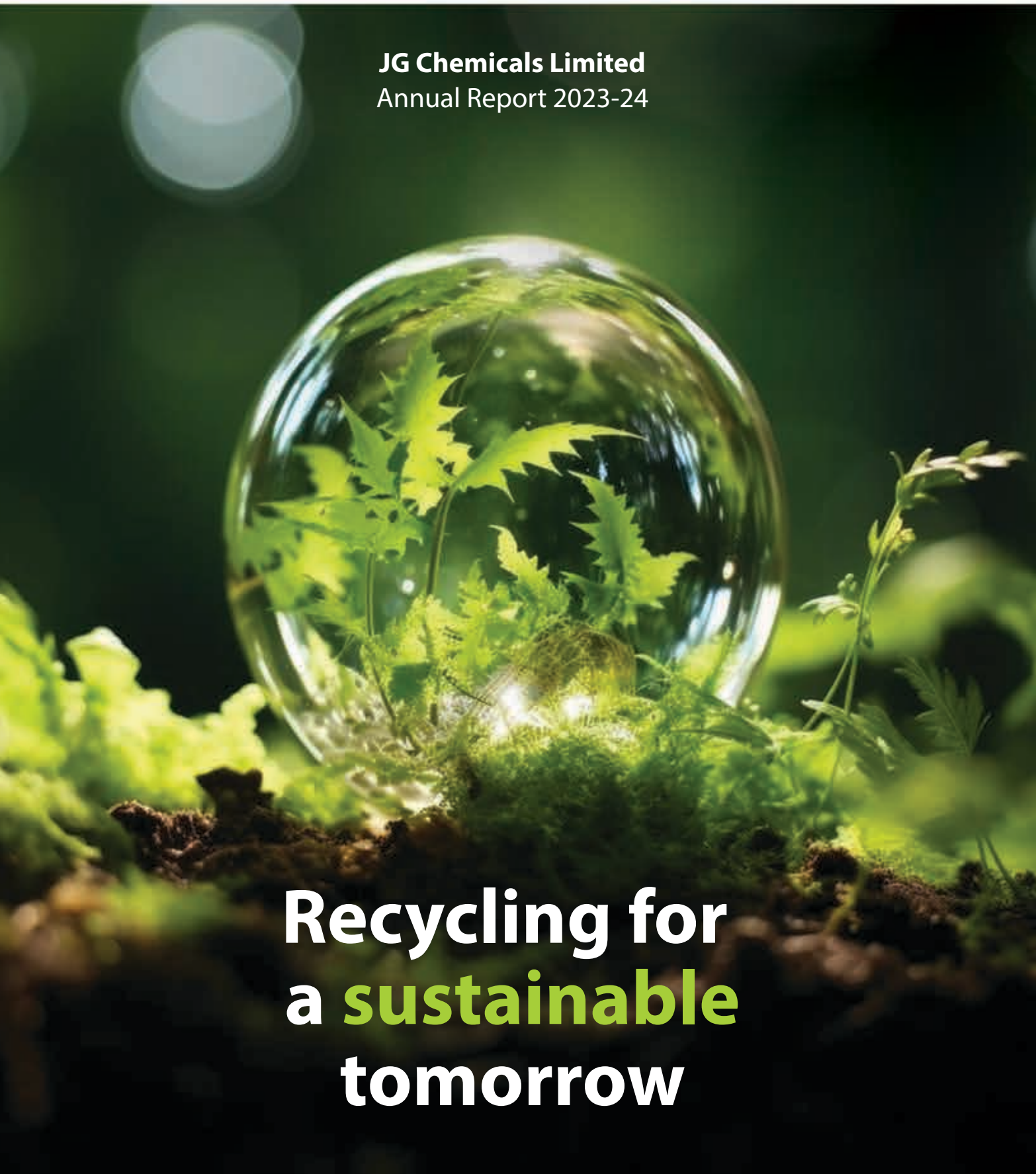
JG CHEMICALS

JG Chemicals Limited
Annual Report 2023-24



Recycling for a sustainable tomorrow

Contents

Corporate Profile	08
Financial Highlights	09
Chairman's Overview	14
Our Business Strategy	18
Corporate Social Responsibility	20
Board of Directors	22
Management Discussion and Analysis	24
Notice	30
Directors' Report	44
Financial Statements	82

At JG Chemicals, we're scaling new peaks.

We are functioning together with our customers, employees and business partners to foster a cleaner and more circular world. We are focusing on materializing our over-arching intent of recycling and sustainability and emerging as a truly **sustain-able** leader in the field of **recycling**.

Sustainability has been central to our business strategy and we have remained committed and focused on the principles of ESG (environmental, social and governance).

In fact, our consistent growth over the years has been achieved due to our relentless pursuit in the area of sustainability, especially recyclability, focus on environment-friendly practices, inclusive employment creation and social development, and best-in-class manufacturing standards.

Thus, our robust foundation built over the years with resilience, respect and resolve has not only enabled us to continue to engage in recycling for a sustainable future, but has also set the ground for accelerated value creation for our investors, a strong supply chain for our customers and a reliable buyer for our suppliers.

To make the business profitable and sustainable across all market cycles.

Owing to our legacy of over 5 decades in manufacturing businesses, we benefit from our experience in catering to a wide spectrum of customers and we have built a long-standing relationship with customers across end-user industries like the rubber (tyre & other rubber products), ceramics, paints & coatings, pharmaceuticals & cosmetics, electronics & batteries, agro-chemicals & fertilizers, speciality chemicals, lubricants, oil & gas and animal feed.

We are humbled to be acknowledged as the domestic leader in the industry, among the leading players in Asia and among the top 10 globally.

Over the last three years, we marketed and sold our product to over 200 domestic customers and over 50 global customers in more than 30 countries.

Leadership scorecard

200+
domestic customers

50+
global customers

100+
suppliers

90%
repeat order rate

30%
market share

Applications

Tyre

- Passenger Vehicle Tyres
- Truck and Bus Tyre
- Off-the-Road Tyres
- Racing Tyres
- Solid Tyres
- Agricultural Tyres
- Forestry Tyres
- Two-Wheeler Tyres
- Three-Wheeler Tyres
- Cycle Tyres
- Tyre Retreading Materials

Rubber Goods

- Conveyor Belts
- Construction
- Extruded Profiles
- Damping Elements
- Hoses and Ducting
- Power Transmission Belts
- Rubber Mats and Shoe Soles
- Rubber Pads and Caps
- Anti-Vibration Grommets
- Moulded Rubber Goods
- Seals and Gaskets
- Roofing Elements
- Rubber-to-Metal onded
- Rubber sheets
- Bonded Gum
- Tubing

Other applications and special grades

- Ceramics
- Frits
- Sanitaryware
- Electronics
- Semi conductors
- Varistors
- Anti-corrosive Coatings
- Cosmetics
- Anti Aging Cream & Sunscreen
- Shaving Cream
- Prickly Heat Powder
- Anti Inflammatory
- Nutraceuticals
- Skin Healing Products
- Multi-Vitamin Supplements
- Paints & pigments
- Phosphating Chemicals
- Zinc dialkyl dithiophosphates (ZDDP)
- Ferrites
- Lubricants & Additives
- Industrial Oils
- Adhesives
- PVC Stabilizers
- Printer Toner Inks
- Batteries
- Agrochemicals & Fertilizers
- Animal Feeds

Who we are

JG Chemicals Limited (JGCL), incorporated in 1975, is the largest manufacturer of Zinc Oxide in India. We sell over 80 grades of Zinc oxide and have emerged as a diversified player with an expansive global footprint.

- Catering to a wide spectrum of industrial applications with a high degree of customization, including Rubber and Tyre, Ceramics, Paints & Coatings, Pharmaceuticals & Cosmetics, Electronics & Batteries, Agrochemicals & Fertilizers, Specialty chemicals, Lubricants, Oil & Gas and also Animal feeds.
- It is one of the largest suppliers to the top tyre companies and other blue-chip companies in various industries

Products

- Zinc Oxide
- Zinc Sulphate Heptahydrate and Monohydrate
- Zinc Oxide for Pharmaceutical and other speciality applications

Headquarters

- Kolkata, West Bengal, India

Plants

West Bengal
Plant 1 and 2: Kolkata

Andhra Pradesh
Plant 3: Naidupeta

Accredations

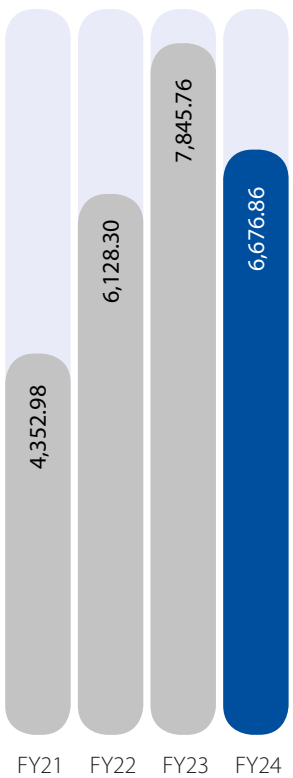
- ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018
- IATF 16949: 2016
- Ecovadis ESG assessment Silver Rating,
- World Health Organization GMP certification
- IP / USP / BP / European Pharmacopoeia licenses
- Sustainable ZED Silver Certification.

Zinc Dross/Scrap is a highly complex metal to process and handle while ensuring highest efficiencies.

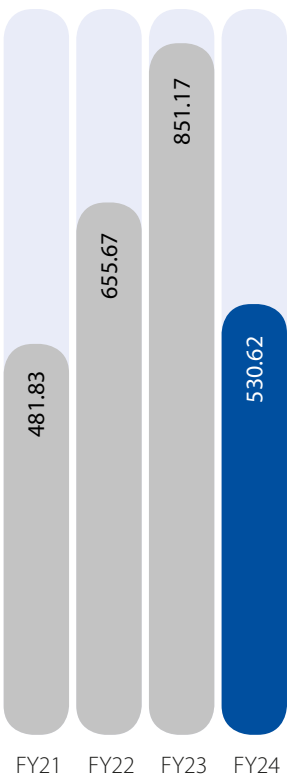
Mining our own business has been a profitable engagement over the last few years

(Rs. In Million)

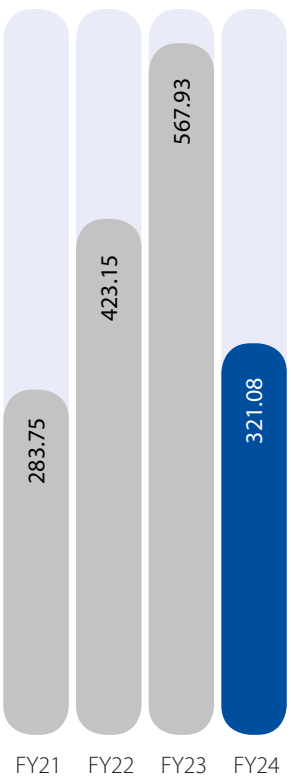
Revenue from Operation



EBITDA



PAT

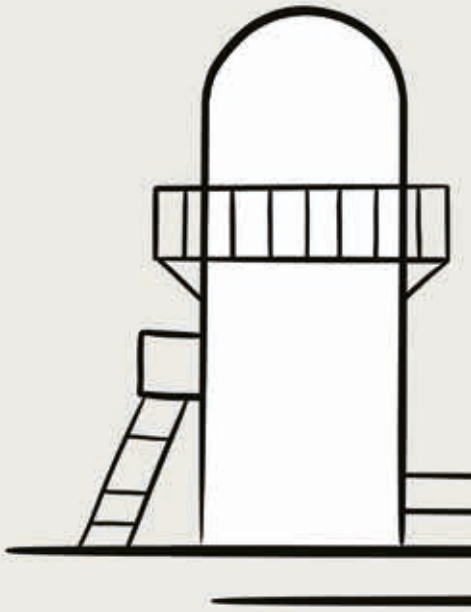


Being sustain-able

Our organization is dedicated to sustainability and environmental stewardship. Focusing on care of the environment has been core to our operations, driving us towards sustainable development fully aware of the responsible impact of our supply chain. Being awarded the Environmental Management System's ISO-14001-2015 certification for our manufacturing facilities is a significant milestone, demonstrating our commitment to continual improvement in environmental performance, energy efficiency and sustainable responsible sourcing.

We ensure high productivity and low energy consumption. Following a sustainable manufacturing process, using over 90% recycled metal helps lower the emission of carbon dioxide, reducing air and water pollution and water use considerably.

Our strong focus on sustainability is beneficial to our business operations, with environmental concern becoming a major challenge in the 21st century.



Being recyclable

Investors and consumers of all sectors want to improve their Environmental, Governance and Social (ESG) practices across value chain. Chemical industries need to keep in mind the recyclability of the raw material sourcing of their products.

This primarily reduces the consumption of raw material inputs to manufacturing by returning recycled materials to the value chain. Strong ESG ratings are important factors in improving relations with stakeholders, to get access to lower-cost capital and make strategic decisions in more effective ways.

JG Chemicals is the largest zinc recycling company in India. Our business exemplifies circular economy success by efficiently utilizing scrap materials through recycling. This reduces CO2 emissions, air pollution (by 80%), water pollution (by 76%), and water use (by 40%) for every unit of ZnO produced, by opting for recycled metal over finite virgin ores.

We focus on 'green' manufacturing, using the maximum amount of Zinc Scrap across all our manufacturing processes. ZnO produced from Zinc Dross/Scrap and $ZnSO_4$ produced from Zinc Ash reduces the consumption of virgin material inputs to manufacturing by returning recycled Zinc to the value chain.

Chairman's overview

Dear Shareholder,

It gives me immense pleasure to reach-out to all of you. Our JG family has expanded multi-fold with the addition of over 50,000 shareholders. The unwavering confidence and trust you have imposed in us gives us immense joy and propels us to perform better and deliver value to each of you.

During the fiscal year 2023-24, our Company made significant progress in revitalizing our foundation and achieved a major milestone, i.e, becoming the first dedicated zinc oxide manufacturer to be listed on the Indian bourses and probably also in the world. It gives me immense pleasure to see our Company achieve this milestone and this has been possible due to the strong support of our customers, suppliers and each and every member of the JG Chemicals family who has worked with us in the decades gone by. Our IPO was a strong success. The issue received a huge response from investors with an overall subscription of over 28 times at close with over 10 lac applications. We remain profoundly grateful to each one of you for reposing your faith in us.

Our improved strategy, defined purpose and strong values aid us in our quest for sustainable growth. Our diverse, focused and dedicated pool of human resources helps us build a sustainable future for ourselves while we create value for our stakeholders.

With a large war chest coupled with low leverage, JG Chemicals is ready to embark on a long and exciting journey full of growth and new learnings.

Business is dynamic and sometimes challenging. FY 2024 was a mix of both with certain external factors impacting our performance. Our overall revenues was Rs. 6676.86 Mn and our PAT was Rs 321.08 Mn. This was lower than the previous fiscal due to a sharp fall in zinc prices for a short time during HI FY 2024. Such sharp movements in commodity prices over a short term hit our inventory and such movements also sometimes distort the scrap market. H2 was better and this helped improve the overall yearly performance. Despite all these macro challenges, the core ethos of the company which is 1) volume expansion 2) cost optimization and 3) research and development went ahead. We are happy to share that we achieved overall volume growth coupled with increased cost efficiencies and also worked successfully on introducing some new grades of zinc chemicals for our customers.

In my experience of over 50 years in business, we have always focussed on long term and sustainable value creation for our organization. This has helped us in expanding JG Chemical's capacity in zinc chemicals from a mere 2,000 MTPA in 2001 to over 70,000 MTPA today. As we lay the seeds for the future, JG Chemicals is looking at a multi-pronged growth strategy to achieve global scale and significance in the zinc chemicals industry.

Let me take you through some future growth strategies that make us a truly sustainable company:

- Expand Product Portfolio
- Deeper Penetration in Domestic Markets
- Ramp-up of Zinc Sulphate Business
- Expansion to New Geographies
- Diversify Customer Base and Product Application in End User Industries in India and Globally.
- Diversify our Export Base.

It is our belief that sustainable corporate businesses' longevity is reliant on focused governance, ethical management and strategies that foster stakeholder confidence and boost corporate reputation. We have always laid focus on this and would continue to do so going ahead.

Our improved strategy, defined purpose and strong values aid us in our quest for sustainable growth. Our diverse, focused and dedicated pool of human resources help us build a sustainable future for ourselves and we create value for our stakeholders. The circular economy of our dream goes beyond mere recycling.

Lastly, I want to once again extend a hearthfelt thanks to all the members of the JG Chemicals family, our customers, suppliers, bankers and various government institutions for all their unwavering support to JG Chemicals during its multi year journey of progress. It is with the combined efforts that we are where we are today. Together, we shall move higher and we look forward to improving our performance in the years to come and deliver value to our over 50,000 shareholders.

Let us march forward in enhancing shareholder value across the foreseeable future!

Suresh Jhunjhunwala
Chairman

Business ethics

At JG Chemicals, several fundamental principles serve as the foundation for our ethical business practices:

Honesty and Integrity

Honesty and integrity are the cornerstones of our business ethics. We strive to be truthful in our dealings with stakeholders, including employees, customers, suppliers, and the broader community.

