - 2023	2021 - 2022
Gross Amount required to be spent by the Company during the year	16,362.55	15,207.69
Amount of expenditure incurred #	16,362.55	15,207.69
Shortfall at the end of the year	Nil	Nil

Note : The Company contributes the entire CSR obligation amount to the "Kothari Group CSR Trust", an approved implementing Agency for CSR activities, which in turn spends the amount for the various eligible CSR activities including on ongoing projects identified by the Company.

Amount spent during the year on :

Amount (₹ in '00)

Particulars	2022 - 2023			2021 - 2022		
	In Cash	Yet to be paid in cash	Total *	In Cash	Yet to be paid in cash	Total *
Construction / Acquisition of any asset	-	-	-	-	-	-
On purpose other than above	16,362.55	-	16,362.55	15,207.69	-	15,207.69
Total	16,362.55	-	16,362.55	15,207.69	-	15,207.69

* Fully contributed to the Kothari Group CSR Trust, a related party

[b] Details of ongoing projects as per Sec.135(6) of the Companies Act 2013:

Amount (₹ in '00)

Project Particulars	Opening Balance		Amount required to be spent during the year	Amount spent through the Trust during the year		Closing Balance	
	With Company	In Separate CSR unspent A/c		From Trust's A/c	From Separate CSR unspent A/c	With Company	In Separate CSR unspent A/c
Undertaking steps and Measures to Prevent Soil Erosion by River Ganga		15,207.69		-	14,375.20		832.49
Promoting health care including preventive health care			8,260.00	8,260.00	-		-
Promoting gender equality, empowering women, setting up homes and hostels for women and orphans			3,530.00	3,530.00	-		-
Promoting education including Special education and employment enhancing vocation skills especially among children women elderly and the differently abled and livelihood enhancement Project.			4,572.55	1,472.10	-		3100.45 *

Note : * An Amount (₹ in '00) 3,100.45 unspent by the trust as on 31st March 2023 has since been deposited by the Trust in a separate Bank Account in compliance with Section 135(6) of the Companies Act 2013.

[c] The Company has spent on its CSR activities in respect of ensuring environment sustainability & ecological balance, Healthcare and promoting education, women empowerment & livelihood.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 4I**

Disclosure pursuant to section 186 (4) of Companies Act, 2013

Amount (₹ in '00)

Nature of Facility granted	To whom / in whose favour granted	Paid during the year	Amount outstanding at year end	Purpose	Rate of Interest
Loan payable on demand	Satyam Financial Services Limited	-	4,00,000.00	Need based working capital support	8.50%
			6,00,000.00		9.50%

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 42

Events subsequent to the Reporting period.

Based on the principle approval of the Board of Directors held on 25th May 2023, the Company has entered into an Memorandum of Undertaking (MOU) dated 26th May 2023 with a prospective Buyer for Sale of its CLARO INDIA undertaking (including Transfer of Lease hold Land) situated at Gummidipoondi, Tamilnadu for a consideration of ₹ 840 Lacs subject to the Working Capital adjustments to be made at the time of handover of possession of the Undertaking. The transaction is subject to fulfilment of certain conditions specified in the MOU including obtaining various permission / approvals from SIPCOT and other statutory authorities.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 43

Additional regulatory information pursuant to Gazette notification for Amendments in Schedule III to Companies Act, 2013 dated 24 March 2021

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds, during the year, 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, during the year, 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 utilized the Borrowings, if any, from Banks and Financial Institutions for the purpose for which it was taken.
- (ix) The Company has not been declared as willful defaulter by any Bank or Financial Institutions.
- (x) The company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.
- (xi) The title deeds of all immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 44****RATIO ANALYSIS AND ITS ELEMENTS**

Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% change	Reason for variance
Current Ratio	Current Assets	Current Liabilities	17.86	15.01	19.05	-
Debt - Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	-
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non - cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-	-	-	-
Return on Equity Ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	0.08	0.14	(46.21)	Due to lower earnings in current year
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.56	2.89	57.73	Due to lower Inventory levels in Current Year
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	17.17	19.31	(11.11)	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	8.79	8.82	(0.34)	-
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	0.89	0.95	(6.46)	-
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	0.22	0.41	(46.18)	Due to lower earnings in current year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.11	0.17	(37.39)	Due to lower earnings in current year
Return on Investment						
a) Return on Investment on Fixed Deposit	Interest on Fixed Deposits	Average Daily Deposit	0.07	0.05	26.16	Due to improvement in Interest Rates.
b) Return on Investment on Quoted Investments	Income from Quoted Investments	Average Quoted Investments	0.04	0.05	(13.06)	
c) Return on Investment on Mutual Fund Investments	Income from Mutual Fund Investments	Average Mutual Fund Investments	0.04	0.001	7,496.05	Higher returns due to Sale of Mutual Fund Investment at Profit during the year

NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 45

Previous Year's figures have been regrouped / reclassified wherever necessary.

Signature to Note 'I' to '45'

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

Sd/-

(Sudesh Choraria)
Partner
Membership No. 204936

Kolkata
Dated: 4th September, 2023

Sd/-

R. Gupta
Chief Financial Officer

Sd/-

A. V. Kothari
Director
DIN : 02572346

Sd/-

A. K. Toshniwal
Mg. Director
DIN : 06872891

INDEPENDENT AUDITOR'S REPORT

To the members of Kothari Phytochemicals & Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED** (hereinafter referred to as the 'Parent Company') and its Associate (Parent Company and its associate together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), consolidated cash flow statement and consolidated statement of changes in equity for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, its profit (including other comprehensive income), cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the 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 consolidated financial statements under the provisions of the Companies Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to

our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

S No	Key Audit Matters	Auditor`s Response
1	<p>Revenue Recognition:</p> <p>The Group recognizes revenue when control has been transferred to the customer as detailed out in Significant Accounting Policies, Note 2 (j). The Group has varied contract terms with customers for export sales as well as domestic sales. There is a risk of inappropriate revenue recognition if deliverables are recorded in the incorrect period or revenue is not accounted for in line with contractual terms with customers. The key audit matter focuses on recognition of revenue by reference to contracted shipping terms and the transfer of ownership for Product and delivery spanning the year end.</p>	<p>Our Audit procedures related to Revenue recognition included the following, among others:</p> <ul style="list-style-type: none"> ➤ Assessed the Group’s accounting policies relating to revenue and incentives by comparing with applicable accounting standards. ➤ Assessed the design and implementation and testing the operating effectiveness of Group’s internal controls over the recognition of revenue. ➤ Verified on test basis, the underlying documents for the export sales as well as domestic sales transactions. ➤ Compared the historical trend of receipt of payments from customers. ➤ Assessed disclosures in consolidated financial statements in respect of revenue recognition as specified in Ind AS 115.
2	<p>Recoverability of Investments including in an Associate Company:</p> <p>The Group has investments in certain companies including with an Associate Company with a carrying value of (Rs in '00) 107,21,612.85</p> <p>Assessment of the recoverable amount of the Investments has been identified as a Key audit matter.</p>	<p>Our Audit procedures related to Recoverability of Investments included the following, among others:</p> <ul style="list-style-type: none"> ➤ We have obtained and read management’s assessment for identification of indicators of impairment. ➤ We have performed test of controls over impairment process through inspection of evidence of performance of these controls. ➤ We have verified on test basis, the valuation methodology adopted by the Group for valuing its Investments. ➤ We have assessed the compliance of the disclosures made in the consolidated financial statements with the Indian accounting standards (Ind AS).

Information Other than the Financial Statements and Auditor’s Report Thereon

The Parent Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information in the Annual Report, but does not include the Consolidated Financial Statements and our Auditor’s Report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report.

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 Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. 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.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income), cash flow and changes in the equity of the Group in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective management and Board of Directors of the Parent Company and of its Associate included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulations precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements of the Group for the year ended March 31, 2022 have been audited by the predecessor auditor M/s. K. Ray & Co., who have expressed an unmodified opinion on the consolidated financial statements vide their report dated August 29, 2022.

We did not audit the Group's share of net Profit /(loss) (after tax) of Rs. 382124.05 (in '00') and Total Comprehensive income of Rs. 178954.45 (in '00') of the associate for the year ended March 31, 2023, as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid Associate, is based solely on the report of such other auditors.

Our opinion on the audited consolidated financial statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

- I. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid Consolidated Financial Statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash flow statement and Consolidated statement of changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards 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 31st March, 2023 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its Directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act, and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule II 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 Consolidated Financial Statements disclose the impact of pending litigations as at 31st March 2023 on the consolidated financial position of the Group - Refer Note 33.01 to the Consolidated Financial Statements
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delays in transferring amounts, if any, required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, if any, 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 Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("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, other than as disclosed in the notes to the accounts, if any, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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, we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The dividend declared or paid during the year as well as the dividend proposed (which is subject to members approval at the ensuing Annual General Meeting) by the Parent Company are in compliance with Section 123 of the Act.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For Singhi & Co.
Chartered Accountants
Firm Regn. No. 302049E

Sd/-
Sudesh Choraria
Partner
Membership No.204936
UDIN: 23204936BGYIVM2767

Place: Mumbai
Date: September 4, 2023

Annexure – A to the Independent Auditor’s Report of even date to the members of Kothari Phytochemicals & Industries Limited on the Consolidated financial Statements as of and for the year ended March 31, 2023

(Referred to in paragraph 1(f) of our Report on Other legal and regulatory requirements)

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

We have audited the Internal Financial Controls over Financial Reporting of Kothari Phytochemicals & Industries Limited ("the Parent Company") as of 31st March 2023 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Parent Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Group considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountant 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 Group'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 Group's Internal Financial Controls over Financial Reporting of the Group based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such control operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, 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 Group's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Group's Internal Financial Control over Financial Reporting 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 Group's Internal Financial Control over Financial Reporting 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 Group; (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 Group are being made only in accordance with authorisations of Management and Directors of the Group and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, 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 over Financial Reporting to future periods are subject to the risk that the Internal Financial Control over Financial Reporting 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 to the best of our information and according to the explanations given to us, the Group has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over financial Reporting were operating effectively as at 31st March 2023, based on the Internal Control over Financial Reporting criteria established by the Group considering the essential components of Internal Control stated in the Guidance Note.

For Singhi & Co.
Chartered Accountants
Firm Regn. No. 302049E

Sd/-
Sudesh Choraria
Partner
Membership No.204936
UDIN: 23204936BGYIVM2767

Place: Mumbai

Date: September 4, 2023

Amount (₹ in '00)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	3	3,73,404.12	4,07,394.27
Capital Work - in - progress	3A	3,47,503.45	3,44,503.45
Intangible Assets	4	36.55	36.55
Financial Assets			
i. Investments in Associate (accounted for using Equity Method)	5	71,02,809.27	64,55,919.47
ii. Investments other than Investments in Associates	5	37,88,951.57	37,77,978.10
iii. Other Financial Assets	6	19,985.92	22,277.58
Other Non - Current Assets	7	8,269.88	2,976.01
Total Non - Current Assets		<u>1,16,40,960.76</u>	<u>1,10,11,085.43</u>
Current Assets			
Inventories	8	2,97,066.92	5,89,133.04
Financial Assets			
i. Trade Receivables	9	1,67,764.30	1,44,586.47
ii. Cash and Cash Equivalents	10	10,61,761.52	3,42,632.35
iii. Bank Balances other than Cash and Cash Equivalents	11	3,01,896.27	5,12,705.52
iv. Loans	12	12,50,000.00	10,00,000.00
v. Other Financial Assets	13	9,489.42	441.46
Current Tax Assets (Net)	14	5,295.56	7,809.28
Other Current Assets	15	1,04,652.75	1,80,767.89
Total Current Assets		<u>31,97,926.74</u>	<u>27,78,076.01</u>
Total Assets		<u>1,48,38,887.50</u>	<u>1,37,89,161.44</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	3,88,317.50	3,88,317.50
Other Equity			
Reserves and Surplus	17	1,41,34,324.58	1,30,42,627.84
Total Equity		<u>1,45,22,642.08</u>	<u>1,34,30,945.34</u>
LIABILITIES			
Non - Current Liabilities			
Provisions	18	5,768.73	16,200.24
Deferred Tax Liabilities (Net)	19	1,31,462.75	1,56,876.34
Total Non - Current Liabilities		<u>1,37,231.48</u>	<u>1,73,076.58</u>
Current Liabilities			
Financial Liabilities			
ii. Trade Payables	20	-	-
- Dues of Micro Enterprises and Small Enterprises		-	-
- Dues of Creditors other than Micro Enterprises and Small Enterprises		1,08,803.67	1,15,733.31
iii. Other Financial Liabilities	21	44,160.23	44,421.84
Other Current Liabilities	22	8,471.89	11,429.17
Provisions	18	17,578.15	13,555.20
Total Current Liabilities		<u>1,79,013.94</u>	<u>1,85,139.52</u>
Total Liabilities		<u>3,16,245.42</u>	<u>3,58,216.10</u>
Total Equity and Liabilities		<u>1,48,38,887.50</u>	<u>1,37,89,161.44</u>

Significant Accounting Policies

2

The Notes referred to above form an integral part of the consolidated financial statements.

This is the Balance Sheet referred to in our report of even date.

On behalf of the Board

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

Sd/-

(Sudesh Choraria)

Partner

Membership No. 204936

Kolkata

Dated: 4th September, 2023

Sd/-

R. Gupta

Chief Financial Officer

Sd/-

A. V. Kothari

Director

DIN : 02572346

Sd/-

A. K. Toshniwal

Mg. Director

DIN : 06872891

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

INCOME :	Note	2022-2023	2021-2022
Revenue from Operations	23	27,69,718.77	25,04,334.98
Other Income	24	5,07,166.92	6,52,520.24
Total Revenue		32,76,885.69	31,56,855.22
EXPENDITURE :			
Cost of Materials Consumed	25	11,17,959.00	10,37,348.48
Purchases of Trading Goods		1,20,000.00	-
Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - Trade	26	24,932.87	53,434.94
Employee Benefits Expense	27	3,09,154.77	3,10,948.60
Depreciation and Amortisation Expense	28	45,453.24	50,082.65
Power & Fuel	29	1,38,721.69	1,14,335.24
Other Expenses	30	6,69,644.52	3,02,056.59
Total Expenses		24,25,866.09	18,68,206.50
Profit before Exceptional items, Share of profits of Associate and Tax		8,51,019.60	12,88,648.72
Share of Profit / (Loss) of Associates		3,82,124.05	3,58,506.99
Profit / (Loss) before Exceptional Items and Tax		12,33,143.65	16,47,155.71
Exceptional Items		-	-
PROFIT / (LOSS) BEFORE TAX		12,33,143.65	16,47,155.71
Tax Expense	31		
- Current Tax		2,90,000.00	2,36,000.00
- Deferred Tax (Net)		(23,823.64)	54,861.36
Total Tax Expenses		2,66,176.36	2,90,861.36
PROFIT FOR THE YEAR		9,66,967.29	13,56,294.35
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Post - Employment benefit obligations		(5,715.12)	4,014.14
Tax Expense on the above		1,589.95	(1,116.73)
Share of Other comprehensive Income of Associate		(2,03,169.60)	34,094.05
Other Comprehensive Income for the year		(2,07,294.77)	36,991.46
Total Comprehensive Income for the year		7,59,672.52	13,93,285.81
EARNINGS PER ORDINARY SHARE OF ₹ 10/- EACH	32		
Basic and Diluted (Amount in ₹)		24.90	34.93

The Notes referred to above form an integral part of the Consolidated Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

Sd/-

(Sudesh Choraria)
Partner
Membership No. 204936

Sd/-

R. Gupta
Chief Financial Officer

Sd/-

A. V. Kothari
Director
DIN : 02572346

Sd/-

A. K. Toshniwal
Mg. Director
DIN : 06872891

Kolkata

Dated: 4th September, 2023

Amount (₹ in '00)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023			
	2022-2023		2021-2022
A. Cash Flow from Operating Activities :			
Profit before Tax		12,33,143.65	16,47,155.71
Adjustments for :			
Depreciation and Amortisation Expense	45,453.24		50,082.65
Dividend Income from Non-Current Investment	(30,502.90)		(9,655.71)
Net (Gain)/Loss on sale of Non-Current Investments	(2,93,419.85)		(50,797.41)
Net Fair Value (Gain)/Loss on Non-Current Investments measured at FVTPL	3,32,951.77		(4,55,537.00)
Share of (Profit) / Loss of Associates	(3,82,124.05)		(3,58,506.99)
Bad & Sundry Receivables written off	1,515.00		2.37
Profit / (Loss) on Sales of Fixed Assets(Net)	6,162.34		-
Interest (Net)	(1,45,077.00)		(1,23,099.78)
Liabilities & Provisions no longer required written back	(1,356.89)	(4,66,398.34)	(1,283.89)
Operating Profit before Working Capital Changes		7,66,745.31	6,87,359.95
Adjustments for :			
Trade and Other Receivables	44,336.17		(40,005.18)
Inventories	2,92,066.12		(2,986.58)
Trade and Other Payables	(20,627.34)	3,15,774.95	434.36
Cash Generated from Operations		10,82,520.26	6,44,802.55
Direct Taxes - (Payments)/Refunds (Net)	(2,87,486.28)	(2,87,486.28)	(2,41,630.12)
Net Cash (Used in) / From Operating Activities		7,95,033.98	4,03,172.43
B. Cash Flow From Investing Activities :			
Purchase of Property, Plant and Equipment/ Intangible Assets	(20,625.43)		(8,514.89)
Dividend Received	30,502.90		9,655.71
Purchase of Non- Current Investments	(14,93,426.04)		(7,94,527.54)
(Increase) / Decrease in Loans Given	(2,50,000.00)		(6,00,000.00)
Proceeds from Sale of Non- Current Investments	14,42,920.65		3,57,769.78
Movement in Other Bank Balances	2,10,809.25		85,752.01
Interest Received	1,40,112.97		1,37,499.54
Net Cash (Used in) / From Investing Activities		60,294.30	(8,12,365.39)

Amount (₹ in '00)

CONSOLIDATED CASH FLOW STATEMENT (Contd.)		2022-2023	2021-2022
C. Cash Flow from Financing Activities			
Interest Paid		-	-
Dividends Paid		(1,36,199.11)	(1,74,923.18)
Net Cash (Used in) / From Financing Activities		(1,36,199.11)	(1,74,923.18)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)		7,19,129.17	(5,84,116.14)
Cash and Cash Equivalents (Note No. 10)			
Opening		3,42,632.35	9,26,748.49
Closing		10,61,761.52	3,42,632.35
		7,19,129.17	(5,84,116.14)
NOTES :			
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard-7 on Cash Flow Statement.			
2. Previous year's figures have been regrouped / re-arranged wherever necessary.			
This is the Cash Flow Statement referred to in our report of even date.			
For SINGHI & CO.			
Chartered Accountants			
Firm Registration No. 302049E			
On behalf of the Board			
	Sd/-	Sd/-	Sd/-
	(Sudesh Choraria)	R. Gupta	A. V. Kothari
	Partner	Chief Financial Officer	Director
Kolkata	Membership No. 204936		Mg. Director
Dated: 4th September, 2023			DIN : 02572346
			DIN : 06872891

Amount (₹ in '00)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

A) EQUITY SHARE CAPITAL	As at 31st March, 2023	As at 31st March, 2022
Particulars		
Balance at the beginning of the current reporting period	3,88,317.50	3,88,317.50
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital during the current year	-	-
Balance at the end of the current reporting period	<u>3,88,317.50</u>	<u>3,88,317.50</u>

B) OTHER EQUITY

Particulars	Reserves & Surplus					Total
	Capital Reserve	Securities Premium Account	General Reserve	Retained Earning	Retained Earnings in Associate	
Balance as at 31st March 2021	91,930.40	14,506.57	48,37,358.09	13,34,457.57	55,45,832.28	1,18,24,084.91
Changes in Accounting Policies or Prior Period Errors	-	-	-	-	-	-
Restated Balance as at 31st March 2021	91,930.40	14,506.57	48,37,358.09	13,34,457.57	55,45,832.28	1,18,24,084.91
Comprehensive Income for the year						
Add / (Less) : Profit / (Loss) for the year	-	-	-	9,97,787.36	3,58,506.99	13,56,294.35
Add / (Less) : Other Comprehensive Income, net of Income Tax	-	-	-	2,897.41	34,094.05	36,991.46
Total Comprehensive Income for the year	-	-	-	10,00,684.77	3,92,601.04	13,93,285.81
Add / (Less) : Transfer to General Reserve	-	-	5,00,000.00	(5,00,000.00)	-	-
Add / (Less) : Dividend	-	-	-	(1,74,742.88)	-	(1,74,742.88)
Balance as at 31st March 2022	91,930.40	14,506.57	53,37,358.09	16,60,399.46	59,38,433.32	1,30,42,627.84
Changes in Accounting Policies or Prior Period Errors (Refer Note below)					4,67,935.35	4,67,935.35
Restated Balance as at 31st March 2022	91,930.40	14,506.57	53,37,358.09	16,60,399.46	64,06,368.67	1,35,10,563.19
Comprehensive Income for the year						
Add / (Less) : Profit / (Loss) for the year	-	-	-	5,84,843.24	3,82,124.05	9,66,967.29
Add / (Less) : Other Comprehensive Income, net of Income Tax	-	-	-	(4,125.17)	(2,03,169.60)	(2,07,294.77)
Total Comprehensive Income for the year	-	-	-	5,80,718.07	1,78,954.45	7,59,672.52
Add / (Less) : Transfer to General Reserve	-	-	10,00,000.00	(10,00,000.00)	-	-
Add / (Less) : Dividend	-	-	-	(1,35,911.13)	-	(1,35,911.13)
Balance as at 31st March 2023	91,930.40	14,506.57	63,37,358.09	11,05,206.40	65,85,323.12	1,41,34,324.58

Note : Prior Period inadvertent error in computing the Investment in Associate under Equity Method has been given effect in current year.