Respect for the Law

At JG Chemicals, we operate within the boundaries of the law, adhering to all relevant regulations and legal requirements. This principle extends beyond mere compliance; it involves actively promoting a culture of respect for the rule of law and contributing to the development of fair and equitable legal frameworks.

Respect for Human Rights

We have a responsibility to respect and uphold fundamental human rights, both within our own operations and throughout our supply chains. This includes ensuring fair labor practices, providing safe working conditions, prohibiting child labour and forced labour, and promoting diversity and inclusion.

Environmental Responsibility

We recognize our impact on the environment and take proactive measures to minimize our ecological footprint. This principle encompasses sustainable practices, responsible resource management, waste reduction, and the development of environmentally friendly products and services.

Corporate Social Responsibility

We acknowledge our role as corporate citizens and strive to contribute positively to the communities in which we operate. This principle involves philanthropic efforts, community development initiatives, and a commitment to addressing social issues that affect the well-being of society.

Stakeholder Engagement

We recognize the importance of considering the interests of all stakeholders, including shareholders, employees, customers, suppliers, and the local community. This principle involves actively engaging with stakeholders and incorporating their perspectives into decision-making processes.

Successful launch of JG Chemicals' IPO

Only Indian zinc oxide producer to be listed in the Indian stock market

IPO Size:
251 crores

Over Subscription:
28.52

Number of Applications:
Over 10 lac

Key Marquee Investors:

- Massachusetts Institute Of Technology
- Pinebridge Global Funds
- Carnelian Structural Shift Fund
- SBI General Insurance Company Limited

Our business strategy

1

Volume-driven growth:
Driven by the robust outlook of our end customer industries, we expect to achieve sustainable growth in production volumes.

2

Operation driven by customer satisfaction:
We prioritise quality over quantity, satisfying and retaining customers with a quality focus. We focus on customer delight and not just meeting their specification and need

3

Entering new markets:
The company is planning to commission a new plant in Gujarat to cater to the needs of the ceramic sector which is amongst the largest consumers of zinc oxide after the rubber industry.

4

Product line diversification:
We intend to leverage our manufacturing competence to diversify the product portfolio and are focussing on identifying opportunities to increase our product offering to the tyre industry and also other end customer applications.

5

Renewed focus on R&D:
Our strategic focus on R&D is critical to our success and is a key differentiator in becoming one of the key suppliers of our products. We will continue to focus on R&D and undertake product innovation to introduce new products, increase our productivity and operating efficiency, deepen penetration in existing markets and serve as the cornerstone to our success in new markets. Plans are afoot to diversify our existing product portfolio by adding new products which are synergistic with our existing products and chemistries.

Human resources

Our growth has been through the integration of the Company's core assets (people, technology and equipment). The Company continuously invests in employee betterment to achieve overall organisation development.

Corporate social responsibility

Our Corporate Sustainability Policy, as envisaged by our top management, rests on three important pillars of success, namely, Economic, Environmental and Social.

Sustainable economic progress of the organization is vital to strengthen the other two pillars of sustainability and we endeavour to achieve this through entrepreneurial and enterprising strengths coupled with innovative and analytical approach to business development, stakeholder's requirements and the competitive environment – both Domestic and International.

We are committed to offer sustainable products and services which have a positive contribution on environment and society. We conduct of all our operations in an environmentally responsible manner, adopting the most energy efficient technologies available in our industry, including improvement of equipment being people oriented and focusing on good working conditions.

Education and Eradicating Hunger initiatives

- Contribution towards training and education of the Under Privileged in Telangana (Peddapali) and West Bengal (Kolkata)
- Running One teacher School – Ekal Vidyalaya in Jharkhand
- Contribution towards providing one meal to students of Educational institution in Bakhrahat (West Bengal)

Healthcare initiatives

- Contribution towards upliftment in healthcare in states of West Bengal, Telengana and Maharashtra
- Animal protection welfare initiatives in West Bengal

Board of Directors

Suresh Jhunjhunwala
Executive Chairman and Whole-time Director

Suresh Jhunjhunwala aged 71 years is the Executive Chairman of our Company. He has passed Bachelor in Commerce (Part 1) (B.Com) from Calcutta University. He is responsible for strategy formulation and identifying new growth areas. He has over 50 years of experience in various industries and has previously successfully run various companies in the the refractories, ceramics, mining, glassware and electrical component industries. He is associated with JG Chemicals for over 30 years.

Anirudh Jhunjhunwala
Managing Director and CEO

Anirudh Jhunjhunwala aged 45 years is a Managing Director and CEO of our Company. He holds a Bachelors' degree of Commerce from Calcutta University and holds a MBA from University of Warwick. He is responsible for the overall business activities of the Company. He has over 20 years of experience in chemical and speciality chemical industry.

Anuj Jhunjhunwala
Whole-time Director and CFO

Anuj Jhunjhunwala aged 40 years is a Whole-time Director and CFO of our Company. He holds a Bachelors' degree of Commerce from Calcutta University and a Masters' degree of Science in finance from the ICFAI University. Further, he holds a MBA from Said Business School, University of Oxford. He has over 14 years of experience in the chemicals and specialty chemical industry. He is responsible for the finance and new project development initiatives of the Company. In the past, he has worked in the private equity industry in India and the UK.

Ashok Bhandari
Independent Director

Ashok Bhandari aged 71 years is an Independent Director of our Company. He is a chartered accountant by profession and holds a certificate of membership form the Institute of Chartered Accountants of India. He was associated with Shree Cements Limited as group financial advisor since 1999. Further, in the year 2004, he was appointed as the chief financial officer of Shree Cements Limited and he retired from his services in the year 2014.

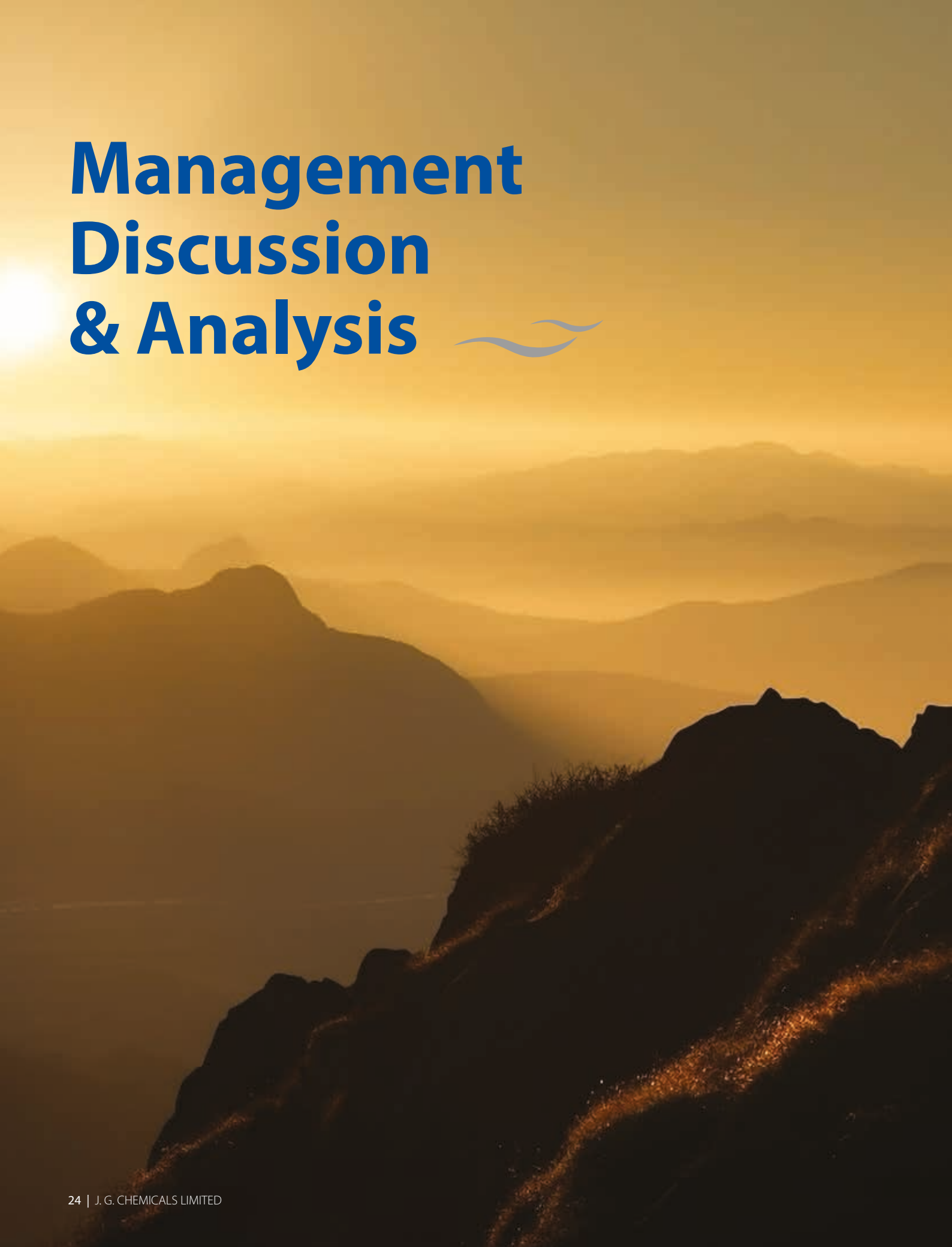
Sukanta Nag
Independent Director

Sukanta Nag aged 64 years is an Independent Director of our Company. He holds a bachelors and master's degree in commerce from University of Calcutta. He holds a certificate of membership issued by Institute of Chartered Accountants of India. He hold a certificate of Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. Further, he has successfully passed the associate examination of the Indian Institute of Bankers. He was previously associated with many organisations including, Care Ratings Limited., as an executive vice-president and Infomerics Valuation and Rating Private Limited as Chief Executive Officer and is presently associated with Riskman Consulting LLP.

Savita Agarwal
Independent Director

Savita Agarwal aged 52 years is an Independent Director of our Company. She is a chartered accountant by profession and holds a certificate of membership form the Institute of Chartered Accountants of India. Further, she also holds a certificate of registration from Insolvency and Bankruptcy Board of India to act as an insolvency professional. Presently, she is a partner at R. Kothari & Co. LLP, a practicing Chartered Accountants firm.

Management Discussion & Analysis



GLOBAL ECONOMY OUTLOOK

The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025.

The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

Indian economy outlook

The International Monetary Fund (IMF) raised its growth projection for India's GDP in the current fiscal year 2024/25 to 6.8%, and forecast a 6.5% expansion next year. The latest FY25 forecast is a 0.3 percentage point upward revision from January's projection, the IMF said in its World Economic Outlook April 2024.

The country's remarkable growth rate of 8.4% in the third quarter of the fiscal year 2024 surpassed all expectations, as market analysts had penciled in a slower growth this quarter, between 6.6% and 7.2%. The projected growth for the quarter was between 7.1% and 7.4% (as published in January 2024-Deloitte Report). With substantial revisions to the data from the past three quarters of the fiscal year, India's GDP growth already touched 8.2% year over year (YoY) in these quarters. Overall, India is in a "very sweet spot" as per global economists and with the strong thrust on "Make in India", the Indian manufacturing sector is set to increase its contribution to the GDP going ahead.

Industry overview

Global industry

The global market is organized and is consolidated. Production capacities, process of production, grades of ZnO and variety of application segments are some of the factors through which the key players control the market. Over the years, in large and mature markets of North America and Europe there has been a lot of consolidation and the number of producers have shrunk considerably. As we speak, Europe would be having about 10-12 medium to large scale producers and both North and South America combined would have less than 10.

The global market size was valued at USD 3.9 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 6.4% from 2023 to 2030. This is attributable to its non substitutable use in rubber during the process of vulcanization, which is the prime component in tyres for the automotive industry. The growth of the automotive industry is directly proportional to the growth of the tyre industry as around 50% of the rubber produced across the globe is used in tire and other rubber products

Ceramics, particularly the tile industry, is the second largest application of zinc oxide contributing close to 25%. The product finds its application in ceramics to reduce their melting temperature and energy and equipment requirements. Glass and ceramics have been used for manufacturing structural components for construction projects.

The balance 25% is used across a wide range of industries like agriculture, paints, speciality chemicals, surface treatment products, electronics, nutrition and cosmetics, pharmaceutical, electroplating, batteries.

Indian industry

Industry structure

The Indian zinc oxide industry has seen good growth over the years and the expected market size today would be about 125,000 - 130,000 MT per annum. Unlike Europe and Americas, the Indian zinc oxide industry has over 40-50 producers ranging from 1,000 MTPA to 60,000 MTPA. The size gap is vast and over the last few years, there has been winds of consolidation brewing and this is mainly due the end customers preferring to buy from large and organized players vis a vis smaller producers. It is expected that this trend will continue going forward and gradually over the next 5-7 years, the number of producers in India shall come down, thereby benefiting large players like JG Chemicals.

As of now, a few organized players that are limited in number constitute a major portion of the market, due to the high barriers of the entry into the industry like stringent vendor approval process by tyre manufacturers, raw-material tie ups, technological expertise, and large working capital requirements.

Overall, the demand for the Indian zinc oxide industry should be fairly strong going forward due to overall buoyancy in the various end user segments and strong government support to Indian manufacturing.

Government Initiatives

India is also a prominent automobile exporter and has strong growth potential in becoming the leading world auto exporter in the future. Moreover, various government initiatives have benefited the auto players which will helpin not only growing the Indian vehicle market but also in making India a world leader in two-wheeler & four-wheeler segment. These initiatives, in turn, will also aid the consumption of zinc oxide in the long term used in collaboration with schemes for advancedchemistry cells (ACC).

EPR regulations to promote recycling

Implementing EPR encourages sustainable practices and holds companies responsible for waste management. It promotes effective collection methods, recycling facilities, and education campaigns, easing the pressure on landfills, preserving resources, and lowering pollution. EPR promotes a circular economy by emphasizing recycled materials and extended product use. Zinc oxide is primarily manufactured from zinc scrap and hence this is a positive factor as it meets the sustainability goals of the tyre sector. Various carcinogenic materials are facing a threat of reduction in usage by the tyre industry. Zinc oxide, fortunately, does not fall within this.

Tyre industry

The Indian Tyre Industry is an integral part of the Auto Sector. There is a rise in the demand for tyres due to the growing production of automobiles. This, along with the increasing export activities of vehicles, such as tractors, buses, heavy trucks, and cars, represents one of the key factors supporting the growth of the market in India. The tyre industry in India has the potential to become a global leader in Indian manufacturing, especially with the current search for alternatives to China due to geo-political tensions. The industry exemplifies the Make in India initiative, having achieved self-reliance and emerging as a major exporter of tyres to over 170 countries, including the U.S. and Europe as evidenced by the rising demand for Indian-made tyres. India is among the leading tyre manufacturers globally. It is also expanding presence in the premium and luxury tyre segments, which are dominated by imports.

Global tyre industry

China dominates the global tyre market, making up around 50% of the sector, followed by Europe, US, India and Japan. India's tyre business has showed strong resilience and is

anticipated to develop at 7-9% from 2020 to 2024 and overtake U.S. to become the third-largest market worldwide. The last seventy years have been characterized by rising population levels, urbanization and increasing disposable income. Greater consumer purchasing power has fueled demand for cars, which in turn has driven steady growth in the global tyre market. The global tyre market size reached 2,321.3 million Units in 2022. Looking forward, it is expected that market will reach 2,741.2 million Units by 2028.

Key trends and drivers for the global tyre industry over the coming years include:

- Increasing sales of passenger, luxury, and electric vehicles (EVs) on account of rapid urbanization and expanding purchasing power of individuals represent one of the major factors positively influencing the demand for tyres around the world.
- Rising focus on driver and passenger safety and the growing number of fatal road accidents are catalyzing the demand for premium quality tyres that have a longer operational life, enhanced stability and reliability, and high puncture resistance.
- Replacement demand is supported by a wide variety of growing end uses.
- Transport and tyre regulations will continue to drive innovation and technology adoption.
- Adaption and evolution of tyres and related services to better meet end-use requirements such as fuel efficient, performance durability, and intelligence/data/predictive analytics will accelerate.
- Focus on sustainability across the lifecycle, from raw materials to recycling. Greaterautomation and efficiency in production, pursuit of zero waste and defects

Tyre demand in India likely to grow in future

India's tyre demand is expected to continue grow in coming future due to replacement and the needs of original equipment manufacturers (OEM). The tyre industry derives around 60 percent of its volume from the replacement market, around 30 percent from original equipment manufacturers (OEMs), and approximately 10 percent from exports. Replacement demand of tyre is likely to increase in coming time, primarily from the commercial vehicle (CV)

segment. This follows continuing investments in infrastructure and enhanced bus fleet utilisation with workplaces seeing more people returning to office after the pandemic. Replacement demand will also find traction from high on-road stock of passenger vehicles (PVs) and two-wheelers. Easing of supply-related headwinds, preference for personal mobility, and rising disposable income of consumers are likely to support passenger vehicle (PV) demand. Tyres manufactured in India are beingexported to over 170 countries including some of the most discerning markets inNorth America and Europe

More and more people are now looking to travel by road as various high quality roads have come up in the last five years. This is going to open new venues of usage of cars in particular.