The accompanying Notes form an integral part of these Consolidated Financial Statements.

As per our Report of even date annexed.

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

Sd/-
(Sudesh Choraria)
Partner
Membership No. 204936
Kolkata
Dated: 4th September, 2023

Sd/-
R. Gupta
Chief Financial Officer

Sd/-
A. V. Kothari
Director
DIN : 02572346

Sd/-
A. K. Toshniwal
Mg. Director
DIN : 06872891

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - I

BASIS OF PREPARATION :

(a) General Information :

The Consolidated Financial Statements present the consolidated Accounts of Kothari Phytochemicals & Industries Limited and its associate.

Name of Associate

Percentage of holding by the Company

Gillanders Arbuthnot and Company Limited, India

25.78%

- (b) Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Group has disclosed only such policies and Notes from the individual financial statements, which fairly present the required disclosures.**

(c) Principles of Consolidation and Equity Accounting :

Associates

Associates are all entities over which the Group has significant influence but not control or joint control over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognized at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees until the date on which significant influence ceases.

Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post – acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognized as an addition in the carrying amount of the investment. When the Group's share of losses in an equity – accounted investment equals or exceeds its interest in the entity, including any other unsecured long – term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

(d) Statement of Compliance :

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The consolidated financial statements are approved by the Board of Directors of the Company at their meeting held on 4th September, 2023.

Details of the Group's accounting policies are included in Note 2.

(e) Functional and Presentation Currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All financial information presented in Indian Rupees (₹) have been rounded off to the nearest hundred upto two decimals as per the requirements of Schedule III, unless otherwise stated.

(f) The consolidated financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

Items	Measurement basis
(i) Certain financial assets and financial liabilities	Fair Value
(ii) Employee's defined benefit plan	As per actuarial valuation
(iii) Assets held for sale	Lower of its carrying amount and less fair value costs to sale

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(g) Use of Estimates and Judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and Estimation Uncertainties

In the process of applying the Group's accounting policies, management has made the following judgments, which have most effect on the amounts recognized in the financial statements.

- Estimation of Useful life and residual value of property, plant and equipment;
- Determining the fair values of investments, in particular of the unlisted securities;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Recognition of deferred tax assets; availability of future taxable profit against which carried forward tax losses can be used;
- Estimation of defined benefit obligations: key actuarial assumptions;
- Impairment of financial assets: key assumptions used in estimating recoverable cash flows.

(h) Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management has overall responsibility for overseeing all significant fair value measurements and it regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 : Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in Note 38 B.

Determination of Fair Values

Fair values have been determined for measurement and disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Financial Assets

The fair value of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques.

(ii) Trade and Other Receivables

The fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short – term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iii) Financial Liabilities

Financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

(i) Current and Non – Current Classification

All assets and liabilities are classified as current or Non – current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is expected to be realized within 12 months after the reporting date; or
- (iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non – current financial assets.

All other assets are classified as non – current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (i) It is expected to be settled in the Group's normal operating cycle;
- (ii) It is held primarily for the purpose of being traded;
- (iii) It is due to be settled within 12 months after the reporting date; or
- (iv) The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non – current financial liabilities.

All other liabilities are classified as non – current.

Deferred tax assets and liabilities are classified as non – current assets and liabilities.

Operating Cycle

For the purpose of current / non – current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 2

SIGNIFICANT ACCOUNTING POLICIES:

(a) Property, Plant and Equipment

(i) Recognition and Measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price inclusive of duties, taxes, after deducting trade discounts and rebates, incidental expenses, erection / commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A Property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

Property, plant and equipment under construction are disclosed as Capital work – in – progress.

(ii) Transition to Ind AS

On transition to Ind AS, the Group has selected to continue with the carrying value of all of its property, plant and equipment recognized as on 1st April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment [See Note 3].

(iii) Subsequent Expenditure

Subsequent costs are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iv) Depreciation

Depreciation for the year is recognized in the Statement of Profit and loss.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets.

The useful lives have been determined based on technical evaluation done by the management and are in line with the useful life specified in Part C of Schedule II to the Companies Act; 2013. The residual values are not more than 5 % of the original cost of the asset.

Depreciation on additions / (disposals) is provided on a pro – rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

Freehold land is not depreciated.

Leasehold properties are depreciated over the primary period of lease or their respective useful lives, whichever is shorter.

Depreciation method, useful lives and residual values of property, plant and equipment are reviewed at each financial year – end and adjusted prospectively, if appropriate.

(v) Capital work – in – Progress (CWIP)

Capital work – in – progress (CWIP) includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on project under implementation are treated Pre – operative expenses pending allocation to the asset and are shown under CWIP.

(b) Intangible Assets

(i) Computer Software

Computer software are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization.

(ii) Amortisation

Amortisation is calculated to write off the cost of Intangible assets over their estimated useful lives using the straight – line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

Class of assets	Management estimate of useful life (in years)
Computer Software	3

Amortisation method and useful lives are reviewed at the end of each financial year and adjusted, if appropriate.

(iii) Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in Statement of Profit and Loss as incurred.

(c) Inventories

Inventories are valued as under:

Raw Materials	- At cost on weighted average method / FIFO
Stores and Spare Parts	- At cost on weighted average method / FIFO
Materials in Process	- At estimated Cost
Finished Goods	- At cost on weighted average method or Net Realizable Value, whichever is lower

Cost of Inventory comprises of purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

Net Realizable Value (NRV) 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.

(d) Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currency of the Group at the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non – monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non – monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of initial transaction.

Exchange differences are recognized in the Statement of Profit and Loss in the period in which they arise.

(e) Impairment

(i) Impairment of Financial Instruments: Financial Assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The group recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Impairment of Non – Financial Assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash – generating units).

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.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.

(f) Financial Instruments

(i) Recognition and Initial Measurement

Financial assets and liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

All financial assets are initially recognized at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs are attributable to the acquisition of the financial assets.

The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balance and derivative financial instruments.

The financial liabilities include trade and other payables, loans and borrowings including bank overdraft, derivative financial instruments etc.

(ii) Classification and Subsequent Measurement of Financial Assets

On initial recognition, a financial asset is classified and measured at:

- amortised cost; or
- fair value through other comprehensive income (FVOCI) - Equity Investment; or
- fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Financial Assets at Amortised Cost

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL.

- (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- (b) the contractual terms of the financial 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.

Financial Assets at Fair Value through other Comprehensive Income (FVOCI)

On initial recognition of an equity investment that is not held for trading the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment – by – investment basis.

Financial assets are measured at the FVOCI if both the following conditions are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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

All financial assets which do not meet the criteria for categorization as at amortised cost or FVOCI as described above are classified as at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

Financial Assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method (EIR). The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is recognized in Statement of Profit and Loss
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to Statement of Profit and Loss.

Financial Liabilities: Classification, Subsequent Measurement and Gains and Losses

Financial liabilities are classified as measured at FVTPL.

A financial liability is classified as at FVTPL if it is classified as held – for – trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit and Loss.

(iii) Derecognition

Financial Assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial Liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(g) Employee Benefits

(i) Short – Term Employee Benefits

Short – term employee benefit obligations are measured on an undiscounted basis and are expected as the related service is provided. A liability is recognized for the amount expected to be paid, if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined Contribution Plans

Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when contributions are made to the related schemes.

(iii) Defined Benefit Plans

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. The Group recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss.

(iv) Compensated Absences

The employees of the group are entitled to compensated absences which are both accumulating and non – accumulating in nature.

The expected cost of accumulating compensated absences is measured on the basis of an annual independent actuarial valuation using the projected unit credit method, for the unused entitlement that has accumulated as at the balance sheet date. Remeasurement gains or losses are recognized in profit or loss in the period in which they arise.

(h) Provision (other than for Employee Benefits)

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Expected future operating losses are not provided for. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(i) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is possible. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

(j) Recognition of Revenue

Revenue is recognized to the extent it is probable that economic benefits would flow to the group and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

Revenue from sale of goods is recognized when transfer of control of promised products to customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation, in accordance with Ind AS 115 " Revenue from contract with customers".

(k) Expenses

All expenses are accounted for on accrual basis.

(l) Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(m) Income Tax

Income tax expense comprises of current tax and deferred tax. Current tax and deferred tax is recognized in the Statement of profit and Loss.

(i) Current Tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable Tax rates and the provisions of the Income Tax Act, 1961 and other applicable Tax Laws.

(ii) Deferred Tax

Deferred tax is provided, on all temporary differences at the reporting date between the carrying amount of assets and liabilities for financial reporting purposes and its tax base. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement of Profit and Loss. Deferred tax assets include Minimum Alternate Tax (MAT) paid (tax credit) in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability and is considered as an asset if it is probable that future taxable profit will be available against which these tax credit can be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

(n) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision – maker (CODM).

The chief operating decision – maker, who is responsible for allocation of resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Group as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

(i) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter segment transfers.

Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Group's intermediate and final products and estimated realizable value in case of by – products.

(ii) Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on direct and / or on a reasonable basis, have been disclosed as "Unallocable".

(o) Borrowing Costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a Substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(p) Cash and Cash Equivalents

Cash and cash equivalents include cash and cash – on – deposit with banks. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non – cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(r) 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.

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.

(s) Interest in Associate

Investments in associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associate, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(t) Recent Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March, 2023, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

- (i) Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.
- (ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.
- (iii) Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 3

PROPERTY, PLANT AND EQUIPMENT

Year ended 31st March, 2023

	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Electric Installation	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tubewell and Water Works	Total
Gross Carrying Amount											
Opening Gross Carrying Amount	12,624.00	19,852.83	4,03,010.82	13,47,641.00	57,557.02	14,159.07	33,664.11	5,432.15	42,595.72	5,199.16	19,41,735.88
Additions during the year	-	-	-	16,816.15	809.28	-	-	-	-	-	17,625.43
On Disposals / Adjustments during the year	-	-	-	46,411.03	-	357.68	1,779.50	295.90	-	-	48,844.11
Closing Gross Carrying Amount	<u>12,624.00</u>	<u>19,852.83</u>	<u>4,03,010.82</u>	<u>13,18,046.12</u>	<u>58,366.30</u>	<u>13,801.39</u>	<u>31,884.61</u>	<u>5,136.25</u>	<u>42,595.72</u>	<u>5,199.16</u>	<u>19,10,517.20</u>
Accumulated Depreciation											
Accumulated Depreciation upto 1st April, 2022	3,825.62	-	2,26,271.00	11,80,571.23	53,866.29	12,099.07	17,135.52	4,757.39	31,027.49	4,788.00	15,34,341.61
Depreciation charge during the year	127.52	-	9,524.95	30,483.93	359.75	628.19	148.77	173.25	3,855.67	151.21	45,453.24
On Disposals / Adjustments during the year	-	-	-	40,479.68	-	333.76	1,572.43	295.90	-	-	42,681.77
Closing Accumulated Depreciation	<u>3,953.14</u>	<u>-</u>	<u>2,35,795.95</u>	<u>11,70,575.48</u>	<u>54,226.04</u>	<u>12,393.50</u>	<u>15,711.86</u>	<u>4,634.74</u>	<u>34,883.16</u>	<u>4,939.21</u>	<u>15,37,113.08</u>
Net Carrying Amount	<u>8,670.86</u>	<u>19,852.83</u>	<u>1,67,214.87</u>	<u>1,47,470.64</u>	<u>4,140.26</u>	<u>1,407.89</u>	<u>16,172.75</u>	<u>501.51</u>	<u>7,712.56</u>	<u>259.95</u>	<u>3,73,404.12</u>

Year ended 31st March, 2022

	Leasehold Land	Freehold Land	Buildings	Plant and Equipment	Electric Installation	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Tubewell and Water Works	Total
Gross Carrying Amount											
Deemed Cost as at 1st April, 2021	12,624.00	19,852.83	4,03,010.82	13,40,100.19	57,517.18	13,404.83	33,484.11	5,432.15	42,595.72	5,199.16	19,33,220.99
Additions during the year	-	-	-	7,540.81	39.84	754.24	180.00	-	-	-	8,514.89
On Disposals / Adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	<u>12,624.00</u>	<u>19,852.83</u>	<u>4,03,010.82</u>	<u>13,47,641.00</u>	<u>57,557.02</u>	<u>14,159.07</u>	<u>33,664.11</u>	<u>5,432.15</u>	<u>42,595.72</u>	<u>5,199.16</u>	<u>19,41,735.88</u>
Accumulated Depreciation											
Accumulated Depreciation upto 1st April, 2021	3,698.10	-	2,16,675.59	11,47,169.48	53,514.20	11,900.04	16,760.31	4,635.55	26,037.10	3,868.59	14,84,258.96
Depreciation charge during the year	127.52	-	9,595.41	33,401.75	352.09	199.03	375.21	121.84	4,990.39	919.41	50,082.65
On Disposals / Adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	<u>3,825.62</u>	<u>-</u>	<u>2,26,271.00</u>	<u>11,80,571.23</u>	<u>53,866.29</u>	<u>12,099.07</u>	<u>17,135.52</u>	<u>4,757.39</u>	<u>31,027.49</u>	<u>4,788.00</u>	<u>15,34,341.61</u>
Net Carrying Amount	<u>8,798.38</u>	<u>19,852.83</u>	<u>1,76,739.82</u>	<u>1,67,069.77</u>	<u>3,690.73</u>	<u>2,060.00</u>	<u>16,528.59</u>	<u>674.76</u>	<u>11,568.23</u>	<u>411.16</u>	<u>4,07,394.27</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 3A	As at 31st March, 2023	As at 31st March, 2022
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CAPITAL WORK IN PROGRESS

Capital work in Progress	3,47,503.45	3,44,503.45
	<u>3,47,503.45</u>	<u>3,44,503.45</u>

Capital work in Progress ageing Schedule as at 31st March, 2023

Particulars	Amount in Capital work in Progress for a period of				As at 31st March, 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	3,000.00	-	-	3,44,503.45	3,47,503.45
Projects temporarily Suspended	-	-	-	-	-
	3,000.00	-	-	3,44,503.45	3,47,503.45

Capital work in Progress ageing Schedule as at 31st March, 2022

Particulars	Amount in Capital work in Progress for a period of				As at 31st March, 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	3,44,503.45	3,44,503.45
Projects temporarily Suspended	-	-	-	-	-
	-	-	-	3,44,503.45	3,44,503.45

For Capital work in Progress, whose completion is overdue or has exceeded its cost compared to its original plan, Capital work in Progress completion schedule are as below :

As at March 31, 2023

Particulars	To be completed in				As at 31st March, 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects completion overdue	-	-	-	-	-
New Phytochemical Project	3,000.00	-	-	3,44,503.45	3,47,503.45
	3,000.00	-	-	3,44,503.45	3,47,503.45

As at March 31, 2022

Particulars	To be completed in				As at 31st March, 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects completion overdue	-	-	-	-	-
New Phytochemical Project	-	-	-	3,44,503.45	3,44,503.45
	-	-	-	3,44,503.45	3,44,503.45

Reasons for delay in Project Implementation (For both Financial Year 2021 - 2022 and 2022 - 2023).

The Group has applied for GO - Relaxation CTE - Expansion with Tamil Nadu Pollution Control Board (TNPCB) which has been recommended and forwarded to the Secretariat, Government of Tamil Nadu, for their necessary approval, which is still awaited. Also due to Covid - 19 disruption, the project implementation got delayed. The management is confident of obtaining the necessary approvals and expects to complete the Project in the next 12 to 18 months.

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 4****INTANGIBLE ASSETS****Year ended 31st March, 2023**

	Software	Total
Gross Carrying Amount		
Opening Gross Carrying Amount	731.00	731.00
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	<u>731.00</u>	<u>731.00</u>
Accumulated Amortisation		
Opening accumulated amortisation	694.45	694.45
Amortisation charge for the year	-	-
Disposals	-	-
Closing Accumulated Amortisation	<u>694.45</u>	<u>694.45</u>
Closing Net Carrying Amount	<u>36.55</u>	<u>36.55</u>

Year ended 31st March, 2022

	Software	Total
Gross Carrying Amount		
Opening Gross Carrying Amount	731.00	731.00
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	<u>731.00</u>	<u>731.00</u>
Accumulated Amortisation		
Opening accumulated amortisation	636.58	636.58
Amortisation charge for the year	57.87	57.87
Disposals	-	-
Closing Accumulated Amortisation	<u>694.45</u>	<u>694.45</u>
Closing Net Carrying Amount	<u>36.55</u>	<u>36.55</u>

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 5

	Face Value ₹	Number of Shares / Units	As at 31st March, 2023 Amount	As at 31st March, 2022 Number of Shares / Units	As at 31st March, 2022 Amount
NON - CURRENT INVESTMENTS					
A. INVESTMENT IN ASSOCIATES:					
(Accounted for using Equity Method)					
In Equity Instruments - Quoted, fully paid up -					
Gillanders Arbuthnot & Company Limited *	10	55,01,078	71,02,809.27	55,01,078	64,55,919.47
*Refer Note No. 44					
TOTAL A			71,02,809.27		64,55,919.47
B. INVESTMENT OTHER THAN INVESTMENT IN ASSOCIATES:					
(i) In Equity Instruments - Quoted, fully paid up at FVTPL					
Welspun Corporation Limited	5	4,000	8,020.00	7,500	12,555.00
Kesoram Textile Mills Limited	2	104	-	104	-
Albert David Limited	10	90,500	4,63,857.75	90,500	4,80,283.50
Balmer Lawrie & Company Limited	10	1,050	1,164.45	1,050	1,183.35
Electrosteel Castings Limited	1	-	-	4,000	1,578.00
GMR Airports Infrastructure Limited	1	6,000	2,433.00	5,000	1,847.50
Graphite India Limited	2	1,500	3,938.25	1,500	7,542.75
Larsen and Toubro Limited	2	800	17,313.60	1,000	17,676.50
Tata Steel Limited	1	15,000	15,675.00	1,500	19,608.00
Pilani Investments & Industries Corporation Limited	10	4,100	66,366.70	4,100	69,492.95
The West Coast Paper Mills Limited	2	-	-	500	1,671.25
Infosys Limited	5	2,500	35,698.75	2,500	47,671.25
Kansai Nerolac Paints Limited	1	4,000	15,472.00	5,000	23,387.50
Suven Life Sciences Limited	1	9,000	4,365.00	6,000	5,562.00
Suven Pharmaceuticals Limited	1	12,000	56,688.00	13,520	83,614.44
Trent Limited	1	-	-	2,500	31,887.50
Shree Cements Limited	10	-	-	30	7,209.78
Steel Authority of India Limited	10	-	-	1,000	985.50
Bharat Petroleum Corporation Limited	10	3,500	12,050.50	2,000	7,187.00
The Tata power Company Limited	1	2,000	3,805.00	2,000	4,773.00
VA Tech Wabag Limited	2	1,000	3,519.00	1,000	2,804.00
Aditya Birla Fashion & Retail Limited	10	-	-	2,000	6,042.00
ITC Limited	1	1,500	5,752.50	1,500	3,759.75
Coal India Limited	10	-	-	1,500	2,745.75
Tata Consultancy Services Limited	1	600	19,235.40	200	7,479.90
Hikal Limited	2	4,500	12,674.25	1,000	4,023.00
Hindalco Industries Limited	1	4,500	18,240.75	2,500	14,237.50

The Jammu & Kashmir Bank Limited	1	-	-	7,000	2,261.00
Axis Bank Limited	2	-	-	2,500	19,028.75
Exide Industries Limited	1	4,000	7,118.00	3,000	4,533.00
GMR Power & Urban Infra Limited	5	500	79.75	500	168.00
Aurobindo Pharma Limited	1	1,500	7,771.50	-	-
Deepak Nitrite Limited	2	500	9,213.00	-	-
Himadri Speciality Chemical Limited	1	2,000	1,746.00	-	-
ICICI Bank Limited	2	500	4,386.25	-	-
Indusind Bank Limited	10	200	2,135.90	-	-
IRB Infrastructure Developers Limited	1	25,000	6,287.50	-	-
Tata Motors Limited	2	1,500	6,312.00	-	-
Zensar Technologies Limited	2	1,000	2,743.50	-	-
TOTAL B (i)			8,14,063.30		8,92,799.42
(ii) In Equity Instruments - Unquoted, fully paid up at FVTPL					
Tulip Tea Company Limited	25	1,160	91.10	1,160	91.10
Aaham Printers Private Limited (in Liquidation)	100	15	0.01	15	0.01
Satyam Financial Services Limited	10	2,50,000	43,200.00	2,50,000	39,625.00
Vidyasagar Industries Private Limited	10	4,50,000	45,000.00	4,50,000	45,000.00
Bharat Fritz Werner Limited	2	8,45,875	12,52,994.64	8,45,875	11,37,278.94
Bharat Fritz Werner Limited DVR	2	2,000	2,962.60	2,000	2,689.00
TOTAL			13,44,248.35		12,24,684.05
Less: Provision for Diminution in carrying amount of Investments			45,000.00		45,000.00
TOTAL B (ii)			12,99,248.35		11,79,684.05
(iii) In Mutual Funds - Quoted, fully paid up at FVTPL					
Mirae Asset Large Cap Fund - Direct Plan - Growth Growth	10	2,39,486.5890	2,02,303.90	2,39,486.5890	2,02,215.29
SBI Healthcare Opportunities Fund - Regular Growth	10	34,056.2420	73,964.27	34,056.2420	75,431.61
UTI Healthcare Fund - Regular Growth Plan	10	50,684.9970	72,683.20	50,684.9970	79,576.81
UTI Value Opportunities Fund - Direct Plan - Growth Plan - Growth	10	1,47,218.1080	1,54,844.01	1,47,218.1080	1,55,557.43
Kotak Equity Opportunities Fund - Growth (Regular Plan)	10	64,811.0980	1,31,760.31	64,811.0980	1,27,108.17
UTI Liquid Cash Plan - Direct Plan - Growth	10	7,671.9610	2,83,049.87	-	-
ICICI Prudential Liquid Fund - Growth	10	21,989.3130	72,708.61	-	-
Bharat Bond FOF - April 2023 - Direct Plan Growth	10	17,86,794.9300	2,18,351.70	-	-
HDFC Focused 30 Fund - Regular Plan - Growth	10	94,951.9140	1,24,794.35	-	-
UTI Nifty 50 Index Fund - Direct Plan - Growth	10	69,069.9980	81,488.78	-	-
ICICI Prudential India Opportunities Fund Growth	10	2,31,708.2910	45,183.12	-	-
Aditya Birla Sun Life Frontline Equity Fund - Growth - Direct Plan	10	-	-	41,630.2400	1,51,817.16
IDFC Core Equity Fund - Growth - (Regular Plan)	10	-	-	3,05,131.7050	2,08,649.06
Aditya Birla Sun Life Frontline Equity Fund - Growth - Regular Plan	10	-	-	22,441.7150	75,713.86
HDFC Small Cap Fund - Regular Plan - Growth Plan	10	-	-	2,32,655.4750	1,65,206.33
Aditya Birla Sun Life Digital India Fund - Growth - Direct Plan	10	-	-	1,08,658.7660	1,62,857.76
Axis Focused 25 Fund - Regular Growth	10	-	-	1,89,904.7150	81,867.92