Ceramics industry

The global ceramics market size was valued at USD 148.76 billion in 2023 and is projected to grow from USD 160.67 billion in 2024 to USD 295.26 billion by 2032 at a CAGR of 7.9% during the forecast period (2024-2032).

The Indian ceramic industry has also witnessed significant transformation over the last decade with the emergence of world scale tile manufacturing plants in India which are not just meeting the Indian demand but also serve as large export hubs. The demand for housing in India is expected to grow at a CAGR of over 9% p.a. and this will lead to a strong demand for tiles and other ceramic products. Almost 25% of the zinc oxide produced is used in the ceramic industry which is mostly centred around Gujarat. Over the last few years, the ceramic industry has also seen structural changes and has seen the emergence of large scale organized units which focus on quality, product consistency and service. These factors bode well for JGC, as the these factors would be the key differentiation points between JGC and the some of the smaller zinc oxide producers in the Western belt.

Other Applications

In addition to rubber and ceramics, all other end user applications are also seeing strong growth. The demand for zinc oxide in India in the non rubber and non ceramic market is just about 10% of the overall demand vis a vis about 25% globally. Over the next decade, India would see very strong growth in all of these applications. Some of the applications have just started to evolve and the runway for growth in these applications is very strong as they are on a small base. The demand in some of these applications are expected to grow over 18-20% CAGR over the next 5-7 years. Some of these applications are margin accretive and also require various certifications which are not easy for smaller players to have.

Performance of the company

FY 23-24 was a difficult year for the global markets due to various macro-economic grounds. There was a noteworthy drop in zinc metal prices which impacted the overall revenues. However, despite this the Company recovered and increased its volumes. Profitability took a severe hit due to the significant fall in zinc prices and certain other factors affecting the prices of zinc scrap.

Our leadership position offers us competitive advantages such as product pricing, economies of scale, and the ability to scale our business, increase customer loyalty and expand our client base, all of which have resulted in strong performance over the last several years.

i) On a consolidated basis, the revenue for FY 2024 ₹ 6,676.86 Million, lower by 14.90% percent over the previous years' revenue of ₹ 7,845.76 Million. The profit after tax ("PAT") attributable to shareholders and non-controlling interests for FY 2024 and FY 2023 was ₹ 321.08 Million and ₹ 567.93 Million respectively. The PAT attributable to shareholders for FY 2024 was ₹ 355.74 Million registering a decline of 35.36% percent over the PAT of ₹ 550.38 Million in FY 2023.

Going forward, it is expected that the overall performance would increase aided by volume growth, stability in prices and ramp-up of the zinc sulphate and pharmaceutical grade zinc oxide plant.

Internal control systems and their adequacy

The Company's internal financial controls are commensurate with the nature of its business; the size, and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. The controls were tested during the year and no reportable material weaknesses either in their design or operation were observed. To maintain independence and objectivity in its function, the Internal Auditor reports directly to the Audit Committee of the Board.

Further, your Company's Internal Financial Controls (IFC) has been reviewed and all necessary steps have been taken to strengthen financial reporting and overall risk management procedures. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss, proper prevention & detection of frauds & error, the accuracy and completeness of the accounting records, and all transactions are authorized, recorded and reported correctly.

The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its

compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditor reports directly to the Chairman of the Audit Committee of the Board, all the significant audit observations and follow up actions thereon. Both Statutory and internal auditor have quarterly sessions with the Audit committee. The Internal audit reports are placed before the Audit committee on quarterly basis and all findings and observation, if any are recorded thereon. The said observation and comments, if any of the Audit Committee are placed before the board. The Internal Auditor is a permanent invitee to the Audit Committee Meetings. The Audit Committee advises on various risk mitigation exercises on a regular basis.

The audit committee also reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors on periodic basis. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations, if any, periodically.

Your Board is of the opinion that the Internal Financial Controls, affecting the Financial Statements of your Company are adequate and are operating effectively.

Risk and concern

The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is frequently carried out to identify, evaluate, manage and monitor business and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/mitigate the same through a properly defined framework.

Material developments in human resources / industrial relations

JG Chemicals considers employees as its most valued asset, who are at the core of the business. Human capital is the most important business driver. A strong people culture is the soul of the organization and biggest competitive advantage for a sustainable growth.

As an organization, all employees, at every level, are part of the organization's growth strategy and are empowered to take business decisions. The Company takes care of them much beyond salary, pay and perks; ensuresthat they get best-in-class learning and career advancement opportunities. The key pillars of the core philosophy are talent care and development, empowerment and decision making at all levels, innovation, agility and digital transformation.

The Company understands that internal selection and succession is very critical for the long-term sustenance of the business as it ensures business continuity, preserves corporate culture, enhances knowledge capital and fuels the ambitions of the company's talent, leading to better retention. Internal talent is groomed for next level responsibilities.

Information & technology

Company continue to invest in automation and latest technology in its business operations, in order to improve efficiencies and drive down costs. Your Company has in place an ERP system and is currently working on robust CRM software.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward–looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors whichare beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent developments.

NOTICE

Notice is hereby given that the **Twenty-Third (23rd)** Annual General Meeting (AGM) of the Members of **M/s. J.G.Chemicals Limited** ("the Company") will be held on Thursday, the 19th day of September 2024, at 2.00 p.m. Indian Standard Time (**"IST"**), through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") facility, to transact following business as set out herein:

ORDINARY BUSINESS:

Item No. 1: To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and Auditors thereon.

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

"RESOLVED THAT, the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

Item No. 2: To appoint a Director in place of Mr. Anuj Jhunjhunwala (DIN: 00234926), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

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

"RESOLVED THAT, pursuant to the provisions of section 152 of the Companies Act,2013, Mr. Anuj Jhunjhunwala (DIN: 00234926), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS

Item No. 3: Reappointment of Mr. Ashok Bhandari as an Independent Director

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

"RESOLVED THAT, pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, read along with Schedule IV of the Companies Act, 2013, (the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17, and any other applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, Mr. Ashok Bhandari (DIN: 00012210) who was appointed as an Independent Director of the Company for a term of two years commencing from July 1st 2022 up to June 30th, 2024 (Both days inclusive) & who being eligible for reappointment as an Independent Director has given his consent along with a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act 2013 and the rules made thereunder and Regulation 16(1)(b) of "SEBI Listing Regulations and in respect of whom the Company has received a Notice from a member under section 160 of the Companies Act 2013 proposing his candidature for the office of an Independent Director and based on the recommendation of the Nomination & Remuneration Committee, Board of Directors of the Company be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years on the Board of the Company from July 1st 2024 up to June 30th 2029 (both days inclusive.)

RESOLVED FURTHER THAT, any of the Directors of the Company or Company Secretary be and is hereby authorized to do all such acts, deeds, matters, and thing as may be necessary and expedient for the purpose of giving effect to this resolution."

Item No. 4: Reappointment of Mr. Sukanta Nag as an Independent Director

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

"RESOLVED THAT, pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, read along with Schedule IV of the Companies Act, 2013, (the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17, and any other applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, Mr. Sukanta Nag (DIN: 08696001) who was appointed as an Independent Director of the Company for a term of two years commencing from July 1st 2022 up to June 30th, 2024 (Both days inclusive) & who being eligible for reappointment as an Independent Director has given his consent along with a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act 2013 and the rules made thereunder and Regulation 16(1)(b) of "SEBI Listing Regulations and in respect of whom the Company has received a Notice from a member under section 160 of the Companies Act 2013 proposing his candidature for the office of an Independent Director and based on the recommendation of the Nomination & Remuneration Committee, Board of Directors of the Company be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years on the Board of the Company from July 1st 2024 up to June 30th 2029 (both days inclusive.)

RESOLVED FURTHER THAT, any of the Directors of the Company and Company Secretary be and is hereby authorized to do all such acts, deeds, matters, and thing as may be necessary and expedient for giving effect to this resolution.

Item No. 5: Reappointment of Mrs. Savita Agarwal as an Independent Director

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

"RESOLVED THAT, pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, read along with Schedule IV of the Companies Act, 2013,(the Act, including any statutory modification(s) or re-enactment(s) thereof for the time being in force)

the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17, and any other applicable provisions of the SEBI (Listing Obligations & Disclosure Requirements) regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, Mrs. Savita Agarwal (DIN: 00062183) who was appointed as an Independent Director of the Company for a term of two years commencing from July 1st 2022 up to June 30th, 2024 (Both days inclusive) & who being eligible for reappointment as an Independent Director has given her consent along with a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act 2013 and the rules made thereunder and Regulation 16(1)(b) of "SEBI Listing Regulations and in respect of whom the Company has received a Notice from a member under section 160 of the Companies Act 2013 proposing her candidature for the office of an Independent Director and based on the recommendation of the Nomination & Remuneration Committee, Board of Directors of the Company be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years on the Board of the Company from July 1st 2024 up to June 30, 2029 (both days inclusive.)

RESOLVED FURTHER THAT, any of the Directors of the Company and Company Secretary be and is hereby authorized to do all such acts, deeds, matters, and thing as may be necessary, and expedient for giving effect to this resolution.

Item No. 6: Approval of remuneration of Cost Auditors

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

"RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to ratify the remuneration of the Cost Auditor, M/s D. Banerjee & Associates, Cost Accountants, (Firm Registration Number: 003850) appointed as the Cost Auditor by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025, at remuneration as may be fixed by the Board.

RESOLVED FURTHER THAT, any of the Directors and Company Secretary be and is hereby authorized to do all such acts, deeds, matters, and thing as may be necessary and expedient for giving effect to this resolution.

Item No. 7: To Consider and ratify reappointment of Mr. Anirudh Jhunjhunwala as Managing Director of the Company

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

"RESOLVED THAT, in pursuance of the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company and as approved by the Board of Directors in their meeting held on 14th February, 2024 and such other approvals consents, permissions, sanctions as may be necessary, consent of the members of the Company be and is hereby accorded for the ratification for reappointment of Mr. Anirudh Jhunjhunwala (DIN: 00234879) as a Managing Director and Key Managerial Personnel of the Company for a period of five years effective from 01st April, 2024 on such terms and conditions of appointment as may be decided by the Management.

RESOLVED FURTHER THAT, any of the Directors of the Company or Company Secretary, be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings, applications and returns as, in its absolute discretion, it may be considered necessary, expedient or desirable, along with filing of necessary E-forms with the Registrar of Companies, including power to sub-delegate, in order to give effect to the foregoing resolutions or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit."

Item No. 8: Approval for Material Related Party Transactions:

To consider, and if thought fit to pass, with or without modification, the following resolution as a ordinary Resolution for approval of related party transactions:

"RESOLVED THAT pursuant to the provisions of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board & its Powers) Rules, 2014, as applicable and any amendments thereto, and also pursuant to the omnibus approval of the Audit Committee, the Related Party Transactions entered into by the Company with Related Parties in the ordinary course of business at arm's length basis during the Financial Year 2024-2025 as detailed in the explanatory statement annexed to this notice, the value of which either singly or all taken together exceeds ten percent of the annual consolidated turnover of the Company as per audited financial statements of FY 2023-24 be and are hereby ratified and approved.

RESOLVED FURTHER THAT, any of the Directors of the Company or Company Secretary, be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings, applications and returns as, in its absolute discretion, it may be considered necessary, expedient or desirable, along with filing of necessary E-forms with the Registrar of Companies."

Registered office:

Adventz Infinity@5, Unit No. 1511, Street No. 18 BN Block 15th Floor Sector V
Salt Lake Kolkata -700091
CIN: L24100WB2001PLC093380
Ph: 033 44150100 | E-mail: cs@jgchem.com

Date: August 08, 2024
Place: Kolkata

By Order of the Board of Directors
J.G.Chemicals Limited

Sd/-
Swati Poddar
CS & Compliance Officer

NOTES:

1. Pursuant to General Circular No. 09/2023 dated September 25, 2023, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2022 dated May 05, 2022 issued by Ministry of Corporate Affairs ('MCA Circular') and all other circulars issued by MCA on account of outbreak of Covid-19 pandemic and in compliance with the provisions of the Companies Act, 2013, read with the rules made thereunder and SEBI Listing Regulations, the 23rd Annual General Meeting of the Members of the Company is being convened through Video Conference / Other Audio Visual Means (VC/OAVM), without the physical presence of members at a common venue. In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM.

2. In compliance with the above MCA Circulars and SEBI Circular, Notice of the AGM along with the 23rd Annual Report for FY 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and 23rd Annual Report for FY 2023-24 will also be available on the website of the Company https://www.jgchem.com/ and websites of the stock exchanges i.e. BSE Limited (www.bseindia.com), National Stock Exchange of India Limited (www.nseindia.com) and on the website of Company's Registrar & Transfer Agent.

3. The Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of Item No. 3, 4, 5, 6, 7, and 8 of the Notice, is annexed hereto.

4. GENERALLY, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD THROUGH VC / OAVM PURSUANT TO THE MCA CIRCULARS, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS SHALL NOT BE AVAILABLE FOR THE AGM AND HENCE, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.

5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

6. In terms of the provisions of Section 152 of the Companies Act, 2013 and rules made there under, Mr. Anuj Jhunjhunwala (DIN: 00234926) Executive Director, is liable to retire by rotation at this Meeting and offers herself for reappointment.

7. Pursuant to Regulations 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Section 160 of the Companies Act, 2013 and Secretarial Standards on General Meetings (SS-2), details in respect of Director seeking appointment/reappointment of Directorship at 23rd AGM of the Company to be held on September 19, 2024 are provided in Annexure-1 of this Notice.

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting at the time of AGM on the date of the AGM will be provided by NSDL. In terms of the MCA & SEBI Circulars, voting can be done only by Remote E-voting/ E-voting at the AGM. The Members are advised to use the E-voting procedure, as provided in the Notice.

   Remote e-Voting: Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting Agency M/s. National Securities Depository Limited (NSDL).

   Voting at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting system that will be provided during the e-AGM by M/s. National Securities Depository Limited (NSDL).

9. The Company has notified closure of Register of Members and Share Transfer Books from Friday, September 13, 2024 to Thursday, September 19, 2024 (both days inclusive) for determining the names of member(s) eligible for dividend on Equity Shares, if declared at the Meeting.

10. Members may avail facility of nomination in terms of Section 72 of the Companies Act, 2013, by nominating any person to whom their shares in the Company shall vest in the event of their death.

11. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

12. The Statutory Registers and the documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode.

13. For receiving all communication (including Annual Report) from the Company electronically: Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participant.

1. OTHER INFORMATION

1. Members holding shares in electronic mode are:

   a) requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with whom they are maintaining their demat accounts.

   b) advised to contact their respective DPs for registering nomination.

2. Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of:

   a) Change in their residential status on return to India for permanent settlement.

b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents i.e. Kfin Technologies Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the member(s).

4. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.

5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/ her Depository Participant / the Company's Registrar & Share Transfer Agent as the case may be. Members who have not registered their e-mail address either with the Company or with the Depository are requested to register as soon as possible.

6. Members are requested to follow the process detailed below and intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code,etc.

   Demat holder- Please contact your DP and register your email address, bank account details in your demat account, as per the process advised by your DP.

   Members may also note that the 23rd Annual Report for the financial year 2023-24, will be available on the Company's website at https://www.jgchem.com/. For any communication, the members may also send requests to the Company's investor email id: cs@jgchem.com

2. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name.

2. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

3. Members of the Company holding shares in electronic form as on the cut-off date i.e Thursday September 12, 2024, may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM.

4. Any member(s) or non-individual member who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Thursday, September 12, 2024, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in. However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote.

   In case of Individual Shareholder holding securities in dematerialized mode and who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under 'Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.'

5. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not cast their vote on the resolution(s) by remote e-Voting, will be eligible to exercise their right to vote on such resolution(s) upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. The e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

6. Members are encouraged to join the Meeting through Laptops for better experience.

7. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

8. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

9. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their

name, demat account number/folio number, email id, mobile number at cs@jgchem.com. The same will be replied by the company suitably.

10. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as speakers by sending their request in advance at least 10 days prior to meeting, mentioning their name, Demat account number/folio number, email id, mobile number at company email id cs@jgchem.com.

11. The shareholders who do not wish to speak during the AGM but have queries, may send their queries in advance 10 days prior to meeting mentioning their name, Demat account number/ folio number, email id, mobile number at company email id cs@jgchem.com. These queries will be replied to by the company suitably by email.

12. Those shareholders who have registered themselves as speakers will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.

3. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.jgchem.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and further extension provided in the latest MCA General Circular No. 9/2023 dated September 25, 2023.

4. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM THROUGH VC/OAVM ARE AS UNDER:-

The remote e-voting period begins on Sunday, 15th September, 2024 at 09:00 A.M (IST). and ends on Wednesday, 18th September, 2024 at 05:00 P.M.(IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date of i.e. 12th September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 12th September 2024.