ICICI Prudential Technology Fund - Direct Plan - Growth	10	-	-	66,722.6420	1,17,118.25
ICICI Prudential Technology Fund - Growth	10	-	-	27,838.2520	45,262.22
Axis Focused 25 Fund - Direct Plan - Growth	10	-	-	1,18,540.3950	57,112.76
TOTAL B (iii)				14,61,132.12	17,05,494.63
(iv) In Bonds - at FVTPL					
9.00 % HDFC Limited 29.11.2028	1000000	6	64,507.80	-	-
9.10 % Tata International Limited Perpetual	1000000	15	1,50,000.00	-	-
TOTAL B (iv)			2,14,507.80		-
TOTAL B (i to iv)			37,88,951.57		37,77,978.10
TOTAL (A + B)			1,08,91,760.84		1,02,33,897.57
Aggregate carrying amount of quoted investments (including investments in Mutual Funds & Bonds)			95,92,512.49		90,54,213.52
Aggregate carrying amount of unquoted investments			12,99,248.35		11,79,684.05
			1,08,91,760.84		1,02,33,897.57
Aggregate Market Value of Quoted Investments in Associates			33,91,414.59		36,63,717.95
Aggregate Market Value of Quoted Investments other than Associates			8,14,063.30		8,92,799.42
Aggregate Book Value of Unquoted Investments			13,44,248.35		12,24,684.05
Aggregate Repurchase price of Mutual Funds			14,61,132.12		17,05,494.63
Aggregate Repurchase price of Bonds			2,14,507.80		-
Provision for diminution in the value of Investments			(45,000.00)		(45,000.00)

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 6

	As at 31st March, 2023	As at 31st March, 2022
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OTHER FINANCIAL ASSETS

(Unsecured, Considered good unless stated otherwise)

Security Deposits	<u>19,985.92</u>	<u>22,277.58</u>
	19,985.92	22,277.58

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 7	As at 31st March, 2023	As at 31st March, 2022
OTHER NON - CURRENT ASSETS		
Capital Advances	7,935.14	2,641.27
Others	859.95	859.95
	<hr/>	<hr/>
	8,795.09	3,501.22
Less: Provision for Doubtful Advances	525.21	525.21
	<hr/>	<hr/>
	8,269.88	2,976.01

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

	As at 31st March, 2023	As at 31st March, 2022
NOTE - 8		
INVENTORIES		
(Valued at Lower of Cost and Net Realisable Value)		
Raw Materials	47,472.43	3,03,439.66
Materials - in - Process	1,88,201.81	2,04,256.81
Finished Goods	16,165.29	25,043.16
Stores and Spare Parts	45,227.39	56,393.41
	<u>2,97,066.92</u>	<u>5,89,133.04</u>

KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED

CIN : U15491WB1897PLC001365

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 9	As at 31st March, 2023	As at 31st March, 2022
TRADE RECEIVABLES		
(Unsecured)		
- Trade Receivables considered good	1,67,764.30	1,44,586.47
- Trade Receivable which have significant increase in Credit Risk	-	-
- Trade Receivables- credit impaired	200.01	200.01
	<u>1,67,964.31</u>	<u>1,44,786.48</u>
Less : Expected Credit Loss Allowance	200.01	200.01
	<u>1,67,764.30</u>	<u>1,44,586.47</u>

Trade Receivable ageing Schedule as on 31-March-2023.

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Trade Receivables - considered good	1,67,764.30	-	-	-	-	1,67,764.30
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	200.01	200.01
	1,67,764.30	-	-	-	200.01	1,67,964.31
Less : Expected Credit Loss Allowance	-	-	-	-	200.01	200.01
Total	1,67,764.30	-	-	-	-	1,67,764.30

Trade Receivable ageing Schedule as on 31-March-2022.

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Trade Receivables - considered good	1,44,586.47	-	-	-	-	1,44,586.47
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	200.01	200.01
	1,44,586.47	-	-	-	200.01	1,44,786.48
Less : Expected Credit Loss Allowance	-	-	-	-	200.01	200.01
Total	1,44,586.47	-	-	-	-	1,44,586.47

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 10	As at 31st March, 2023	As at 31st March, 2022
CASH AND CASH EQUIVALENTS		
Balances with Banks		
- In Current Accounts	9,10,857.88	3,42,125.62
Fixed Deposits of Maturity of Less than 3 Months	1,50,000.00	-
Cash in Hand	903.64	506.73
	<u>10,61,761.52</u>	<u>3,42,632.35</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - II	As at 31st March, 2023	As at 31st March, 2022
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
Other Bank Balances		
Fixed Deposits with Bank of Maturity more than 3 months but less than 12 months	3,00,000.00	5,10,521.27
Balances with Banks		
- Unpaid Dividend Account	1,896.27	2,184.25
	<u>3,01,896.27</u>	<u>5,12,705.52</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 12****As at
31st March,
2023****As at
31st March,
2022****LOANS**

Loan to Related Parties

10,00,000.00

10,00,000.00

Loan to Other Bodies Corporates

2,50,000.00

-

12,50,000.00**10,00,000.00**

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 13	As at 31st March, 2023	As at 31st March, 2022
OTHER FINANCIAL ASSETS		
Security Deposits	4,083.93	-
Interest accrued on Loans and Deposits	5,405.49	441.46
	<u>9,489.42</u>	<u>441.46</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 14	As at 31st March, 2023	As at 31st March, 2022
CURRENT TAX ASSETS (NET)		
Advance Income Tax (Net of Provisions)	5,295.56	7,809.28
	<u>5,295.56</u>	<u>7,809.28</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 15	As at 31st March, 2023	As at 31st March, 2022
OTHER CURRENT ASSETS		
Advances to Suppliers & Others	11,363.78	40,675.66
Balance with Statutory / Government Authorities	75,845.77	1,02,007.72
Export Incentive Receivable	2,207.58	22,849.23
Others	15,235.62	15,235.28
	<u>1,04,652.75</u>	<u>1,80,767.89</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 16	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
SHARE CAPITAL :				
AUTHORISED :				
Preference Shares of ₹ 100/- each.	3,00,000	3,00,000.00	3,00,000	3,00,000.00
Ordinary Shares of ₹ 10/- each.	1,70,00,000	17,00,000.00	1,70,00,000	17,00,000.00
		<u>20,00,000.00</u>		<u>20,00,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP:				
Ordinary Shares of ₹ 10/- each fully paid-up.	38,83,175	3,88,317.50	38,83,175	3,88,317.50
		<u>3,88,317.50</u>		<u>3,88,317.50</u>

16.1 The Company has issued Ordinary shares having a par value of ₹ 10/- per share. Each holder of Ordinary shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the holders of Ordinary shares will be entitled to receive remaining assets of the Company, after payment of Secured, Unsecured Liabilities and Other Creditors. The distribution will be in proportion to the number of Ordinary shares held by the shareholders.

16.2 The details of shareholders holding more than 5 % shares.

Name	As at 31st March 2023		As at 31st March 2022	
	% held	No. of Shares	% held	No. of Shares
Kothari Investment & Industries Private Limited	72.83%	2828080	72.83%	2828080
M. D. Kothari & Company Limited	14.85%	576525	14.85%	576525
G. Das & Company Private Limited	5.57%	216291	5.57%	216291

16.3 Statement of shareholding of Promoters.

Shares held by promoters	As at 31st March 2023		As at 31st March 2022		% change in shareholding
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Promoter name					
Arun Kumar Kothari	2121	0.05%	2121	0.05%	0.00%
Paramsukhdas Suganchand HUF	19040	0.49%	19040	0.49%	0.00%
Prabhawati Devi Kothari	6500	0.17%	6500	0.17%	0.00%
Anand Vardhan Kothari	13300	0.34%	13300	0.34%	0.00%
Kothari Investment & Industries Private Limited	2828080	72.83%	2828080	72.83%	0.00%
M. D. Kothari & Company Limited	576525	14.85%	576525	14.85%	0.00%
G. Das & Company Private Limited	216291	5.57%	216291	5.57%	0.00%
Albert David Limited	190000	4.89%	190000	4.89%	0.00%
Satyam Financial Services Limited	1000	0.03%	1000	0.03%	0.00%
Premier Suppliers Private Limited	8000	0.21%	8000	0.21%	0.00%

Shares held by promoters	As at 31st March 2022		As at 31st March 2021		% change in shareholding
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Promoter name					
Arun Kumar Kothari	2121	0.05%	2021	0.05%	0.00%
Paramsukhdas Suganchand HUF	19040	0.49%	19040	0.49%	0.00%
Prabhawati Devi Kothari	6500	0.17%	6500	0.17%	0.00%
Anand Vardhan Kothari	13300	0.34%	13300	0.34%	0.00%
Kothari Investment & Industries Private Limited	2828080	72.83%	2828080	72.83%	0.00%
M. D. Kothari & Company Limited	576525	14.85%	576525	14.85%	0.00%
G. Das & Company Private Limited	216291	5.57%	216291	5.57%	0.00%
Albert David Limited	190000	4.89%	190000	4.89%	0.00%
Satyam Financial Services Limited	1000	0.03%	1000	0.03%	0.00%
Premier Suppliers Private Limited	8000	0.21%	8000	0.21%	0.00%

16.4 The reconciliation of the number of shares outstanding is set out below.

	As at 31st March, 2023	As at 31st March, 2022
Ordinary Shares at the beginning of the year	38,83,175	38,83,175
Ordinary Shares at the end of the year	<u>38,83,175</u>	<u>38,83,175</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 17****OTHER EQUITY****RESERVES AND SURPLUS**

	Capital Reserve	Securities Premium Account	General Reserve	Retained Earning	Retained Earnings in Associate	Total
Balance as at 1st April 2022	91,930.40	14,506.57	53,37,358.09	16,60,399.46	59,38,433.32	1,30,42,627.84
Changes in Accounting Policies or Prior Period Errors (Refer Note 17.2 below)					4,67,935.35	4,67,935.35
Restated Balance as at 1st April 2022	91,930.40	14,506.57	53,37,358.09	16,60,399.46	64,06,368.67	1,35,10,563.19
Add: Profit / (Loss) for the year	-	-	-	5,84,843.24	3,82,124.05	9,66,967.29
Add: Other Comprehensive Income for the year	-	-	-	(4,125.17)	(2,03,169.60)	(2,07,294.77)
Add : Transferred from Statement of Profit and Loss	-	-	10,00,000.00	-	-	10,00,000.00
	91,930.40	14,506.57	63,37,358.09	22,41,117.53	65,85,323.12	1,52,70,235.71
Less: Appropriations						
Transfer to General Reserve	-	-	-	10,00,000.00	-	10,00,000.00
Dividend Paid	-	-	-	1,35,911.13	-	1,35,911.13
Total Appropriations	-	-	-	11,35,911.13	-	11,35,911.13
Balance as at 31st March 2023	91,930.40	14,506.57	63,37,358.09	11,05,206.40	65,85,323.12	1,41,34,324.58
Balance as at 1st April 2021	91,930.40	14,506.57	48,37,358.09	13,34,457.57	55,45,832.28	1,18,24,084.91
Changes in Accounting Policies or Prior Period Errors	-	-	-	-	-	-
Restated Balance as at 1st April 2021	91,930.40	14,506.57	48,37,358.09	13,34,457.57	55,45,832.28	1,18,24,084.91
Add: Profit / (Loss) for the year	-	-	-	9,97,787.36	3,58,506.99	13,56,294.35
Add: Other Comprehensive Income for the year	-	-	-	2,897.41	34,094.05	36,991.46
Add : Transferred from Statement of Profit and Loss	-	-	5,00,000.00	-	-	5,00,000.00
	91,930.40	14,506.57	53,37,358.09	23,35,142.34	59,38,433.32	1,37,17,370.72
Less: Appropriations						
Transfer to General Reserve	-	-	-	5,00,000.00	-	5,00,000.00
Dividend Paid	-	-	-	1,74,742.88	-	1,74,742.88
Total Appropriations	-	-	-	6,74,742.88	-	6,74,742.88
Balance as at 31st March 2022	91,930.40	14,506.57	53,37,358.09	16,60,399.46	59,38,433.32	1,30,42,627.84

17.1 The Board of Directors recommended a dividend of ₹ 3.00 per share for the year ended 31st March, 2023 (P. Y. ₹ 3.50 per share) on fully paid ordinary shares. This dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The total estimated ordinary dividend to be paid is (₹ in '00) 116,495.25

17.2 Prior Period inadvertent error in computing the investment in Associate under Equity Method has been given effect in current year.

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 18	As at 31st March, 2023			As at 31st March, 2022		
	Current	Non - Current	Total	Current	Non - Current	Total
PROVISIONS						
Employee Benefit Obligation						
Leave Obligations	9,784.53	5,768.73	15,553.26	9,450.52	6,469.96	15,920.48
Gratuity	7,793.62	-	7,793.62	4,104.68	9,730.28	13,834.96
	17,578.15	5,768.73	23,346.88	13,555.20	16,200.24	29,755.44

Amount (₹ in '00)

NOTES ON CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 19	As at 31st March, 2023				As at 31st March, 2022			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
DEFERRED TAX LIABILITIES (NET)								
Deferred Tax Liabilities arising out of :								
Timing Difference on Depreciable Assets	32,795.83	(2,566.01)	-	30,229.82	33,752.65	(956.82)	-	32,795.83
Fair Valuation of Investments	1,47,727.90	(24,859.64)	-	1,22,868.26	90,800.99	56,926.91	-	1,47,727.90
Total Deferred Tax Liabilities	1,80,523.73	(27,425.65)	-	1,53,098.08	1,24,553.64	55,970.09	-	1,80,523.73
Deferred Tax Assets arising out of :								
Provision for Doubtful Receivables	58.24	-	-	58.24	58.24	-	-	58.24
Provision for Dimunition in Value of Investments	13,104.00	-	-	13,104.00	13,104.00	-	-	13,104.00
Accrued Expenses Deductable on Payment basis	10,485.15	(3,602.01)	1,589.95	8,473.09	10,493.15	1,108.73	(1,116.73)	10,485.15
Total Deferred Tax Assets	23,647.39	(3,602.01)	1,589.95	21,635.33	23,655.39	1,108.73	(1,116.73)	23,647.39
	1,56,876.34	(23,823.64)	(1,589.95)	1,31,462.75	1,00,898.25	54,861.36	1,116.73	1,56,876.34

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 20

	As at 31st March, 2023	As at 31st March, 2022
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TRADE PAYABLES

Dues of Micro & Small Enterprises	-	-
Others	1,08,803.67	1,15,733.31
	1,08,803.67	1,15,733.31

(As per information available with the Company no amount is due to Micro, Small and Medium Enterprises)

Trade payable ageing Schedule as on 31-March-2023.

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Dues - MSME	-	-	-	-	-	-
Undisputed Dues - Others	-	83,894.07	617.74	-	24,291.86	1,08,803.67
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	-	83,894.07	617.74	-	24,291.86	1,08,803.67

Trade payable ageing Schedule as on 31-March-2022.

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Dues - MSME	-	-	-	-	-	-
Undisputed Dues - Others	-	1,00,881.31	-	13,570.00	1,282.00	1,15,733.31
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	-	1,00,881.31	-	13,570.00	1,282.00	1,15,733.31

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 21	As at 31st March, 2023	As at 31st March, 2022
OTHER FINANCIAL LIABILITIES		
Commission Payable	3,358.65	3,358.65
Employees Dues Payable	17,631.94	17,938.78
Unpaid Dividends	1,896.27	2,184.25
Others *	21,273.37	20,940.16
	44,160.23	44,421.84

* Other Liabilities includes Outstanding Liabilities, other than above.

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 22	As at 31st March, 2023	As at 31st March, 2022
OTHER CURRENT LIABILITIES		
Statutory Dues Payables	8,471.89	11,429.17
	8,471.89	11,429.17

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 23****2022-2023****2021-2022****REVENUE FROM OPERATIONS****SALE OF PRODUCTS**

Calcium Sennoside	36,627.98		2,227.50
Brucine & its Salts	90,259.00		58,899.25
Strychnine & its Salts	17,56,803.57		16,52,877.95
Chlorpropamide	-		4,500.00
Formaldehyde	23,230.50		17,525.56
Paraformaldehyde	53,831.72		86,821.86
Phenolic Resin	7,20,588.36		6,39,238.40
		26,81,341.13	24,62,090.52

OTHER OPERATING REVENUE

Export Incentives	29,000.53		20,809.38
Claims Received	99.90		362.58
Sale of Scrap	59,277.21		19,585.24
Miscellaneous Receipts	-		1,487.26
		88,377.64	42,244.46
		27,69,718.77	25,04,334.98

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 24****2022-2023****2021-2022****OTHER INCOME****Income from Financial Asset**

- Interest on Advances, Deposits and Others - Gross	1,45,077.00	1,23,099.78
- Dividend Income from Non - Current Investment	30,502.90	9,655.71
- Net Gain / (Loss) on Sale of Non - Current Investments	2,93,419.85	50,797.41
- Net Fair Value Gain / (Loss) on Non - Current Investments measured at FVTPL	-	4,55,537.00
	<u>4,68,999.75</u>	<u>6,39,089.90</u>
Exchange Rate Fluctuation (Net)	25,842.74	-
Liabilities / Provision no longer required, written back	1,356.89	12,283.89
Miscellaneous Income	10,967.54	1,146.45
	<u>5,07,166.92</u>	<u>6,52,520.24</u>

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 25****2022-2023****2021-2022****COST OF MATERIALS CONSUMED**

Raw Materials at the beginning of the year

2,98,152.62

2,64,553.21

Add : Purchases

8,67,278.81

10,70,947.89

Less : Raw Materials at the end of the year

47,472.43

2,98,152.62

11,17,959.00**10,37,348.48**

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 26****2022-2023****2021-2022****CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK - IN - PROGRESS AND STOCK - IN - TRADE****Finished Goods**

Opening Inventories	25,043.16		37,779.54	
Closing Inventories	16,165.29		25,043.16	
Net (Increase) / Decrease		8,877.87		12,736.38

Materials - in - Process

Opening Inventories	2,04,256.81		2,44,955.37	
Closing Inventories	1,88,201.81		2,04,256.81	
Net (Increase) / Decrease		16,055.00		40,698.56
		24,932.87		53,434.94

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 27****2022-2023****2021-2022****EMPLOYEE BENEFITS EXPENSE**

Salaries, Wages and Bonus

2,72,950.83

2,73,840.25

Contribution to Provident and Other Funds

21,921.63

23,058.22

Workmen and Staff Welfare Expenses

14,282.31

14,050.13

3,09,154.77**3,10,948.60**

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 28****2022-2023****2021-2022****DEPRECIATION AND AMORTISATION EXPENSE**

Depreciation of Property, Plant and Equipment

45,325.72

49,955.13

Amortisation *

127.52

127.52

45,453.24**50,082.65**

* Includes (₹ in '00) 127.52 (2021 - 2022 (₹ in '00) 127.52) on Leasehold Land under Note - 3.