A person who is not a Member as on the cut- off date should treat this Notice of the 23rd AGM for information purpose only. Once the vote on a Resolution is cast by the Member, the Member shall not allowed to change it subsequently.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is…… then user ID is 001***

5. Password details for shareholders other than Individual shareholders are given below:
   (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   (c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   (a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   (b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   (d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

A) How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B) General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to karun@cskarun.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or

   "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

C) THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Other Instructions:

(i) The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 12th day of September, 2024.

(ii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.

(iii) Pursuant to the provision of Section 108 of the Act read with rules thereof, Mr. Arun Kumar Khandelia has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process and casting vote through the e-Voting system during the Meeting in a fair and transparent manner.

(iv) During the 23rd AGM of the Company, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the 23rd AGM, formally propose to the Members not having already cast their votes by following the remote e-voting process and participating through VC/OAVM facility, to vote on the resolutions as set out in the Notice of the 23rd AGM of the Company. The facility of remote e-voting will continue to be available for 15 minutes pre and post conclusion of the meeting.

(iv) The Scrutinizer shall after the conclusion of e-Voting at the 23rd AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.

(v) The Results of voting will be declared within 2 (two) working days from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company www.jgchem.com and on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office as well and shall be forwarded to the National Stock Exchange of India Limited and BSE Limited.

Members desiring to have any information relating to the accounts are requested to write to the Company at the e-mail id. cs@jgchem.com latest by 15th September, 2024 by 4 P.M. (IST) so that the company can reply accordingly.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act,2013 (including any re-enactment(s) made thereunder, if any, for the time being in force) (hereinafter referred to as the "Companies Act"), the following explanatory statements sets out all material facts relating to the business mentioned under Item no. 3-7 of the accompanying Notice.

Item No. 3

Mr. Ashok Bhandari (DIN: 00012210) is currently an Independent Director of the Company, Member of the Audit Committee, Risk Management Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

Mr. Bhandari was appointed as an Independent Director of the Company by the Members at the 21st Annual General Meeting of the Company held on September 08, 2022 for a period of 2 (two) consecutive years commencing from July 1, 2022 upto June 30, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on June 29, 2024, proposed the re-appointment of Mr. Bhandari as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from July 1, 2024 upto June 30, 2029 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Bhandari is a Chartered Accountant from the Institute of Chartered Accountants of India. He was associated with Shree Cements Limited as group financial advisor since 1999 and is currently on the board of Skipper Limited, IFB Industries Limited, Rupa & Company Limited, Shree Capital Services Limited, Maharashtra Seamless Limited, N.B.I. Industrial Finance Company Limited, Shreecap Holdings Private Limited, Digvijay Finlease Limited and Ragini Finance Private Limited. He is serving on the Boards of reputed companies, including being Chairperson of the Audit Committees.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Bhandari qualifications and the rich experience of over two decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Bhandari continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a Member proposing his candidature for the office of Director. The Company has received a declaration from Mr. Bhandari confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Bhandari has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Bhandari has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Bhandari has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Bhandari is exempt from the requirement to undertake online proficiency self-assessment test conducted by IICA.

In the opinion of the Board, Mr. Bhandari fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at https://www.jgchem.com and would also be made available for inspection to the Members of the Company upto Saturday, September 21, 2024, by sending a request from their registered email address to the Company at cs@jgchem.com along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mr. Bhandari as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board recommends the Special Resolution set out in Item No. 3 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Bhandari and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 4

Mr. Sukanta Nag (DIN: 08696001) is currently an Independent Director of the Company, Chairman of the Audit Committee and Risk Management Committee, and Member of Nomination & Remuneration Committee.

Mr. Nag was appointed as an Independent Director of the Company by the Members at the 21st Annual General Meeting of the Company held on September 08, 2022 for a period of 2 (two) consecutive years commencing from July 1, 2022 upto June 30, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on June 29, 2024, proposed the re-appointment of Mr. Nag as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from July 1, 2024 upto June 30, 2029 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Nag holds a Bachelors and Master's degree in Commerce from University of Calcutta. He holds a Certificate of Membership issued by Institute of Chartered Accountants of India and has successfully passed the final examination conducted by the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. Further, he has successfully passed the associate examination of the Indian Institute of Bankers. He was previously associated with many organisations including, Care Ratings Limited, as an Executive Vice-President and Infomerics Valuation and Rating Private Limited as Chief Executive Officer and is presently associated with Riskman Consulting LLP.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Nag qualifications and the rich experience of over two decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Nag continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a Member proposing his candidature for the office of Director. The Company has received a declaration from Mr. Nag confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Nag has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Nag has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Nag has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Nag has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Mr. Nag fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at https://www.jgchem.com and would also be made available for inspection to the Members of the Company upto Saturday, September 21, 2024, by sending a request from their registered email address to the Company at cs@jgchem.com along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mr. Nag as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 4 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Nag and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice

Item No. 5

Mrs. Savita Agarwal (DIN: 00062183) is currently an Independent Director of the Company, Chairman of the Nomination & Remuneration, and Member of Audit Committee.

Mrs. Agarwal was appointed as an Independent Director of the Company by the Members at the 21st Annual General Meeting of the Company held on September 08, 2022 for a period of 2 (two) consecutive years commencing from July 1, 2022 upto June 30, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on June 29, 2024, proposed the re-appointment of Mrs. Agarwal as an Independent Director of the Company for a second term of 5 (five) consecutive years commencing from July 1, 2024 upto June 30, 2029 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mrs. Agarwal is a Chartered Accountant by profession and holds a Certificate of Membership from the Institute of Chartered Accountants of India. Further, she also holds a Certificate of Registration from Insolvency and Bankruptcy Board of India to act as an insolvency professional. Presently, she is a partner at R. Kothari & Co. LLP, a practicing Chartered Accountants firm. She was previously associated with Knitwoth Exports Ltd., Kalpaturu Engineering Ltd., Mapple Commerce Pvt. Ltd and Manmohak Suppliers Private Limited. She has been associated with our Company since June 30, 2022.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mrs. Agarwal qualifications and the rich experience of over two decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mrs. Agarwal continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in her role as an Independent Director of the Company and her continued association would be of immense benefit to the Company.

The Company has in terms of Section 160(1) of the Companies Act, 2013 ('the Act') received a notice from a Member proposing her candidature for the office of Director. The Company has received a declaration from Mrs. Agarwal confirming that she continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mrs. Agarwal has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Mrs. Agarwal has also confirmed that she is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mrs. Agarwal has confirmed that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mrs. Agarwal has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). Mrs. Agarwal is exempt from the requirement to undertake online proficiency self-assessment test conducted by IICA.

In the opinion of the Board, Mrs. Agarwal fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that she is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at https://www.jgchem.com and would also be made available for inspection to the Members of the Company upto Saturday, September 21, 2024, by sending a request from their registered email address to the Company at cs@jgchem.com along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mrs. Agarwal as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board recommends the Special Resolution set out in Item No. 5 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mrs. Agarwal and her relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to the Notice.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. D. Banerjee & Associates, the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 at remuneration as may be fixed by the board.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the shareholders of the Company in the general meeting. Accordingly, consent of the members is sought for passing the Resolution of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors of the Company or any Key Managerial Personnel or their relatives are in any way, financially or otherwise, directly or indirectly, concerned or interested in the said resolution.

Item No. 7

Mr. Anirudh Jhunjhunwala was appointed by the Board of Directors

of the Company ("the Board") as a Promoter Director of the Company in the year 2001. In the Board Meeting held on 16th May, 2022, Mr. Anirudh Jhunjhunwala was re-designated as Managing Director of the Board from his existing term till 31st March, 2024. Accordingly, in the Board Meeting held on 14th February, 2024, based on the recommendation made by the Nomination and Remuneration Committee, Mr. Anirudh Jhunjhunwala was reappointed as the Managing Director of the Company for a period of five years, i.e., from 01st April, 2024 till 31st March, 2029 subject to the approval of the members in the ensuing Annual General Meeting as required under Section 196 and 197 of the Companies Act, 2013.

The Board, based on working experience of Mr. Anirudh Jhunjhunwala, considers that his association would be of immense benefit to the Company and it is desirable to avail services of him as the managing Director and accordingly recommends the resolution as set forth in Item no. 7 for the approval of the shareholders of the Company.

The approval of the Members is being sought to the terms and conditions of reappointment of Mr. Anirudh Jhunjhunwala as the Managing Director of the Company. The terms and conditions proposed are in line with what is necessary to continue to encourage efficient management. The proposed appointment and the terms and conditions of appointment are in accordance with the conditions specified in Schedule V to the Companies Act, 2013.

Accordingly, the Board recommends the Ordinary Resolution as set out in Item No. 7 of the Notice in relation to ratification of reappointment of Mr. Anirudh Jhunjhunwala as the Managing Director of the Company, for the approval by the shareholders of the Company.

Except Mr. Anirudh Jhunjhunwala, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI Listing Regulations and the SS-2 on the General Meetings.

Item No. 8

Pursuant to the applicable provision of the Companies Act, 2013 ("Act") read with the applicable rules issued under the Act, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with amendment thereof ("SEBI Listing Regulations") and the Company's Policy on Materiality of Related Party Transactions and also on dealing with Related Party Transactions of the Company ("the Policy"), all material related party transactions of the Company require prior approval of the members of the Company through ordinary resolution.

In accordance with Regulation 23 of the SEBI Listing Regulations, "Material Related Party Transaction" means any transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

The omnibus approval of the related party transactions with M/s. BDJ Oxides Pvt Ltd, Subsidiary Company, that has already been granted by the Audit Committee in its Meeting dated 08th May, 2024 may exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company if considered individually or taken together with Previous transactions of the Financial Year. An ordinary Resolution is required to be passed by the Shareholders in the Annual General Meeting as per Regulation 23 of SEBI Listing Regulations to give effect to the same.

By Order of the Board of Directors
J.G.Chemicals Limited

Sd/-
Swati Poddar
CS & Compliance Officer

Date: August 08, 2024
Place: Kolkata

ANNEXURE TO NOTICE OF AGM

Relevant details, in terms of Regulation 36 of the Listing Regulations, Section 152 of the Companies Act, 2013 and Secretarial Standards-2 on General Meeting, in respect of the Directors seeking appointment/proposed for re-appointment at this Annual General Meeting are as follows:-

Name of the Director	Anirudh Jhunjhunwala	Ashok Bhandari	Sukanta Nag	Savita Agarwal
Director Identification Number	00234879	00012210	08696001	00062183
Date of Birth	February 02,1979	February 02,1953	December 02,1959	June 22,1972
Age	43 Years	71 Years	65 Years	55 Years
Qualifications	MBA from Warwick University, U.K.; B.Com from Calcutta University	B.Com & Chartered Accountant	B.Com, CS, CA, ICWA, CAIIB & M.Com	B.Com & Chartered Accountant
Expertise in Specific functional Areas	He holds a bachelors' degree of Commerce from Calcutta University and holds a master's degree in business administration from University of Warwick. He is responsible for the overall business activities of the Company. He has been associated with our Company since its incorporation and has over 20 years of experience in chemical and speciality chemical industry.	He is a chartered accountant by profession and holds a certificate of membership from the Institute of Chartered Accountants of India. He has over 25 years of experience as financial advisors in Shree Cement.	He holds a bachelors and master's degree in commerce from University of Calcutta. He holds a certificate of membership issued by Institute of Chartered Accountants of India and has successfully passed the final examination conducted by the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. Further, he has successfully passed the associate examination of the Indian Institute of Bankers. He was previously associated with many organisations including, Care Ratings Limited, as an Executive Vice-President and Infomerics Valuation and Ratings Private Limited as Chief Executive Officer	She is a chartered accountant by profession and holds a certificate of membership form the Institute of Chartered Accountants of India. Further, she also holds a certificate of registration from Insolvency and Bankruptcy Board of India to act as an insolvency professional. Presently, she is a partner at R. Kothari & Co. LLP, a practicing Chartered Accountants firm
Date of First Appointment	28th June, 2001	30th June, 2022	30th June, 2022	30th June, 2022
Remuneration last drawn during FY 2023-24 and Remuneration Proposed to be paid	**Remuneration Last Drawn:** 12,50,000 Per Month (Exclusive of Perquisites) **Remuneration proposed to be paid:** Remuneration will remain same as approved by the members at AGM held on September 08,2022	Will be entitled to Sitting Fees for attending the Board and Committee Meetings of the Company	Will be entitled to Sitting Fees for attending the Board and Committee Meetings of the Company	Will be entitled to Sitting Fees for attending the Board and Committee Meetings of the Company

Shareholding in the Company (as on March 31, 2024)	41,60,000 Equity Shares	Nil	Nil	Nil
No. of Board Meetings attended during the financial year 2023-24	10	10	6	6
Age	43 Years	71 Years	65 Years	55 Years
List of listed Companies in which Directorships held as on 31st March, 2024	NIL	i. Rupa & Company Limited ii. Skipper Limited iii. IFB Industries Limited iv. Maharashtra Seamless Limited v. N.B.I. Industrial Finance Company Ltd	NIL	i. Intrasoft Technologies Limited
Chairman/ Member of the Committee of the Board of other listed Companies in which he is a Director as on 31st March, 2024	NIL	i. Member of Audit, NRC & Risk Management Committee and Chairman of Stakeholders Relationship Committee of Rupa & Company Limited. i. Member of Audit and Nomination & Remuneration Committee of Skipper Limited. ii. Member of Audit, CSR & Stakeholders Relationship Committee and Chairman of Nomination & Remuneration Committee of IFB Industries Limited. iii. Member of Audit & Risk Management Committee and Chairman of Nomination & Remuneration Committee of Maharashtra Seamless Limited. iv. Chairman of ALCO Committee (RBI related) of N.B.I. Industrial Finance Company Ltd	NIL	i. Member of Nomination & Remuneration Committee and Chairman of Audit Committee of Intrasoft Technologies Limited
Relationship with other Directors and KMPs of the Company	Mr. Anirudh Jhunjhunwala is a son of Mr. Suresh Jhunjhunwala, Executive Chairman & Whole-time Director and brother of Mr. Anuj Jhunjhunwala, Whole-time Director & Chief Financial Officer of the Company.	Nil	Nil	Nil
Terms and conditions of appointment or re-appointment	Continue to act as a Managing Director for 5 years of the Company.	Proposed to be re-appointed as Non-Executive Independent Director for a term of 5 consecutive years	Proposed to be re-appointed as Non-Executive Independent Director for a term of 5 consecutive years	Proposed to be re-appointed as Non-Executive Independent Director for a term of 5 consecutive years

* Excluding Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013

For J.G.Chemicals Limited

Sd/-
Swati Poddar
Company Secretary & Compliance Officer

Date: August 08, 2024
Place: Kolkata

DIRECTORS' REPORT

Dear Members,

Your Directors ("the Board") take pleasure of presenting the Board's Report as a part of the 23rd Annual Report of your Company ("the Company" or "J.G. Chemicals Limited"), together with the Audited Financial Statements (Standalone and Consolidated) and the Auditor's Report thereon for the Financial Year ended 31st March, 2024.

FINANCIAL HIGHLIGHTS:

The financial statements for the year ended 31st March, 2024 have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(All amount in INR Millions unless otherwise stated)

Financial Results	Standalone		Consolidated	
Particulars	F.Y. 2023-24	F.Y. 2022-23	F.Y. 2023-24	F.Y. 2022-23
Revenue From Operation	2,446.49	3,352.99	6,676.86	7,845.76
Other Income	73.17	77.60	77.52	96.12
Total Income	2,519.66	3,430.59	6,754.37	7,941.88
Expenses	2,342.40	3,072.88	6,223.75	7,090.72
Profit Before Depreciation, Finance Cost and Tax	177.26	357.71	530.62	851.17
Less: Finance Cost	6.19	8.39	36.32	49.83
Less: Depreciation	9.01	6.83	45.26	34.40
Profit before Exceptional Item and tax	**162.06**	**342.49**	**449.04**	**766.94**
Exceptional Item(Entry Tax For Earlier Years)	**18.02**	**-**	**18.02**	**-**
Profit After Exceptional Item and Before Tax	**144.04**	**342.49**	**431.02**	**766.94**
Less: Tax Expense	36.17	90.28	109.94	199.01
Profit after Taxation (PAT)	**107.87**	**252.21**	**321.08**	**567.93**
Profit Attributable to owners of the company	NA	NA	355.74	550.38
Non-Controlling Interest	NA	NA	12.52	18.52
Earnings per Share (in ₹)	**3.36**	**7.95**	**9.60**	**17.32**

BUSINESS ACTIVITIES

Your Company is the largest manufacturer of zinc oxides in India and among the top ten manufacturers of zinc oxides globally, with an installed capacity of 59,904 MTPA for zinc oxide, 7,056 MTPA for zinc ingots and 10,080 MTPA capacity for zinc sulphate and other allied chemicals. Going forward, your Company has various growth plans with respect to entering into new products and geographies. These will help propel the next level of growth for the Company and help it to reach amongst the Top 5 zinc oxide producers globally in due course.