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 29****2022-2023****2021-2022****POWER & FUEL**

Power and Fuel

1,38,721.69

1,14,335.24

1,38,721.691,14,335.24

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 30	2022-2023	2021-2022
OTHER EXPENSES		
Manufacturing Expenses		
Consumption of stores and spare parts	24,934.24	19,672.06
Repairs to Buildings	3,941.18	1,602.80
Repairs to Machinery	55,667.34	31,435.79
Repairs to Other Assets	3,587.76	4,465.35
	88,130.52	57,176.00
Selling and Distribution Expenses		
Freight, Shipping, Delivery and Selling Expenses	89,088.75	92,565.19
Establishment Expenses		
Rent	6,089.00	5,559.00
Rates and Taxes	10,804.05	9,147.46
Bank Charges	1,777.70	4,243.67
Travelling and Conveyance Expenses	30,717.53	35,044.13
Postage and Telephone	2,945.35	3,310.52
Printing and Stationery	2,027.20	1,810.80
Subscription	843.36	449.15
Insurance	10,260.57	8,374.80
Motor Vehicle Expense	3,484.70	4,164.70
Directors' Sitting Fees	460.00	520.00
Directors' Commission	3,000.00	3,000.00
Managing Directors Remuneration	32,938.60	31,075.60
Legal and Professional Fee	13,292.44	15,508.56
Internal Audit Fees	708.00	708.00
Loss on Sale of Fixed Assets (Net)	6,162.34	-
Bad and Sundry Receivables Written off	1,515.00	2.37
Input GST (RCM)	622.80	633.60
Corporate Social Responsibility Expenses	16,362.55	15,207.69
Net Fair Value (Gain) / Loss on Non-Current Investments measured at FVTPL	3,32,951.77	-
Donation	500.00	-
Exchange Rate Fluctuations	-	237.29
Miscellaneous Expenses	12,444.85	10,622.81
	4,89,907.81	1,49,620.15
Payment to Auditors *		
Auditor	1,864.75	1,864.75
For Other Services	560.00	710.00
For Reimbursement of Expenses	11.69	39.50
For GST	81.00	81.00
	2,517.44	2,695.25
	6,69,644.52	3,02,056.59

* including payments to predecessor Auditor

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 31****2022-2023****2021-2022****TAX EXPENSE****Current Tax**

Current Tax on Profits for the year

2,90,000.00

2,36,000.00

Deferred Tax

Decrease / (Increase) in Deferred Tax Assets

(3,602.01)

1,108.73

(Decrease) / Increase in Deferred Tax Liabilities

(27,425.65)

55,970.09

Total Deferred Tax Expense**(23,823.64)****54,861.36****2,66,176.36****2,90,861.36****Reconciliation of Estimated Income Tax expense at Indian Statutory Income Tax rate to income tax expense reported in Statement of Total Comprehensive Income.****2022-2023****2021-2022****Total Profit before Income Tax Expenses****12,33,143.65****16,47,155.71**

Indian Income Tax Rate

27.82%

29.12%

Estimated Income Tax Expenses on above profit**3,43,060.56****4,79,651.74****Tax effect of adjustments to reconcile estimated income tax expenses to reported Income Tax Expenses**

a) Effect of Deferred Tax created at different rates

17,585.37

(1,80,224.85)

b) Expenses that are not deductible in determining taxable income

4,552.06

4,428.48

c) Tax on Profit / Loss of Associates

(1,06,306.91)

(1,04,397.24)

d) Others

7,285.28

91,403.22

2,66,176.36**2,90,861.36**

KOTHARI PHYTOCHEMICALS & INDUSTRIES LIMITED

CIN : U15491WB1897PLC001365

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 32****2022-2023****2021-2022****EARNING PER ORDINARY SHARE OF ₹ 10/- EACH**

Profit / (Loss) for the year (Amount ₹ in '00)	9,66,967.29	13,56,294.35
Number of Ordinary Shares at the beginning of the year	38,83,175	38,83,175
Number of Ordinary Shares at the end of the year	38,83,175	38,83,175
Weighted average number of Ordinary Shares outstanding during the year	38,83,175	38,83,175
Basic and diluted earnings per Ordinary share (Amount in ₹)	24.90	34.93

Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 33**

2022 - 2023 2021 - 2022

33.01 Contingent Liabilities / Disputed Liabilities : (To the extent not provided for)

Claims against the Company not acknowledged as debts :-

i) Sales Tax under dispute	3,225.70	3,225.70
ii) GST under dispute	1,673.07	-
iii) Demand in respect of earlier years made by Provident Fund Commissioner under appeal	983.17	983.17
iv) Share of Contingent Liabilities of Associate	2,64,850.83	2,82,414.74

33.02 Commitments :

i) Estimated amount of Contracts to be executed on Capital Account and not provided for :-

[Net of Advance (Amount ₹ in '00) 8,916.27 (2022 (Amount ₹ in '00) 8,916.27)]

ii) Share of Commitments in Associate	4,124.80	12,322.84
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Amount (₹ in '00)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 34

Employee Benefits:

As per Indian Accounting Standard- 19 "Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan:

Employee Benefits in the form of Provident Fund and Employees' State Insurance Scheme (ESI) are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution.

The contributions to the defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under:

Defined Contribution Plan

	Year ended 31 March 2023	Year ended 31 March 2022
Employer's Contribution to Provident Fund	15,251.03	15,751.57
Employer's Contribution to Employees' State Insurance Scheme	3,205.30	2,996.97

Post employment defined benefit plan - Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed continuously atleast five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The approved gratuity fund is in the form of a trust and is governed by the Board of Trustees who are responsible for administration of investment of the plan assets. The trust has taken an insurance policy with the Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

The present value of defined benefits obligations, fair value of defined plan assets, actuarial gain/ (loss) on plan assets, expense recognised in the Statement of Profit and Loss and Other Comprehensive Income, actuarial assumptions and other information are given in the succeeding tables.

Net defined benefit liabilities

	As at 31 March 2023	As at 31 March 2022
Present value of defined benefit obligations	56,934.93	64,007.66
Fair value of plan assets	49,141.31	50,172.70
Net defined benefit liabilities	(7,793.62)	(13,834.96)

Reconciliation of the net defined benefit liabilities:

Description	Gratuity (Funded)	
	As at 31 March 2023	As at 31 March 2022
(i) Reconciliation of present value of defined benefit obligations		
(a) Balance at the Beginning of the year	64,007.66	60,634.79
(b) Current service cost	2,943.75	3,142.57
(c) Interest Cost	3,887.13	4,244.44
(d) Benefits paid	(19,284.40)	-
(e) Actuarial (gain)/ loss on defined benefit obligations:		
- due to change in financial assumptions	(318.02)	(729.60)
- due to experience changes	5,698.81	(3,284.54)
Balance at the end of the year	56,934.93	64,007.66

(ii) Reconciliation of fair value of plan assets		
(a) Balance at the Beginning of the year	50,172.70	46,890.37
(b) Actual return on plan assets	(334.33)	-
(c) Interest income	3,587.34	3,282.33
(d) Employer Contribution	15,000.00	-
(e) Benefits paid	19,284.40	-
Balance at the end of the year	49,141.31	50,172.70
(iii) Expense recognised in Statement of Profit and Loss		
(a) Current service cost	2,943.75	3,142.57
(b) Net Interest cost	299.79	962.11
Amount charged to Profit and Loss	3,243.54	4,104.68
(iv) Remeasurement recognised in Other Comprehensive Income		
(a) Actuarial gain/ (loss) on defined benefit obligations	(5,715.12)	4,014.14
(b) Actuarial gain/ (loss) on plan assets	-	-
Actuarial gain/ (loss) on plan assets	(5,715.12)	4,014.14
(v) Category of Plan assets		
Insurer Managed Fund	100.00%	100.00%

The Employee's Gratuity Fund Scheme, a Defined Benefit Plan, is administered by Life Insurance Corporation of India (LIC).

Life Insurance Corporation of India (LIC) makes payments to vested employees or their nominees upon retirement, death, incapacitation or cessation of employment of an amount based on the respective employee's salary and tenure of employment subject to a maximum limit as prescribed.

(vi) Actuarial assumptions		
Principal actuarial assumptions at the reporting date (expressed as weighted averages)	As at 31 March 2023	As at 31 March 2022
(a) Discount rate %	7.15%	7.00%
(b) Expected Return on Plan Assets %	7.15%	7.00%
(c) Expected Rate of Salary increase %	6.00%	6.00%
(d) Mortality Rates	IALM 2012- 2014Ultimate	IALM 2012- 2014Ultimate
(e) Withdrawal rates	6.00%	6.00%

(vii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below :

	As at 31 March 2023				As at 31 March 2022			
	Increase		Decrease		Increase		Decrease	
(a) Discount rate (0.50% movement)	-1.80%	55910.10	1.90%	58014.99	-2.06%	62689.74	2.18%	65403.67
(b) Salary growth (0.50% movement)	1.90%	58015.55	-1.82%	55900.42	2.18%	65402.39	-2.08%	62678.86
(c) Attrition Rate (0.50% movement)	0.00%	56935.50	0.00%	56934.36	0.00%	64005.74	0.00%	64009.58
(d) Mortality Rate (10% movement)	0.00%	56937.21	0.00%	56932.65	0.00%	64009.58	0.00%	64005.74

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions as shown

Risk Exposure

The group is exposed to a number of risks in respect of the defined benefit plan. In particular, the Group is exposed to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets and change in the discount rate.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 35** Information in accordance with the requirements of Related Party Disclosures.**A) LIST OF RELATED PARTIES****Holding Company :-**

Kothari Investment & Industries Private Limited

Fellow Subsidiary :-

Satyam Financial Services Limited

Names of the Key Management Personnel of the Company :-**Key Management Personnel**

Sri A. V. Kothari	Non - Executive Director
Smt. V. Kothari	Non - Executive Director
Sri S. Bagri	Non - Executive, Independent Director
Sri A. Khandelwal	Non - Executive, Independent Director
Sri A. Agarwal	Non - Executive, Independent Director
Sri A. K. Toshniwal	Executive - Managing Director
Sri R. Gupta	Chief Financial Officer

Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence :-

Albert David Limited

Bharat Fritz Werner Limited

Entity where the Company is in a position to exercise control :-

Kothari Group CSR Trust

B) TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR :-

Amount (₹ in '00)

Nature of Transactions	Holding Company		Fellow Subsidiary		Enterprises over which key management personnel and their relatives are able to exercise significant influence		Key Management Personnel of the Company		Entity where the Company is in a position to exercise control	
	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022	2022 - 2023	2021 - 2022
Loans Given (Unsecured) :										
Satyam Financial Services Limited	-	-	-	6,00,000.00	-	-	-	-	-	-
Interest on Loans Given :										
Satyam Financial Services Limited	-	-	90,999.98	90,822.61	-	-	-	-	-	-
Dividend Received :										
Bharat Fritz Werner Limited	-	-	-	-	16,957.50	-	-	-	-	-
Albert David Limited	-	-	-	-	8,145.00	3,935.24	-	-	-	-
Directors' Sitting Fees :										
Sri A. V. Kothari	-	-	-	-	-	-	100.00	120.00	-	-
Smt. V. Kothari	-	-	-	-	-	-	100.00	100.00	-	-
Sri S. Bagri	-	-	-	-	-	-	120.00	140.00	-	-
Sri A. Khandelwal	-	-	-	-	-	-	120.00	120.00	-	-
Sri A. Agarwal	-	-	-	-	-	-	20.00	40.00	-	-
Directors' Commission :										
Sri A. V. Kothari	-	-	-	-	-	-	600.00	600.00	-	-
Smt. V. Kothari	-	-	-	-	-	-	600.00	600.00	-	-
Sri S. Bagri	-	-	-	-	-	-	600.00	600.00	-	-
Sri A. Khandelwal	-	-	-	-	-	-	600.00	600.00	-	-
Sri A. Agarwal	-	-	-	-	-	-	600.00	600.00	-	-
Remuneration Paid :										
Sri A. K. Toshniwal - Managing Director	-	-	-	-	-	-	32,938.60	31,075.60	-	-
Sri R. Gupta - Chief Financial Officer	-	-	-	-	-	-	11,100.00	10,790.00	-	-
CSR Contribution :										
Kothari Group CSR Trust	-	-	-	-	-	-	-	-	16,362.55	15,207.69
Outstanding Balances at the year end :										
Investments :										
Bharat Fritz Werner Limited	-	-	-	-	12,55,957.24	11,39,967.94	-	-	-	-
Albert David Limited	-	-	-	-	4,63,857.75	4,80,283.50	-	-	-	-
Satyam Financial Services Limited	-	-	43,200.00	39,625.00	-	-	-	-	-	-
Outstanding balances at the year end :										
Loans Given (Unsecured) :										
Satyam Financial Services Limited	-	-	10,00,000.00	10,00,000.00	-	-	-	-	-	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 36 Information on Segment Reporting.