FY 23-24 was a challenging year for the global markets due to various macro-economic reasons. There was a significant drop in zinc metal prices which impacted the overall revenues. However, despite the various challenges and headwinds, the Company was able to increase its volumes. Profitability took a severe hit due to the significant fall in zinc prices and certain other factors affecting the prices of zinc scrap.

Production capacities, process of production, grades of Zinc Oxide and variety of application segments are some of the factors through which the key players control the market. We sell over 80 grades of zinc oxide, thereby enabling us to cater to a wide variety of customers, across various end-use industries. Your company is working continuously on developing new grades of zinc oxide to cater to specific requirements of customers.

We believe that our leadership position in the Indian domestic markets is a consequence of (a) consistency of our product quality, which has resulted in our Company being considered as a preferred supplier to certain marquee tyre manufacturers; (b) our established infrastructure; and (c) the strategic location of our manufacturing facilities near the demand of such products. Our leadership position offers us competitive advantages such as product pricing, economies of scale, and the ability to scale our business, increase customer loyalty and expand our client base, all of which have resulted in strong performance over the last several years.

PERFORMANCE & ANALYSIS

Your Directors like to inform that:

i) On a consolidated basis, the revenue for FY 2024 ₹ 6,676.86 Million, lower by 14.90% over the previous years' revenue of ₹ 7,845.76 Million. The profit after tax ("PAT") attributable to shareholders and non-controlling interests for FY 2024 and FY 2023 was ₹ 321.08 Million and ₹ 567.93 Million respectively. The PAT attributable to shareholders

for FY 2024 (including total other comprehensive income) was ₹ 355.74 Million registering a decline of 35.36% over the PAT of ₹ 550.38 Million in FY 2023.

ii) On a standalone basis, the revenue for FY 2024 was ₹ 2,446.49 Million, lower by 27.04% over the previous year's revenue of ₹ 3,352.99 Million. The PAT attributable to shareholders in FY 2024 was ₹ 107.87 Million registering a decline of 57.23% over the PAT of ₹ 252.21 Million in FY 2023.

CREDIT RATINGS

During the year under review, the Company had received its credit ratings from CRISIL Ratings. M/s. CRISIL Limited have reaffirmed ratings as CRISIL A- (Stable) for Long term and CRISIL A2+ for Short term based on all the Bank facilities taken by the Company.

DIVIDEND

For conservation of profit for business extension, the Board of Directors had not recommended any dividend for the members of the Company for the Financial Year ended 31st March, 2024.

SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES

As of March 31, 2024, the Company has one subsidiary, M/s. BDJ Oxides Private Limited.

The Company has prepared a Consolidated Financial Statement of the Company and its material subsidiary, namely, M/s. BDJ Oxides Private Limited in the form and manner as that of its own, duly audited by M/s. S. Jaykishan, the statutory auditors in compliance with the applicable accounting standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter referred to as the 'SEBI Listing Regulations.').

The Consolidated Financial Statement for the FY 2023-24 forms a part of the Annual Report and Accounts and shall be laid before the Members of the Company at the forthcoming AGM while laying its financial statements under sub-section (2) of the said section. Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company as Annexure I.

Further pursuant to the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company at www.jgchem.com under the segment 'Investor Relations'.

During the financial years 2022-23 and 2023-24, M/s. BDJ Oxides Private Limited is a material subsidiary in accordance with Regulation 16 of the SEBI Listing Regulations. The Company has formulated a policy for determining material subsidiaries. The Policy is available on the website of the Company at https://jgchem.com/governance.

A report on the performance and financial position of each subsidiary, as required by subsection (3) of Section 129 of the Companies Act, 2013 (the "Act"), read with Rule 5 of the Companies (Accounts) Rules, 2014, is provided in Form AOC-1 and annexed to this report as Annexure I.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company for the financial year ended 31st March 2024, along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at www.jgchem.com.

TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company (Standalone) for FY ended 31st March, 2024, after all appropriations and adjustments was ₹ 2,504.79 Million.

PROMOTERS' GROUP SHAREHOLDING

As on March 31, 2024, the total shareholding of Promoter Group of your Company stood at 70.99% (previous year 100%) in the Paid up Share Capital of the Company. Members may refer to the Extract of Annual Return (MGT-9) for details of Promoters' Group shareholding.

In compliance with Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 ("SEBI Listing Regulations, 2015"), the entire shareholding of Promoter(s) and Promoter group is in dematerialized form.

PUBLIC DEPOSITS

Your Company has not invited or accepted any deposits covered under Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis as required under Schedule V of the SEBI Listing Regulations forms an integral part of the Annual Report.

SHARE CAPITAL

Authorised Share Capital:

In view of the Initial Public Issue the Company has increased its Authorised Share Capital from ₹ 370 Million to 450 Million divided into 45 Million Equity Shares of ₹ 10/- each as approved in the Extra Ordinary General Meeting held on 29.02.2024.

Issued and Paid Up Share Capital:

During the year under review your Company came out with initial public offer resulting Issued & Paid-up Share Capital increased to ₹ 391.86 Million from ₹ 317.20 Million in the previous year. The complete details including reconciliation thereof has been provided in Note number 18 of the Standalone Financial Statement of Accounts as on 31.03.2024.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return of the Company as on 31st March, 2024 is available on the website of the Company at the following link: www.jgchem.com.

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

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in Annexure– II, which is annexed hereto and forms a part of the Board's Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company that have occurred between the close of the financial year ended 31st March, 2024 and the date of this Board's Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and the Company's operations in future.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The details in respect of internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investments covered under Section 186 of the Companies Act,2013 ("the Act") form part of the notes to the financial statements provided in this Annual Report.

COMMITTEES OF THE BOARD

As required under the Act and the SEBI (LODR) Regulations, the Board has six (6) Statutory Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Independent Directors' Committee and the Risk Management Committee. Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. The CSR policy is available on the website of your Company at https://jgchem.com/governance/. The Annual Report on CSR activities is annexed marked as Annexure III and forms part of this report. The Chief Financial Officer of your Company has certified that CSR spends of your Company for FY 2023-24 have been utilised for the purpose and in the manner approved by the Board of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has implemented a whistleblower policy and established a vigil mechanism in accordance with Section 177 of the Act and Regulation 22 of SEBI (LODR) Regulations. This mechanism allows directors and employees to report genuine concerns about unethical or improper activities without fear of retaliation. It includes safeguards against the victimization of whistleblowers and provides direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the Company's website and may be accessed at the following link: https://jgchem.com/wp-content/uploads/2024/06/Whistle-Blower-Policy.pdf

During the financial year 31st March, 2024, the Company has not received any complaint under the vigil mechanism / whistle blower policy.

BOARD EVALUATION

The Board has adopted a formal mechanism for evaluating its performance, as well as that of its Committees and individual Directors, including the Chairman. This structured evaluation process covers various aspects of the Board's functioning, including its composition, the experience and competencies of its members, performance of specific duties and obligations, contributions during meetings and otherwise, exercise of independent judgment, and governance issues.

REMUNERATION POLICY

The Company follows the policy to fix remuneration of its Directors, KMPs and other employees by taking into account the trend in the industry, qualification, experience, past performance and past remuneration of the respective Directors, KMPs and other employees, in the manner to strike a balance between the interest of the Company and its Stakeholders. The Nomination, Remuneration and Evaluation Policy is uploaded on the Company's website and may be accessed at the following link: https://jgchem.com/wp-content/uploads/2023/01/06.-NREP-01-20220525.pdf

TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties are placed before the Audit Committee for its approval. For related party transactions that are repetitive in nature, an omnibus approval is obtained from the Audit Committee.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

Currently, the Audit Committee comprises of all three Independent Directors of your Company along with Mr. Anuj Jhunjhunwala, Whole Time Director and Mr. Anirudh Jhunjhunwala, Managing director of the Company. The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

During FY 2023-24, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Act, in Form AOC 2, is not applicable.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link https://jgchem.com/wp-content/uploads/2024/02/JGCL-RPT-Policy-20.11.23.pdf .

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

RISK MANAGEMENT

The Company has established a structured Risk Management Framework to identify, assess, and mitigate risks effectively. The Board has formed a Risk Management Committee (RMC) to develop, implement, and monitor the Company's risk management plan.

The RMC is responsible for reviewing the risk Corporate Governance Report, as stipulated by SEBI (LODR) Regulations, forms part of this Annual Report along with the required certificate from a Practising Company Secretary, regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI (LODR) Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at https://jgchem.com/wp-content/uploads/2023/01/18.-Code-BOD-01-20222025.pdf.

NUMBER OF MEETINGS OF THE BOARD

During the FY 2023-24, the Board met 10 (Ten) times. The intervening gap between two consecutive board meetings did not exceed 120 days, as prescribed under the Act and SEBI (LODR) Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Section, which forms part of this Annual Report. Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meeting.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 28th February, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees, and the Board as a whole, including the performance of the Chairman. This review considered the views of Executive and Non-Executive Directors and assessed the quality, quantity, and timeliness of information flow between management and the Board, ensuring that the Board can effectively and reasonably perform its duties.

BOARD FAMILIARISATION AND TRAINING PROGRAMME

With a view to familiarize the Independent Directors with the Organization Functions and set up and their roles, rights and responsibilities in the company and nature of industry in which the company operates etc.

Additionally, the Board is regularly updated on changes in statutory provisions relevant to the Company, as well as on the Company's operations, key trends, and risk universe. These updates help the Directors stay informed about the Company on a regular basis. Additionally, the Independent Directors have declared compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, ensuring their names appear in the Independent Directors data bank maintained by the Indian Institute of Corporate Affairs.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) to the median of employees' remuneration are provided in Annexure-IV of this report.

KEY MANAGERIAL PERSONNEL

During the year, there was no change in the Key Managerial Personnel of the Company.

LISTING

During the year under review, the Company had listed its Equity shares on the National Stock Exchange (NSE) and BSE Limited (BSE). The Company has paid the requisite listing fees to all the Stock Exchanges for FY 2024-25.

CORPORATE GOVERNANCE

Your Company is committed to maintain highest standards of corporate governance practices. The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Annual Report along with the required certificate from M/s. K.Arun & Co, Company Secretaries confirming compliance, is annexed herewith and marked as Annexure V forming part of this Report.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:

A. in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures.

B. they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

C. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

D. the annual financial statements have been prepared on a going concern basis;

E. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

F. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

STATUTORY AUDITORS AND AUDITOR'S REPORT

At the AGM of the Shareholders of the Company held on 29th September, 2023, M/s. S. Jaykishan, Chartered Accountants, having Firm Registration No. 309005E, have been re-appointed as the Statutory Auditors of the Company to hold office for a term of four consecutive years from the conclusion of the Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial year ended 31st March, 2027 at a remuneration as may be decided by the Board of Directors in consultation with the Audit Committee and Statutory Auditors of the Company.

The Report given by M/s. S. Jaykishan, Chartered Accountants on the financial statement of the Company for the FY 2023-24 is part of this Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

COST ACCOUNTS AND COST AUDITORS

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Debobrata Banerjee and Associates a firm of Cost Accountants in Practice (Registration No 003850) as the Cost Auditor of the Company to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the year ending March 31, 2024. The said Cost Audit Report does not contain any qualifications, reservations, adverse remarks and disclaimer.

The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed thereunder. The Cost Auditors have confirmed that they are not disqualified to be appointed as the Cost Auditors of the Company for the financial year ending 31 March, 2025. The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

SECRETARIAL AUDITORS AND SECRETARIAL STANDARDS

The Secretarial Audit was carried out by M/s. K. Arun & Co., Company Secretaries (Membership No. FCS 3829) for the financial year ended on 31st March, 2024. The Report given by the Secretarial Auditors is marked as 'Annexure - VI' and forms a part of the Board's Report. The Secretarial Audit Report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY

As per the requirements of SEBI Listing Regulations, the Practicing Company Secretary appointed by material unlisted Indian subsidiary of the Company undertook secretarial audit for FY 2023-24. Secretarial audit report confirms that the material subsidiary has complied with the provisions of the Act, rules, regulations and guidelines and that there were no deviations or non- compliances.

DIRECTORS

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Anuj Jhunjhunwala (DIN: 00234926) is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr. Anuj Jhunjhunwala (DIN: 00234926) as Director for your approval. Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to Section 178(3) of the Act, the Company has framed a policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") which is available on the website of your Company. The Remuneration Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the Nomination & Remuneration Committee for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements.

BOARD DIVERSITY

Your Company recognises and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to the diversity of the Board of Directors. The said Policy is available on your Company's website and may be accessed at the link https://jgchem.com/wp-content/uploads/2024/06/Board-Diversity-Policy.pdf

CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarise with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website and link for the same may be accessed at https://jgchem.com/wp-content/uploads/2023/01/19.-Code-I-TRD-01-20222025.pdf

The employees are required to undergo a mandatory training on this Code to sensitise themselves and strengthen their awareness.

GENERAL

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.
- During the year under review, there were no cases filed or reported pursuant to the sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- There are no proceedings initiated/ pending against the Company under the Insolvency and Bankruptcy Code, 2016
- During the financial year under review, there were no instances of one-time settlement with any bank or financial institution.

ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the members, employee unions, customers, dealers, suppliers, bankers, governments and all other business associates for their continuous support to the Company and their confidence in its management.

On behalf of the Board of Directors
For J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman & WTD
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Date: 08 August 2024
Registered office:
Adventz Infinity@5, 15th Floor Unit 1511, Plot 5, Block – BN
Sector – V, Salt Lake City, Kolkata – 700091

JG CHEMICALS

Annexure - I

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 or associate companies or joint ventures

Part A - Subsidiaries

(All amount in INR Millions unless otherwise stated)

1.	Sl. No.	1
2.	Name of the subsidiary	**BDJ Oxides Private Limited**
3.	The date since when subsidiary was acquired	14/05/2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2023 to 31st March 2024
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-
6.	Share capital	2.66
7.	Reserves & surplus	1,166.64
8.	Total assets	1,631.95
9.	Total Liabilities	1,631.95
10.	Investments	-
11.	Turnover	4,300.08
12.	Profit before taxation	286.98
13.	Provision for taxation	73.77
14.	Profit after taxation	213.21
15.	Proposed Dividend	-
16.	Extent of shareholding (in percentage)	94.13%

Other information:

1. Names of subsidiaries which are yet to commence operations - Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

On behalf of the Board of Directors
For J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman & WTD
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Date: 08 August 2024
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Annexure - I

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 or Joint Ventures	NIL
1. Latest audited Balance Sheet Date	NIL
2. Date on which the associate or joint venture was associated or acquired	NIL
3. Shares of Associate or Joint Ventures held by the company on the year end	NIL
Amount of Investment in Associates or Joint Venture	NIL
Extend of Holding (in percentage)	NIL
4. Description of how there is significant influence	NIL
5. Reason why the associate/joint venture is not consolidated	NA
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	NIL
7. Profit /Loss for the year	
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	NIL

Other information:

1. Names of associates or joint ventures which are yet to commence operations - NA

2. Names of associates or joint ventures which have been liquidated or sold during the year -NA

On behalf of the Board of Directors
For J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman & WTD
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Date: 08 August 2024
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Annexure-II

Information as per Section 134(3)(m), read with the Rule 8(3) of Companies (Accounts) Rules, 2014 for the year ended 31 March 2024:

A. Conservation of energy

(₹ in Millions)

Sl. No.	Particulars	Description
1.	Steps taken or impact on conservation of energy	The Company has taken the following steps towards conversation of energy:- 1) Installation of Energy efficient LED lights. 2) Replacement of old motors. 3) Installations of better waste heat recovery systems.
2.	Steps taken by the Company for utilizing alternate source of energy	The Company is evaluating use of alternative energy saving products such as Solar Power etc., in its plants for conservation of energy.
3.	Capital investment on energy conservation equipment.	₹ 30.54 Millions

B. Technology absorption

Sl. No.	Particulars	Description
1.	Efforts made towards technology Absorption	In-house Research & Development play a vital role in the following areas :- 1. Improvement in quality and enhanced output by process control; 2. Development of new products and grades; 3. Re-cycling the waste and optimum utilization; 4. Automation of material handling systems. 6. Imparting modernised training and guidance to Staff personnel.
2.	Benefits derived like product improvement, cost reduction, product development, import substitution	1. Reduction in processing cost & time; 2. Improvement in quality of output in line with global standards; 3. Optimum utilization of resources by improving the quality of output and refining process technology.
3.	Expenditure incurred on Research and Development.	NIL

C. Foreign Exchange Earnings and Outgo
Total foreign exchange used and earned during the year:

(₹ in Millions)

Particulars	2023-24	2022-23
Total foreign exchange earned	615.75	680.23
Total foreign exchange outgo	934.10	1274.84

On behalf of the Board of Directors
For J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman & WTD
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Date: 08 August 2024
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Annexure-III

Annual Report on CSR Activities For the Year ended March 31, 2024

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR OF THE COMPANY

On the CSR front, the Company has contributed towards several causes like Education and Health care schemes, Animal Welfare, Rural Development, Eradicating Hunger etc. These initiatives will be continued in the years to come. The Report on CSR for the financial year 2023-24 is given below, in compliance to the provisions of Section 135 of the Companies Act, 2013.