The Group has two primary business segments viz : Bulk Drugs and Chemicals.

Bulk Drugs comprises of manufacture, Job Work and sale of Bulk Drugs and related products.

Chemicals comprises of manufacture and sale of Formaldehyde and Phenolic Resin etc.

Others represent all unallocable items not included in the segments.

There are no intersegment transaction during the year.

Information about Business Segments

	Amount (₹ in '00)				
Revenue External	Bulk Drugs	Chemicals	Others	Associates	Total
(Revenue from Operations)					
2022 - 2023	19,70,410.40	7,99,308.37	-		27,69,718.77
2021 - 2022	17,56,379.38	7,47,955.60	-		25,04,334.98
Profit / (Loss) before Tax					
2022 - 2023	7,39,817.97	(2,197.05)	1,13,398.68	3,82,124.05	12,33,143.65
2021 - 2022	7,02,580.13	(3,038.60)	5,89,107.19	3,58,506.99	16,47,155.71
Depreciation and Amortization					
2022 - 2023	37,852.77	5,116.33	2,484.14		45,453.24
2021 - 2022	41,332.78	5,131.01	3,618.86		50,082.65
Capital Expenditure					
2022 - 2023	20,625.43	-	-		20,625.43
2021 - 2022	8,514.89	-	-		8,514.89
Assets					
2022 - 2023	19,50,335.64	3,05,311.65	59,97,917.09	65,85,323.12	1,48,38,887.50
2021 - 2022	20,05,160.73	4,20,857.79	54,24,709.60	59,38,433.32	1,37,89,161.44
Liabilities *					
2022 - 2023	61,650.24	90,505.41	1,64,089.77		3,16,245.42
2021 - 2022	76,231.21	85,235.99	1,96,748.90		3,58,216.10

* Excluding Shareholders' Funds

Information about Secondary Segments

Segment Revenue (External) by Geographical Location of Customers

	Within India	Outside India	Total
2022 - 2023	9,64,909.78	18,04,808.99	27,69,718.77
2021 - 2022	7,86,363.42	17,17,971.56	25,04,334.98

Segment Assets by Geographical Locations

2022 - 2023	22,55,647.29	-	22,55,647.29
2021 - 2022	24,26,018.52	-	24,26,018.52

Segment Capital Expenditure

2022 - 2023	20,625.42	-	20,625.42
2021 - 2022	8,514.89	-	8,514.89

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 37 Derivative Instruments and Unhedged Foreign Currency Exposure :

- (i) The Group has not entered into any forward contract during the year.
- (ii) There is no unhedged foreign currency exposure as at 31st March 2023.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 38

FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting Classification and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Amount (₹ in '00)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Investments	1,08,91,760.84	1,08,91,760.84	1,02,33,897.57	1,02,33,897.57
Trade receivables	1,67,764.30	1,67,764.30	1,44,586.47	1,44,586.47
Cash and cash equivalents	10,61,761.52	10,61,761.52	3,42,632.35	3,42,632.35
Bank balances other than cash and cash equivalents above	3,01,896.27	3,01,896.27	5,12,705.52	5,12,705.52
Loans	12,50,000.00	12,50,000.00	10,00,000.00	10,00,000.00
Other financial assets	29,475.34	29,475.34	22,719.04	22,719.04
	1,37,02,658.27	1,37,02,658.27	1,22,56,540.95	1,22,56,540.95
Financial liabilities				
Trade Payables	1,08,803.67	1,08,803.67	1,15,733.31	1,15,733.31
Other financial liabilities	44,160.23	44,160.23	44,421.84	44,421.84
	1,52,963.90	1,52,963.90	1,60,155.15	1,60,155.15

B. Measurement of Fair Values

Valuation Techniques and Significant Unobservables Inputs

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, investments in Government Securities, borrowings, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short - term nature of these instruments. The Group's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximates fair value.

C. Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

- (i) Credit Risk.
- (ii) Liquidity Risk.
- (iii) Market Risk.

Risk Management Framework

The Group's principal financial liabilities include borrowings, trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

(i) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry also has an influence on credit risk assessment. Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counter parties are periodically monitored and taken up on case to case basis.

As per simplified approach, the Group makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the credit loss allowance for trade receivables.

The movements of Trade Receivables and Expected Credit Loss are as follows:

Amount (₹ in '00)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivable (Gross)	1,67,964.31	1,44,786.48
Less : Expected Credit Loss	200.01	200.01
Trade Receivables (Net)	1,67,764.30	1,44,586.47

(ii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due.

(iii) Market Risk

Market risk is the risk that changes in market prices - foreign exchange rates and interest rates etc. that will affect the Group's income of the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 39

Capital Management

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the group monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to all its shareholders. For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders and debt includes borrowings.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 40

Disclosures in accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities :

[a] Details of expenditure on CSR Activities as per Section 135 of Companies Act , 2013 read with schedule VII are as below :

Amount (₹ in '00)

Particulars	2022 - 2023	2021 - 2022
Gross Amount required to be spent by the Company during the year	16,362.55	15,207.69
Amount of expenditure incurred #	16,362.55	15,207.69
Shortfall at the end of the year	Nil	Nil

Note : The Group contributes the entire CSR obligation amount to the "Kothari Group CSR Trust", an approved implementing Agency for CSR activities, which in turn spends the amount for the various eligible CSR activities including on ongoing projects identified by the Group.

Amount spent during the year on :

Amount (₹ in '00)

Particulars	2022 - 2023			2021 - 2022		
	In Cash	Yet to be paid in cash	Total *	In Cash	Yet to be paid in cash	Total *
Construction / Acquisition of any asset	-	-	-	-	-	-
On purpose other than above	16,362.55	-	16,362.55	15,207.69	-	15,207.69
Total	16,362.55	-	16,362.55	15,207.69	-	15,207.69

* Fully contributed to the Kothari Group CSR Trust, a related party

[b] Details of ongoing projects as per Sec.135(6) of the Companies Act 2013:

Amount (₹ in '00)

Project Particulars	Opening Balance		Amount required to be spent during the year	Amount spent through the Trust during the year		Closing Balance	
	With Company	In Separate CSR unspent A/c		From Trust's A/c	From Separate CSR unspent A/c	With Company	In Separate CSR unspent A/c
Undertaking steps and Measures to Prevent Soil Erosion by River Ganga		15,207.69		-	14,375.20		832.49
Promoting health care including preventive health care			8,260.00	8,260.00	-		-
Promoting gender equality, empowering women, setting up homes and hostels for women and orphans			3,530.00	3,530.00	-		-
Promoting education including Special education and employment enhancing vocation skills especially among children women elderly and the differently abled and livelihood enhancement Project.			4,572.55	1,472.10	-		3100.45 *

Note : * An Amount (₹ in '00) 3,100.45 unspent by the trust as on 31st March 2023 has since been deposited by the Trust in a separate Bank Account in compliance with Section 135(6) of the Companies Act 2013.

[c] The Company has spent on its CSR activities in respect of ensuring environment sustainability & ecological balance, Healthcare and promoting education, women empowerment & livelihood.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023**NOTE - 41**

Disclosure pursuant to section 186 (4) of Companies Act, 2013

Amount (₹ in '00)

Nature of Facility granted	To whom / in whose favour granted	Paid during the year	Amount outstanding at year end	Purpose	Rate of Interest
Loan payable on demand	Satyam Financial Services Limited	-	4,00,000.00	Need based working capital support	8.50%
			6,00,000.00		9.50%

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 42

Events subsequent to the Reporting period.

Based on the principle approval of the Board of Directors held on 25th May 2023, the Group has entered into an Memorandum of Understanding (MOU) dated 26th May 2023 with a prospective Buyer for Sale of its CLARO INDIA undertaking (including Transfer of Lease hold Land) situated at Gummidipoondi, Tamilnadu for a consideration of ₹ 840 Lacs subject to the Working Capital adjustments to be made at the time of handover of possession of the Undertaking. The transaction is subject to fulfilment of certain conditions specified in the MOU including obtaining various permission / approvals from SIPCOT and other statutory authorities.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 43

Additional regulatory information pursuant to Gazette notification for Amendments in Schedule III to Companies Act, 2013 dated 24 March 2021

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group has not advanced or loaned or invested funds, during the year, 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 Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group has not received any fund, during the year, 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 Group 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 Group has utilized the Borrowings from Banks and Financial Institutions for the purpose for which it was taken.
- (ix) The Group has not been declared as willfull defaulter by any Bank or Financial Institutions.
- (x) The group has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.
- (xi) The title deeds of all immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) disclosed in the consolidated financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE - 44

Disclosure of Interest in Associate

Interest in Associates	Amount (₹ in '00)	
	As at 31st March,2023	As at 31st March,2022
Gillanders Arbuthnot and Company Limited		
Interest as at 1st April	64,55,919.47	60,63,318.43
Changes in Accounting Policies or Prior Period Errors (Refer Note 17)	4,67,935.35	-
Restated Interest as at 1st April	69,23,854.82	60,63,318.43
Add : Share of Profit for the period	3,82,124.05	3,58,506.99
Add : Share of OCI for the period	(2,03,169.60)	34,094.05
Balance as at 31st March	71,02,809.27	64,55,919.47

NOTE - 45

Note for Disclosure mandated by Schedule III of Companies Act 2013, by way of Additional Information:

Amount (₹ in '00)

Name of the Entity	% of Interest	Share of Net Assets, i. e., total Assets minus Total Liabilities		Share of Profit / Loss		Share of OCI	
		31st March, 2023	31st March, 2022	2022-2023	2021-2022	2022-2023	2021-2022
Gillanders Arbuthnot & Company Limited	25.78%	71,35,527.61	78,50,742.15	3,82,124.05	3,58,506.99	(2,03,169.60)	34,094.05

NOTE - 46

Previous Year's figures have been regrouped / rearranged wherever necessary.

Signature to Note 'I' to '46'

For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

On behalf of the Board

Kolkata
Dated: 4th September, 2023

Sd/-
(Sudesh Choraria)
Partner
Membership No. 204936

Sd/-
R. Gupta
Chief Financial Officer

Sd/-
A. V. Kothari
Director
DIN : 02572346

Sd/-
A. K. Toshniwal
Mg. Director
DIN : 06872891