Sl No.	Name of Directors	Designation/ Nature of Directorship	Number of Meeting of CSR Committee held during the year.	Number of Meeting of CSR Committee attended during the year.
1.	Mr. Suresh Jhunjhunwala	Chairman	2 (Two)	2 (Two)
2.	Mr. Anirudh Jhunjhunwala	Member	2 (Two)	2 (Two)
3.	Mr. Ashok Bhandari	Member	2 (Two)	2 (Two)

3. Provide the web-link where CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

CSR policy & CSR -Projects - https://www.jgchem.com.

4. Provide the 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

Not Applicable

5. 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.

(All amount in INR Millions unless otherwise stated)

Sl No.	Financial Year	Amount Available for Set off from Preceding Financial years	Amount Required to be set off for the financial year, if any
1.	2023-2024	0.03	0.00

6. Average net profit of the Company as per Section 135(5) of the Act:- ₹ 216.26 Million

7. a) Two % of average net profit of the Company as per Section 135(5) of the Act:- ₹ 4.33 Million

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:- ₹ 0.00 Million

d) Total CSR obligation for the financial year (7A+7B-7C):- ₹ 4.33 million

8. (a) CSR amount spent or unspent for the financial year:

(₹ in Millions)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to un-spent CSR Account as per section 135(6) of the Act.		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
4.36	-	-	-	-	-

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

(₹ in Millions)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	**District**			**Name**	**CSR Registration No.**
1.	Education and Healthcare	Ongoing Projects	Yes	Naidu-peta	Andhra Pradesh	1.00	NO	BDJ Foundation CSR00072087	

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	**District**			**Name**	**CSR Registration No.**
1.	Education & Medical AID	Contribution towards imparting Vedic Knowledge and education of the Under Privileged and Medical AID	Yes	Telengana	Peddapali	0.10	NO	Sri Seetharaman Seva Sadan- CSR00001559	
2.	Eradicating Hunger	Contribution towards providing One meal to students of Educational Institution	Yes	West Bengal	Bakhrahat	0.05	NO	Parivar Education Society- CSR00000052	
3.	Education	Contribution towards training and education of the Under Privileged	Yes	West Bengal	Kolkata	0.20	NO	BDJ Foundation CSR00072087	

(₹ in Millions)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. 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	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	**District**			**Name**	**CSR Registration No.**
4.	Education	Running One teacher School – Ekal Vidyalaya Programme	Yes	Jharkhand	Simdega	1.39	NO	Friends of Tribal Society- CSR00001898	
5.	Health Care	Health Care (Fixation of Artificial Limb)	Yes	West Bengal	Kolkata	0.11	NO	Marwari Yuva Manch – Hindmotor CSR00053098	
6.	Health Care	Health Care	No	Maharashtra	Mumbai	0.01	NO	The Blind & Humanity Welfare Centre CSR00041097	
7.	Animal Welfare	Contribution towards financial support for Animal Welfare	Yes	West Bengal	Kolkata	0.50	NO	Calcutta Pinjrapole Society , Kolkata CSR00007320	
8.	Animal Welfare	Protection of Cows and Animal Welfare	Yes	West Bengal	Kolkata	1.00	NO	Rajasthan Gokalyan CSR00007434	
	TOTAL					**3.36**			

(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 (8b+8c+8d+8e): ₹ 4.36 Million

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (In Million)
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Act	4.33
(ii)	Total amount spent for the Financial Year	4.36
(iii)	Amount set off for the financial year [(i)-(ii)]	(0.03)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	(0.03)

9. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :** Not Applicable

   (a) Date of creation or acquisition of the capital asset(s).

   (b) Amount of CSR spent for creation or acquisition of capital asset.

   (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

   (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

10. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

On behalf of the Board of Directors
For J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman & WTD, CSR Committee - Chairman
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO, CSR Committee - Member
(DIN: 00234879)

Date: 08 August 2024
Registered office:
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Sector – V, Salt Lake City, Kolkatae – 700091

Annexure-IV

Details pursuant to Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of remuneration of each Director to median remuneration of employees of the Company for the financial year 2023-24:

Name	Designation	Ratio
Mr. Suresh Jhunjhunwala	Executive Chairman & WTD	43:54
Mr. Anirudh Jhunjhunwala	CEO & Managing Director	42:52
Mr. Anuj Jhunjhunwala	CFO & WTD	39:12

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2023-24:

Name	Designation	% increase in remuneration
Mr. Suresh Jhunjhunwala	Executive Chairman & WTD	Nil
Mr. Anirudh Jhunjhunwala	CEO & Managing Director	Nil
Mr. Anuj Jhunjhunwala	CFO & WTD	Nil
Ms. Swati Poddar	Company Secretary & Compliance Officer	10.00

Independent Director (Sitting Fee)

Name	Designation	% increase in remuneration
Mr. Ashok Bhandari	Independent Director	Nil
Mr. Sukanta Nag	Independent Director	Nil
Mrs. Savita Agarwal	Independent Director	Nil

3. The percentage increase in the median remuneration of employees in the financial year 2023-24:
The percentage increase in the median remuneration of employees is 12.99%.

4. The number of permanent employees on the rolls of the Company:
There were 56 number of permanent employees on the rolls of the Company as on 31 March 2024.

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

Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2023-24 was 9.10% whereas the increase in the managerial remuneration for the same financial year was Nil.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:
It is affirmed that the remuneration paid to Directors, Key Managerial Person and other employees are as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel, and other employees.

Note: The Independent Directors of the Company are entitled to sitting fees as per the terms approved by the Members of the Company. The criteria for making payments to the Independent Directors and details of remuneration paid to them have been provided in the Corporate Governance Report.

On behalf of the Board of Directors
For J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman & WTD
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Date: 08 August 2024
Registered office:
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Sector – V, Salt Lake City, Kolkata – 700091

Annexure-V

CORPORATE GOVERNANCE REPORT

(In compliance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements Regulations, 2015)

Your Company, J.G.Chemicals Limited, is obligated to maximise shareholders value over the long term, while preserving the interests of all its stake holders, such as Customers, Vendors, Employees and Society at large. Your Company is committed to high levels of ethics and integrity in all its business dealings, devoid of all conflicts of interest.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance framework of the Company is based on an effective Board of Directors, separation of the supervisory role of the Board of Directors from the executive management team and constitution of the committees of the Board of Directors, as required under applicable laws. The Company strongly believes in ensuring and implementing good Corporate Governance across the organization with a view to sustain and improve, with each passing day, the Company's efficiency, effectiveness and social responsibility. The basic philosophy of Corporate Governance in our organization emphasizes on highest levels of transparency, accountability, awareness and equity in all respect of its operations. As a Listed Company, we are in compliance with the applicable provisions of the Listing Regulations, as amended from time to time, pertaining to Corporate Governance, including the appointment of the Independent Directors and constitution of Committees. The Board of Directors function independently or through various committees constituted to oversee specific operational areas. Our continuous endeavour aims at designing and improving the flow of activities in an effective manner and ensuring economic prosperity and long term value creation for the enterprise as well as the stakeholders. The Company has a strong legacy of fair, transparent and ethical governance practices. The Board of Directors of the Company have ultimate responsibility for the management, general affairs, direction, performance and long-term success of the business as a whole.

The Company is fully in compliance with the requirements specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including any statutory modifications or re-enactments thereof, (hereinafter referred to as the "SEBI Listing Regulations").

Your Company always strives to adopt best practices in Corporate Governance and remain abreast with continuous development in the Governance system. The Company's governance is best on the following principles which adhere sound governance practices of transparency & accountability with an ultimate amin of enhancing Shareholder value:

(a) Constitution of Board of Directors with an appropriate blend of Executive and 'Non-Executive Directors committed to discharge their responsibilities and duties.

(b) Strict Compliance with all governance codes, Listing Agreements, all other applicable laws and regulations.

(c) Timely and balanced disclosure of all material information relating to the Company to all the stakeholders.

(d) Adoption of 'Code of Conduct' for Directors and Senior Management and 'Code of Ethics' and 'Policy on Prohibition of Insider Trading' and effective implementation thereof.

(e) Sound system of Risk Management and Internal Control.

(f) Regular update on Company's website i.e., www.jgchem.com to keep stakeholders informed.

II. THE BOARD OF DIRECTORS

A quality Board, being at the core of its Corporate Governance practice, plays the most pivotal role in overseeing how the management serves and protects the long-term interest of all stakeholders. The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance and to bring the objectivity and transparency in the Management. The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has vested with the requisite powers, authorities and duties.

A. TERMS OF REFERENCE

The composition of the Board satisfies the requirements of Regulation 17 of the SEBI Listing Regulations read with Schedule II Part A and Section 149 of the Companies Act, 2013 ("hereinafter referred to as "the Act").

B. COMPOSITION OF THE BOARD OF DIRECTORS OF THE COMPANY AS ON 31ST MARCH, 2024

The Board comprises:-

Category	No. of Directors	% of total no. of Directors
Non-Executive Promoter Directors	0	0
Executive Director, who is the Managing Director of the Company	1	16.67
Executive Directors, who are not the Managing Director of the Company	2	33.33
Non-Executive Independent Directors	3	50
Total	**6**	**100**

The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies and the shareholdings in the Company are given below:

Name of the Director	Category of the Director	No. of Directorship in listed entities and J.G.Chemicals Limited [in reference to Regulations 17A(1)]	No of independent Directorship in listed entities and J.G.Chemicals Limited [in reference to proviso to Regulations 17A(1)]	No. of memberships in Audit/ Stakeholder Committee(s) and J.G.Chemicals Limited (Refer Reg. 26(1) of SEBI Listing Regulations)	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities and J.G.Chemicals Limited (Refer Reg. 26(1) of SEBI Listing Regulations)
Mr. Suresh Jhunjhunwala (DIN: 00234725)	Executive, Chairman and Whole-time Director	1	NA	2	-
Mr. Anirudh Jhunjhunwala (DIN: 00234879)	Managing Director and CEO	1	NA	1	-
Mr. Anuj Jhunjhunwala (DIN: 00234926)	Whole-time Director and CFO	1	NA	-	-
Mr. Ashok Bhandari (DIN: 00012210)	Independent Director	6	5	8	1
Mrs. Savita Agarwal (DIN: 00062183)	Independent Director	2	2	2	1
Mr. Sukanta Nag (DIN: 08696001)	Independent Director	1	1	2	2

Notes:-

1. Directorships held by Directors in the afore-mentioned Table do not include Private Limited Companies, Foreign Companies, Section 8 Companies, Alternate Directorships and One Person Companies. All the Public Limited Companies, whether listed or not, have been considered in the afore-mentioned Table.
2. Memberships / Chairmanships of only the Audit Committee and the Stakeholders' Relationship Committee of the public limited companies, whether listed or not, have been considered. All other companies including private limited companies, foreign companies and companies under Section 8 of the Act have been excluded.
3. The names of the Listed Entities where the person is a Director and the Category of Directorship have been depicted in the table as per the requirement of Schedule V Part C of the SEBI Listing Regulations.
4. None of the Directors are related to each other, except for Mr. Suresh Jhunjhunwala, Mr. Anirudh Jhunjhunwala and Mr. Anuj Jhunjhunwala
5. The Independent Directors have confirmed that they meet the criteria of independence u/s 149(6) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations and are independent of the management. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1st December, 2019.
6. The Company has proper systems to enable the Board of Directors to periodically review the compliance reports pertaining to all laws applicable to the Company.
7. During the year 2023-2024, information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
8. The Company has in place, plans for orderly succession for appointment to the Board of Directors and Senior Management.
9. The Company also, has in place, procedures to inform Members of the Board of Directors about the risk assessment and minimization. The Company has in place a Risk Management Policy and the Risk Register relating to the Company and the implementation of the mitigation measures along with a discussion on the Sustainability Report of the Company for the FY 2023-24 were duly done at the Risk Management Committee Meeting of the Company held on 14th February, 2024.

10. The Chairman of our Company is an Executive Director and is related to the Managing Director, CEO and CFO of the Company.

11. The maximum no. of Directorships held by all our Directors are well within the limit of 10 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities. Besides, the Managing Director of our Company does not serve as an Independent Director in any of the listed entities.

12. The maximum no. of Committee Memberships held by all our Directors are well within the limit of 10 Committees and in case of Chairmanship, our Directors do not act as Chairman in more than 5 listed entities.

C. BOARD MEETINGS

As per the Companies Act,2013 the Board requires to meet at least 4 times in a year, with 1 meeting being held in every quarter. The intervening period between two Board Meetings is well within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. This financial year 2023-2024 witnessed 10 Board Meetings. The Board Meeting dates are fixed well in advance and necessary intimations and disclosures take place. The notice of the Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set up by the Company Secretary and includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. All the statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable.

D. AGENDA

Agenda are being circulated well within the time along with requisite details & explanations as required under the Company's Act 2013. The Company has adopted a practice of making electronic presentation of the Agendas, reports for discussion during the Board Meeting and other Committee Meetings.

E. DETAILS OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2023-2024

The Board of Directors met 10 times during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Board Strength	No. of Directors present
1.	03-07-2023	6	6
2.	17-07-2023	6	6
3.	19-09-2023	6	6
4.	20-11-2023	6	6
5.	14-02-2024	6	6
6.	27-02-2024	6	4
7.	28-02-2024	6	6
8.	29-02-2024	6	4
9.	08-03-2024	6	4
10.	11-03-2024	6	4

Attendance at Board Meetings and at Annual General Meetings held during the Financial Year 2023-2024

The Attendance Record of the Directors at the Board Meetings held on the afore-mentioned dates are captured herein below:-

Name of the Director	Board Meetings		Attendance at the last Annual General Meeting
	Held during tenure	Attended	
Mr. Suresh Jhunjhunwala	10	10	Yes
Mr. Anuj Jhunjhunwala	10	10	Yes
Mr. Anirudh Jhunjhunwala	10	10	Yes
Mr. Ashok Bhandari	10	10	No
Mrs. Savita Agarwal	10	6	Yes
Mr. Sukanta Nag	10	6	Yes

Note:

Necessary Quorum, as per Regulation 17(2A) of the SEBI Listing Regulations was present for all the Meetings

F. COMPLIANCE WITH THE CODE OF CONDUCT

The Board of Directors of the Company ("the Board") has adopted the "Code of Business Conduct and Ethics ("the Code") for Directors and Senior Management Personnel of the organisation. The adoption of this Code of Conduct by the Board stems from the fiduciary responsibility which the Board Members and the Senior Management have towards the stakeholders in the Company. The Code of Conduct also inter alia, contains the duties of the Independent Directors as laid down in the Act. The Code is available on the website of the Company at https://jgchem.com/governance/

All the Directors including the Chairman and the Managing Director of the Company have given a declaration of compliance with the Company's Code of Conduct in accordance with Regulation 26(3) of the SEBI Listing Regulations during the year ended 31st March, 2024.

III. COMMITTEES OF THE BOARD

The Board has currently established the following Statutory & Non-Statutory Committees. The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry clearly defined roles which are considered to be performed by the Members of the Board, as part of Good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committees inform the Board about the summary of the discussion held in the Committee Meetings. The Minutes of the Meeting of all the Committees are placed before the Board for review.

During the year, there are six Committees of the Board – the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Corporate Social Responsibility Committee, the Risk Management Committee, the Independent Directors Committee. The IPO Committee that has been constituted for the Initial Public Offering (IPO) of the Company was dissolved post completion of the IPO. The terms of reference of these Committees are determined by the Board from time to time. The composition, name of Members and attendance and the Meetings of these Committees are enumerated below:

A. AUDIT COMMITTEE

1. Terms of Reference

The Company has an Audit Committee and the terms of reference are in conformity with the powers as stipulated in Regulation 18 read with Schedule II Part C of the SEBI Listing Regulations and Section 177 of the Act.

The role of the Audit Committee of the Company includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, appointment, remuneration and terms of appointment of the auditors.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and Auditors' Report before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
   b) Changes, if any, in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with listing and other legal requirements relating to financial statements.
   f) Disclosure of any related party transactions.
   g) Modified opinion(s) in the draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency for monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

   Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process.
7. Approval or any subsequent modification of transactions of the Company with related parties.
8. Scrutiny of inter-corporate loans and investments;
9. Reviewing the utilisation of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end use of funds raised through public offers and related matters;
13. Reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

15. Discussion with Internal Auditors of any significant findings and follow up thereon;
16. Reviewing the findings of any internal investigations by the Internal Auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the Whistle- Blower Mechanism;
20. In consultation with the Internal Auditors, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
21. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; and
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Financial statements, in particular, the investments made by the unlisted subsidiary companies;
3. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
4. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
5. Internal audit reports relating to internal control weaknesses;
6. Appointment, removal and terms of remuneration of the Internal Auditors;
7. Statement of deviations:
   a) quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulation
   b) annual statement of funds utilised for the purposes other than those stated in the offer document/ prospectus/ notice in terms of the Listing Regulation.
8. Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important, including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;
9. Any material default in financial obligations by the Company; and
10. Any significant or important matters affecting the business of the Company.

2. Composition of the Audit Committee as on 31st March, 2024

The Audit Committee comprises 4 Directors, out of which 3 Directors are Non-Executive Independent Directors and 1 is an Executive Director. The Chairman of the Audit Committee, Mr. Sukanta Nag, is a Non-Executive Independent Director. The other members of the Audit Committee are, Mr. Ashok Bhandari, Mrs. Savita Agarwal, and Mr. Suresh Jhunjhunwala.

3. Details of Audit Committee Meetings Held During the Financial Year 2023-2024

The Audit Committee met 5 times during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Committee Strength	No. of Members present
1	03-07-2023	3	3
2	17-07-2023	3	3
3	19-09-2023	3	3
4	20-11-2023	4	4
5	14-02-2024	4	4

Attendance at Audit Committee Meetings held during the Financial Year 2023-2024

The names of Members and Chairman of the Audit Committee, Meetings held and attendance thereof during the Financial Year 2023- 2024 are as given below:

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Sukanta Nag	Independent- Chairman	2	2
Mr. Ashok Bhandari	Independent- Member	5	5
Ms. Savita Agarwal	Independent- Member	5	5
Mr. Suresh Jhunjhunwala	Chairman of the Board, Whole time Director- Member	5	5

In the Board Meeting held on 19th September, 2023, Audit Committee had been reconstituted with Mr. Sukanta Nag (Independent Director) as Chairperson, Mr. Ashok Bhandari (Independent Director) as Member, Mrs. Savita Agarwal (Independent Director) as Member and Mr. Suresh Jhunjhunwala (Chairman of the board and Whole Time Director) as Member.

1. Meetings

- Audit Committee Meetings were held on 03-07-2023, 17-07-2023, 19-09-2023, 20-11-2023 and 14-02-2024 respectively. The intervening period between two Audit Committee Meetings is within the maximum time gap of one hundred and twenty days as prescribed under the SEBI Listing Regulations. The necessary quorum was present for all the meetings. The Annual Accounts for the year ended 31st March, 2023 was reviewed by the Audit Committee at its Meeting held on 03rd July, 2023. The Audit Committee also reviewed the Audited Financial Results for the year ended 31st March, 2023 and Unaudited Financial Results for the quarters ended 30th June, 2023, 30th September, 2023 and 31st December, 2023 before recommending their adoption to the Board.
- Mr. Sukanta Nag, the Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 29th September, 2023 to answer the shareholder's queries.
- The Managing Director, Chief Financial Officer, Head of Internal Audit and the representatives of the Statutory Auditors and Cost Auditors of the Company are invited by the Audit Committee to its Meetings. The Auditors are heard in the meetings of the Audit Committee when it considers the financial results of the Company and auditors' views thereon are taken into consideration.
- The Company Secretary acts as Secretary to the Audit Committee.
- All Members of the Audit Committee are financially literate and have accounting & related financial management expertise.

2. Role of Internal Auditor

The Internal Audit has a well laid internal audit methodology, which assesses and promotes strong ethics and values within the organization and facilitates in managing changes in the business and regulatory environment. It encompasses all the aspects of business such as operational, financial, information systems, risk management and all the regulatory compliances are reviewed periodically. The Internal Auditor makes presentations and reports to the Audit Committee of the Board of Directors of the Company on a quarterly basis pertaining to the key internal audit findings and the action plan agreed with the Management.

A. NOMINATION AND REMUNERATION COMMITTEE

In Compliance with the provisions of Section 178 of the Act read with rules framed thereunder and Regulation 19 of the Listing Regulations, your Company has constituted the Nomination and Remuneration Committee.

1. Terms of Reference

The terms of reference of Nomination and Remuneration Committee is in terms of the Act and Part D of the Schedule of the Regulation 19(4) of the Listing Regulations.

The role of the Committee inter alia includes the following:

- Identify persons qualified to become Directors or hold senior management positions and advise the Board for such appointments/removals where necessary;
- Formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- Evaluate the balance of skills, knowledge and experience on the Board and preparation of description of the role and capabilities of an Independent Director;
- Evaluate the performance of Independent Directors and the Board of Directors and to decide whether to continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director;
- Devise a policy on Board diversity;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- Specify the manner for effective evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

In accordance with the recommendation of the Committee, the Company has since formulated a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Committee is responsible for recommending the

fixation and periodic revision of remuneration of the Managing Director. The Committee also decides on payment of commission to Non-Executive Directors and other Senior Managerial Personnel. The performance evaluation criteria for Non-Executive Directors including Independent Directors laid down by Committee and taken on record by the Board includes -

a. Attendance and participation in the Meetings.

b. Preparedness for the Meetings.

c. Understanding of the Company and the external environment in which it operates and contributes to strategic direction.

d. Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.

e. Engaging with and challenging the management team without being confrontational or obstructionist.

The evaluation of the Independent Directors shall be done by the entire Board of Directors which shall include –

a) performance of the Directors; and

b) fulfilment of the independence criteria as specified in the SEBI Listing Regulations and their independence from the management. Provided that in the afore-said evaluation, the Directors who are subject to evaluation shall not participate.

2. Composition of the Nomination and Remuneration Committee as on 31st March, 2024

The Nomination and Remuneration Committee comprises 3 Directors, all of whom are Non - Executive Independent Directors. The Members of the Nomination and Remuneration Committee are Mrs. Savita Agarwal, Mr. Ashok Bhandari and Mr. Sukanta Nag. The Chairman of the Nomination and Remuneration Committee, Mrs. Savita Agarwal, is a Non-Executive Independent Director.

3. Details of Nomination and Remuneration Committee Meetings Held During the Financial Year 2023-2024

The Nomination and Remuneration Committee met 2 times during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Committee Strength	No. of Members present
1	17-07-2023	3	3
2	14-02-2024	3	3

Attendance at Nomination and Remuneration Committee Meetings held during the Financial Year 2023- 2024:

The names of Members and Chairperson of the Nomination and Remuneration Committee, Meetings held and attendance thereof during the Financial Year 2023-2024 are as given below:

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mrs. Savita Agarwal	Independent-Chairman	2	2
Mr. Ashok Bhandari	Independent- Member	2	2
Mr. Sukanta Nag	Independent- Member	2	2

In the Board Meeting held on 19th September, 2023, Nomination & Remuneration Committee had been reconstituted with Mrs. Savita Agarwal (Independent Director) as Chairperson, Mr. Ashok Bhandari (Independent Director) as Member and Mr. Sukanta Nag (Independent Director) as Member.

4. Meetings

- During the year ended 31st March, 2024, the Nomination and Remuneration Committee met 2 times on 17-07-2023 and 14-02-2024 respectively.
- Necessary Quorum as per Regulation 19(2A) of the SEBI Listing Regulations, was present for all the Meetings.
- The Chairman of the Nomination and Remuneration Committee, Mrs. Savita Agarwal was present at the Annual General Meeting of the Company held on 29-09-2023 to answer the shareholders' queries.
- The Company Secretary is in attendance at the Nomination and Remuneration Committee Meetings.

5. Remuneration Policy

In compliance with the requirements of Act and Rules made thereunder and pursuant to Regulation 19 of the SEBI Listing Regulations read with Schedule II Part D to the said Regulations, the Board of Directors has a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel, Functional Heads and other employees of the Company.

- **Non-Executive Directors**

The Non-Executive Directors are paid remuneration based on their contribution and current trends. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee decides the remuneration of the Non-Executive Directors.

The remuneration paid to the Non-Executive Directors by way of sitting fees is ₹ 0.020 Million per Meeting for the Board Meetings, ₹ 0.015 Million per Meeting for the Audit Committee Meetings, ₹ Nil/- per Meeting for the Independent Directors' Committee Meetings, ₹ 0.015 Million per Meeting each for the Nomination and Remuneration Committee Meetings, ₹ 0.015 Million per Meeting each for the Stakeholders Relationship Committee Meetings, ₹ 0.022 Million per Meeting each for the Corporate Social Responsibility Committee Meetings and ₹ 0.015 Million per Meeting each for the Risk Management Committee Meetings.

THE DETAILS OF THE REMUNERATION PAID TO THE NON-EXECUTIVE DIRECTORS HAVE BEEN ENUMERATED BELOW:

I. Details of Sitting Fees/ Remuneration

A. Sitting Fees/ Commission paid to the Non -Executive Directors

The sitting fees for the Board and the Committee Meetings and Commission paid to the Non-Executive Directors during the year ended 31st March, 2024 are as follows:

(₹ in Millions)

Name of the Directors	Sitting Fees	Commission
Mr. Ashok Bhandari	0.365	-
Mr. Sukanta Nag	0.210	-
Mrs. Savita Agarwal	0.225	-

- **Executive Director**

Payment of remuneration to the Managing Director, who is the Executive Director of the Company, is governed by the agreement executed between him and the Company and are also governed by the Board and Shareholders' resolutions. The remuneration structure comprises salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity. The Company does not have any Employee Stock Option Scheme.

Executive Director	Business relationships with the Company, if any	All elements of remuneration package, i.e. salary, benefits, bonuses, pension etc. for the year ended 31st March, 2024	
		Description	Amount (₹ in Millions)
Anirudh Jhunjhunwala	Managing Director	Salary and Allowances,	15.00
		Contribution to Provident, Gratuity and Superannuation Funds	0.90
		Perquisites	0.10
		Total	**16.00**

6 SUCCESSION POLICY

Succession Planning is a process of ascertaining the need for filling positions at the Board, Senior management and other key positions. It involves identification for the said roles, assessment of their potential and developing next generation of leaders as potential successors for key leadership roles in the Company. The Company has in place a Succession Policy and the Board of Directors of the Company reviews and monitors the implementation of the Policy on an annual basis to ensure its effectiveness and to satisfy that plans are in place for orderly succession for appointments to the Board and to the Senior Management. The Company recognises that Succession Planning is a continuous process rather than a onetime event and hence, intends to put in place this Policy that aligns talent management with the said objective and endeavours to mitigate the critical risks such as Vacancy, Readiness and Transition risk. The Board of Directors of the Company has given the authority to Nomination and Remuneration Committee of the Board of Directors of the Company for implementing this Policy and its related procedures. The afore-said Policy is available on the website of the Company and may be accessed at the link: https://jgchem.com/governance/

7. BOARD EVALUATION

Performance evaluation of the Board, the Board Committees and the Individual Directors was carried out by the Board in accordance with the Policy approved by the Nomination and Remuneration Committee of the Board of Directors of the Company in this regard, brief details of which are provided in the Board's Report, forming part of the Annual Report of the Company for FY 2023-24.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In Compliance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, your Company has duly constituted the Stakeholders' Relationship Committee.

Stakeholders' Relationship Committee, inter-alia, oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in quality of investor service. Further, it also looks into redressal of shareholders'/investor complaints.

1. Terms of Reference

The terms of reference of the Stakeholders' Relationship Committee are as per Regulation 20 of the Listing Regulations read with Section 178 of the Act and includes such other functions as may be assigned to it by the Board from time to time.

The role of the Committee inter alia includes the following:

- Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.
- Such other matters as may be required under the Act and Listing Regulations or the Board may, from time to time, request the Committee to examine and recommend/ approve.

2. Composition of the Stakeholders' Relationship Committee as on 31st March, 2024:

The Stakeholders' Relationship Committee comprises 3 Directors, all of them are Non-Executive Independent Directors except Mr. Suresh Jhunjhunwala and Mr. Anirudh Jhunjhunwala. The Members of the Stakeholders' Relationship Committee are Mr. Sukanta Nag, Mr. Suresh Jhunjhunwala and Mr. Anirudh Jhunjhunwala. The Stakeholders' Relationship Committee of the Board of Directors meets at regular intervals and specifically looks into the various aspects of interests of the shareholders and other security holders.

3. Details of Stakeholders' Relationship Committee Meetings Held During the Financial Year 2023-2024:

The Stakeholders Relationship Committee met once during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Committee Strength	No. of Members present
1	14-02-2024	3	3

Attendance at Stakeholders' Relationship Committee Meetings held during the Financial Year 2023-2024:

The names of Members and Chairperson of the Stakeholders Relationship Committee, Meetings held and attendance thereof during the Financial Year 2023-2024 are as given below:-

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Sukanta Nag	Independent- Chairman	1	1
Mr. Suresh Jhunjhunwala	Chairman of the Board & Whole time Director- Member	1	1
Mr. Anirudh Jhunjhunwala	Managing Director and CEO- Member	1	1

In the Board Meeting held on 03rd July, 2023, Stakeholders Relationship Committee had been reconstituted with Mr. Sukanta Nag (Independent Director) as Chairman, Mr. Suresh Jhunjhunwala (Chairman of the Board and Whole Time Director) as member and Mr. Anirudh Jhunjhunwala (Managing Director and CEO) as member.

Name, Designation and Address of Compliance Officer:

Ms. Swati Poddar, Company Secretary.

J.G.Chemicals Limited

Adventz Infinity@5, Unit no. 1511, BN Block, Sector V, Salt Lake, Kolkata-700091

4. Meetings

- During the year ended 31st March, 2024, the Stakeholders' Relationship Committee met on 14-02-2024.
- The Chairperson of the Stakeholders Relationship Committee, Mr. Sukanta Nag was present at the Annual General Meeting of the Company held on 29-09-2023 to answer the queries of the security holders.
- The Company Secretary is in attendance at the Stakeholders' Relationship Committee Meetings.
- The Company has a User ID and Password in place for logging into the SEBI Complaints Redressal System – 'SCORES' and can view the complaints which have been lodged by the shareholders. The Company ensures that timely redressals are made against any complaints raised by the shareholders relating to registration of share transfers, issue of new share certificates, sub-division or consolidation of shareholdings etc.

5. Status of Shareholders' Complaints

Number of complaints received during the year ended 31st March, 2024 as per records of the Compan	Number of complaints resolved during the year ended 31st March, 2024	Number of complaints pending as on 31st March, 2024
Nil	NA	Nil

** The Company has received confirmations from National Stock Exchange of India Limited, Bombay Stock Exchange Limited and from our Registrar M/s. Kfin Technologies Limited that no investor complaints are pending against the company as on 31st March, 2024.

6. Share Transmission System

Pursuant to the amendment in the Listing Regulations and subsequent notification(s) issued by SEBI, except in case of transmissions & transposition of Securities, request for effecting transfer of securities shall not be processed unless the shares are held in dematerialized form with a depository. In this regard, SEBI has issued a Press Release clarifying that the said amendment does not prohibit an investor from holding shares in physical form. However, any investor who is desirous of transferring shares (which are held in physical form) can do so only after the shares are dematerialized. SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued in demat only.

D. RISK MANAGEMENT COMMITTEE

In compliance with Regulation 21 of the Listing Regulations, the Board of Directors of the Company has a Risk Management Committee (RMC) which reviews the Risk Management Policy, the effectiveness and adequacy of the Risk Management Systems of the Company, including Cyber security, etc.

1. Terms of Reference

The brief terms of reference have been approved by the Board of Directors of the Company. The Risk Management Committee is inter-alia responsible for:

1. The Company has formulated Risk Management Policy and implemented Risk Management Framework for identifying, assessing, monitoring, reviewing and devising mitigation plans in respect of the internal and external risks associated with the Company including financial, operational, sectoral, sustainability, cyber security risks, or any other risk;
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To review Risk Management Policy from time to time;
4. Overseeing the Company's sustainability performance and ensuring adequacy of the Company's sustainability framework;
5. Advising the Board on sustainability policies and management systems;
6. Ensuring effective implementation of governance, advocacy and public relation mechanisms and practices related to Sustainability;
7. Evaluating emerging sustainability risks in terms of intensity and impact, in turn, guiding the management on reasonable avoidance of adversities likely to pose a threat to sustained growth; and
8. Advising the Board to enable it to discharge its responsibilities, having regard to the law and the expected international standards of sustainability and stakeholder governance.

Pursuant to the provisions of the Act, a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company have also been dealt with in the Board's Report.

2. Composition of the Risk Management Committee as on 31st March, 2024:

The Risk Management Committee comprises 4 Directors, out of which 2 Directors are an Executive Director and the other 2 Directors are the Non-Executive Independent Directors. This composition is in line with the requirement of Regulation 21 of the SEBI Listing Regulations. The Members of the Risk Management Committee are Mr. Suresh Jhunjhunwala, Mr. Anirudh Jhunjhunwala, Mr. Ashok Bhandari and Mr. Sukanta Nag. The Risk Management Committee of the Board of Directors met on 14th February, 2024 to inform the Board Members about the risk assessment and minimization procedures and adoption of requisite risk mitigation measures and their implementation thereof.

3. Details of Risk Management Committee Meetings held during the Financial Year 2023-2024:

The Sustainability and Risk Management Committee met only once during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Committee Strength	No. of Members present
1	14-02-2024	4	4

Attendance at Risk Management Committee Meetings held during the Financial Year 2023-2024:

The names of Members and Chairperson of the Sustainability and Risk Management Committee, Meetings held and attendance thereof during the Financial Year 2023-2024 are as given below:

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Suresh Jhunjhunwala	Chairman	1	1
Mr. Anirudh Jhunjhunwala	Member	1	1
Mr. Ashok Bhandari	Member	1	1
Mr. Sukanta Nag	Member	1	1

4. Meetings

- During the year ended 31st March, 2024, the Risk Management Committee met once on 14-02-2024.
- The Chairman of the Risk Management Committee is the Chairman & Whole Time Director of the Company.
- The Company Secretary is in attendance at the Risk Management Committee Meetings.
- The Risk Management process involves the identification, evaluation/assessment, prevention and control of the risks, determining the cost of risk likely to be and ensuring that adequate financial resources are available for implementing the selected technique, measuring and monitoring effectiveness of controls and reviewing and reporting the Risk Management process at appropriate intervals, at least annually.
- The Risk Management Committee has sought professional advice from an external member as and when it considers necessary.

E. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In compliance with the provisions of section 135 of The Companies Act 2013, your Company has constituted the Corporate Social Responsibility (CSR) Committee.

1. Terms of Reference

The terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder. The CSR Committee monitors the implementation of CSR projects or programmes undertaken by the Company.

The role of the Committee inter alia includes the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above point.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

2. Composition of the Corporate Social Responsibility Committee as on 31st March, 2024:

The Corporate Social Responsibility Committee comprises of 3 Directors out of which 2 Directors are Executive Director, 1 is a Non-Executive Independent Director. The Chairman of the Committee is Mr. Suresh Jhunjhunwala, a Whole-time Director, who is also an Executive Chairman of the Company. The other Members of the Corporate Social Responsibility Committee are Mr. Anirudh Jhunjhunwala and Mr. Ashok Bhandari.

3. Details of Corporate Social Responsibility Committee Meetings Held During the Financial Year 2023-2024:

The Corporate Social Responsibility Committee met twice during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Committee Strength	No. of Members present
1	14-02-2024	3	3
2	11-03-2024	3	3

Attendance at Corporate Social Responsibility Committee Meetings held during the Financial Year 2023-2024:

The names of Members and Chairperson of the Corporate Social Responsibility Committee, Meetings held and attendance thereof during the Financial Year 2023-2024 are as given below:

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mr. Suresh Jhunjhunwala	Chairman	2	2
Mr. Anirudh Jhunjhunwala	Member	2	2
Mr. Ashok Bhandari	Member	2	2

4. Meetings

- During the year, the Corporate Social Responsibility Committee met twice i.e. on 14-02-2024 and 11-03-2024.
- The Company Secretary is in attendance at the Corporate Social Responsibility Committee.
- The Corporate Social Responsibility Policy of the Company is posted on the website of the Company at the link: https://jgchem.com/csr/
- The details of CSR expenditure spent during the financial year 2023-24 have been elaborated in 'Annexure – C' to the Board's Report.

F. INDEPENDENT DIRECTORS' COMMITTEE

In compliance with the requirements of Schedule IV of the Act and Listing Regulations, your Company has constituted the Independent Directors Committee.

1. Terms of Reference

The Board of Directors of the Company has an Independent Directors' Committee and the terms of reference are in conformity with the provisions of Section 149 read with Schedule IV to the Act and the Rules framed thereunder and Regulations 16(1) (b) and 25(8) of the SEBI Listing Regulations. Necessary confirmations have also been taken from the Directors in compliance with Rule 6 Sub Rule 3 of

the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, which has come into force with effect from 1st December, 2019. The statutory role of the Independent Directors' Committee of the Board of Directors is encapsulated herein below:

a) To review the performance of Non-Independent Directors and the Board as a whole;

b) To review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;

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

2. Familiarization Programme of the Independent Directors

In accordance with the Code of Conduct for Independent Directors specified under the Act and the SEBI Listing Regulations, the Company has in place a familiarization programme for all its Independent Directors. Such familiarization programmes help the Independent Directors to understand the Company's strategy, business model, operations, markets, organization structure, risk management etc. and such other areas as may arise from time to time. As a part of the familiarization programme, all the Independent Directors make themselves conversant with the functions of the Company, its various growth prospects and business complexities. The senior management personnel of the Company also interact with the Independent Directors regularly to keep them updated with the latest news and changes.

The policy on the familiarization programmes imparted to the Independent Directors is posted on the website of the Company and may be accessed at the link: https://jgchem.com/governance/

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company's business which are currently available with the Board.

Global Business	Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Organisational Capacity Building	Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building. Ability to understand the talent market and the Company's talent quotient so as to help fine tune strategies to attract, retain and nurture competitively superior talent.
Risk Management and Compliance	Ability to appreciate key risks impacting the Company's businesses and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.
Financial Expertise	Proficiency in financial management and reporting processes, capital allocation understanding the financial policies.
Policy Evaluation	Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems and processes in the context of the Company's businesses, and review the same periodically.
Culture Building	Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity and organisational conduct
Stakeholder Value Creation	Ability to understand the processes for shareholder value creation and its contributory elements so as to enable value creation for the other stakeholders
Environment, Social and Governance (ESG)	Experience in leading the Sustainability and Environment, Social and Governance visions of the organization to be able to integrate these into the strategy of the Company.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academic in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

All the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and they are all independent of Management. The Board of Directors of the Company have taken on record the declarations and confirmations submitted by the Independent Directors under Regulation 16(1)(b) read with 25(8) of the SEBI Listing Regulations after undertaking the due assessment of the veracity of the same.

3. Composition of the Independent Directors' Committee as on 31st March, 2024:

The Independent Directors' Committee comprises all Non-Executive Independent Directors. The Members of the Independent Directors' Committee are Mrs. Savita Agarwal, Mr. Ashok Bhandari and Mr. Sukanta Nag. The Chairman of the Committee is Mrs. Savita Agarwal.

4. Details of Independent Directors' Committee Meeting Held During the Financial Year 2023-2024:

The Independent Directors' Committee met once during the financial year ended 31st March, 2024, details of which are depicted below:

Sl. No.	Date	Committee Strength	No. of Members present
1	28.02.2024	3	3

Attendance at Independent Directors' Committee Meeting held during the Financial Year 2023- 2024:

The names of Members and Chairperson of the Independent Directors' Committee Meeting held and attendance thereof during the Financial Year 2023 - 2024 are as given below:

Name of the Director	Position held	No. of Committee Meetings	
		Held during tenure	Attended
Mrs. Savita Agarwal	Chairman	1	1
Mr. Ashok Bhandari	Member	1	1
Mr. Sukanta Nag	Member	1	1

In the Board Meeting held on 19th September, 2023, Independent Directors Committee had been reconstituted with Mrs. Savita Agarwal as Chairperson, Mr. Ashok Bhandari as Member, Mr. Sukanta Nag as Member.

IV. SUBSIDIARY COMPANIES

The Company has only one unlisted material subsidiary as on date, namely, M/s. BDJ Oxides Private Limited. The Minutes of Meetings of the Board of Directors of the unlisted subsidiary companies are placed before the Meetings of the Board of Directors of the Company and the review of the annual financial statements, in particular, the investments made by the unlisted subsidiaries are taken on record and discussed at the Board Meeting of the Company. The Company's Policy for determination of a material subsidiary, as approved by the Board, may be accessed on its website at the link: https://jgchem.com/governance/ . Details of the material subsidiary of the Company are given in the notes appended herein below under "Disclosures" elaborated in Point No. VI.

V. GENERAL BODY MEETINGS

1. Date of Annual General Meetings (AGM) for the Financial Year ended 31.03.2023, 31.03.2022, 31.03.2021 and 31.03.2020 as under:

Sl. No.	During the Financial Year Ended	Date of AGM
1	31.03.2023	29.09.2023
2	31.03.2022	08.09.2022
3	31.03.2021	17.11.2021
4	31.03.2020	31.12.2020

2. Date of Extra Ordinary General Meetings (EOGM) held on various dates are mentioned here under:

Sl. No.	During the Financial Year Ended	Date of EOGM
1	31-03-2024	17-07-2023
		26-07-2023
		29-02-2024
2	31-03-2023	30-04-2022
		31-05-2022
		21-06-2022
		28-09-2022
		05-01-2023

a. Details of Special Resolutions passed last year through Postal Ballot:

During the financial year 2023-24,no resolution was passed through postal ballot and as on date of this report, the Company does not propose to pass any resolution for the time being by way of Postal Ballot.

b. Disclosure regarding appointment or re-appointment of Directors in accordance with Regulation 36(3) of the SEBI Listing Regulations has been provided in the Notice convening the Annual General Meeting of the Company.

VI. DISCLOSURES

1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

   No such transactions took place during the year ended 31st March, 2024. The Board has approved the policy on materiality of related party transactions and on dealing with related parties including clear threshold limits duly approved by the Board of Directors of the Company and such policy is reviewed by the Board of Directors once in every three years and updated accordingly. The Policy is posted on the Company's website at the following link: https://jgchem.com/governance/ of transactions with the related parties as specified in Indian Accounting Standard (IND AS – 24) issued by the Institute of Chartered Accountants of India are disclosed in Note No. -35 to the standalone financial statements for the financial year 2023-24. However, the Related Party Transactions which took place during the year under review were posted on the website of the Company at the link stated herein above.

2. Disclosure by Senior Management in accordance with Regulation 26(5) of the SEBI Listing Regulations:

For the financial year ended 31st March, 2024, the Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into with the Company that may have a potential conflict with the interests of the Company at large.

3. Disclosures on Compliance of Law:

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

4. Vigil Mechanism / Whistle Blower Policy:

The Company has a Whistle Blower Policy/ Vigil Mechanism which is posted on the website of the Company at the link: https://jgchem.com/governance/ for its Directors and Employees to report their concerns about the Company's working or about any violation of its policies. The vigil mechanism provides for adequate safeguards against victimization of Director(s) or Employee(s) or any other person who avail the mechanism and also provide direct access to the Chairperson of the Audit Committee. No personnel have been denied any access to the Audit Committee. Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, our Company ensures to make employees aware of such Whistle-Blower Policy to report instances of leak of unpublished price sensitive information.

5. Code for Prevention of Insider Trading Practices

In compliance with the SEBI Regulation on Prohibition of Insider Trading, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code clearly specifies, among other matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Regulations on Prohibition of Insider Trading, is given to the Stock Exchanges before the end of every quarter with effect from the 1st day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons as well. These afore-mentioned Codes are posted on the website of the Company at the link: https://jgchem.com/governance/ Annual Declarations containing the annual disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of the Company for the financial year ended 31st March, 2024. Besides, a declaration has also been obtained from the Managing Director of the Company ensuring compliance with Regulation 9 Sub Regulations 1 and 2 of the SEBI (Prohibition of Insider Trading) Regulations, as amended.

An awareness film on Prohibition of Insider Trading Regulations which has been designed to serve the employees of the Company about the recent trends of Insider Trading and its potentially damaging impact on individuals as well as the Company, has been posted on the website of the Company at https://jgchem.com/governance/. The film intends to spread awareness about trading in the Company's shares by "Insiders", including directors, employees and other persons connected to the Company while in possession of Unpublished Price Sensitive Information (UPSI).

Besides, as per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the board of directors of the organisation of every person required to handle unpublished price sensitive information shall ensure that a Structured Digital Database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and with whom the information is shared under this regulation along with the Permanent Account Number (PAN) or any other identifier authorized by law where PAN is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. With regard to the same, the Company has initiated the maintenance of the Structured Digital Database (SDD) module internally and the necessary quarterly SDD Compliance certificates and disclosures were intimated to the Stock Exchanges within the prescribed timeline.

Ms. Swati Poddar, being the Company Secretary, and the Compliance Officer of the Company, looks after the matter related to Investor Relation.

6. **Details of compliance with mandatory requirements and adoption of non-mandatory requirements**
   All mandatory requirements have been complied with and the non-mandatory requirements are dealt with at the end of the Report.

7. **Policy for determining 'material' subsidiaries**
   The Company has adopted a Policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries. The policy on Material Subsidiary is available on the website of the Company at the following link: https://jgchem.com/governance/ .

8. **Certificate from the Managing Director and the Chief Financial Officer**
   Certificate from Mr. Anirudh Jhunjhunwala, Managing Director and Mr. Anuj Jhunjhunwala, Chief Financial Officer, in terms of Regulation 17(8) and the quarterly certificate from Mr. Anirudh Jhunjhunwala, Managing Director and Mr. Anuj Jhunjhunwala, Chief Financial Officer, in terms of Regulation 33(2A) of the SEBI Listing Regulations for the quarter and financial year ended 31st March, 2024 was placed before the Board of Directors of the Company in its Meeting held on 08th May, 2024.

9. **Code of Conduct**
   A Code of Business Conduct and Ethics for Directors and the Senior Management Personnel of the organisation which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013, has been adopted by the Board. The Code of Conduct for Board Members and Senior Management Personnel of the Company is posted on the Company's website at the following link: https://jgchem.com/governance/

   All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis for the financial year ended 31st March, 2024. A declaration to this effect signed by the Managing Director in terms of SEBI Listing Regulations forms a part of this Annual Report.

10. **Declaration by Independent Directors under Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations and Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019**

    During the financial year ended 31st March, 2024, the Company received declarations in terms of the provisions of Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations from the following Independent Directors namely, Mr. Ashok Bhandari, Mrs. Savita Agarwal and Mr Sukanta Nag. Necessary confirmations were also taken from the afore-mentioned Independent Directors in compliance with Rule 6 Sub Rule 3 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 which has come into force with effect from 1st December, 2019.

11. **Sexual Harassment Policy**
    The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. The Internal Complaints Committee (ICC) is set up for the purpose of providing protection against the sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The status of complaints is as given below:

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on the end of the financial year
Nil	Nil	Nil

12. Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI Listing Regulations. The policy has been detailed in the Board's Report and is posted on the Company's website at the following link: https://jgchem.com/governance/ .

13. Certificate from a Company Secretary in practice

The Company has obtained a Certificate from a Company Secretary in practice dated 18.05.2024, stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other such statutory authority.

14. Acceptance of recommendations of any Committee of the Board

All the recommendations made by any Committee of the Board during the financial year 2023-2024 have been duly accepted and taken on record by the Board of Directors of the Company.

15. Fees paid on a consolidated basis to the statutory auditor

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity in which the statutory auditor is a part for the financial year 2023-24 is ₹ 2.7 Million.

16. Secretarial Audit Report

The Company has undertaken Secretarial Audit for the financial year 2023-24 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI, Secretarial Standards issued by the Institute of Company Secretaries of India and other allied laws. The Secretarial Audit Report forms a part of this Annual Report.

17. Annual Secretarial Compliance Report

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2023-24 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines/Notices issued by the Stock Exchanges thereunder from time to time.

Accordingly, the Annual Secretarial Compliance Report, as per the revised format, for the financial year ended 31st March, 2024 will be submitted to the Stock Exchanges within the prescribed timeline.

18. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

Loan given to BDJ Oxides Private limited is ₹ 250 Million

19. Details of material subsidiaries, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Name of Material Subsidiary	BDJ Oxides Private Limited
Place & Date of Incorporation	Kolkata, 10-11-2010
Name of Auditor	M/s. S Jaykishan
Date of Appointment of Auditor	01-04-2023 till 31-03-2027

*Note: As per Regulation 16 of the SEBI Listing Regulations, "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

VII. MEANS OF COMMUNICATION

1. The quarterly results of the Company, post Listing & as applicable, were announced within due time as per the statutory requirements and were sent to the Stock Exchanges. These results were also published in the leading English newspapers, such as Business Standard and in Bengali newspapers in Ekdin (Kolkata).
2. The results are also posted on the Company's website: https://jgchem.com/financials/
3. Whenever the Company issues any press release, it is immediately sent to the Stock Exchanges as well as posted on the Company's website. The Company also puts forth the key information about the Company and its performance, including quarterly results, official news releases and presentations made to institutional investors or analysts and credit ratings, on its website – https://jgchem.com/governance/ regularly for the benefit of its shareholders and the public at large. The intimations are also given to the Stock Exchanges simultaneously.
4. This Annual Report has a detailed chapter on Management Discussion and Analysis.

VIII. GENERAL SHAREHOLDER INFORMATION

a) Date, Day, Time and Venue of the Annual General Meeting

DATE	DAY	TIME	VENUE
19th September 2024	Thursday	2.00 P.M.	The Company is conducting meeting through VC /OAVM pursuant to the MCA / SEBI Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM

b) Financial Year: 1st April,2023 to 31st March,2024.

c) Record date / Cut off date for e-voting: 12th September 2024.

d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

The Company is listed on the following Stock Exchanges: -

a. The BSE Limited; 25th Floor, P.J Towers, Dalal Street, Mumbai – 400001

b. National Stock Exchange of India Limited; Exchange Plaza, C-1, Block G

Bandra Kurla Complex, Bandra (East), Mumbai-400 051

c. Annual Listing and Annual Custody Fees for the Financial Year 2024-25 has been duly paid to the Stock Exchanges and CDSL/NSDL.

d. Stock Code/Symbol/ISIN:

BSE-544138; NSE-JGCHEM; ISIN No.- INE0MB501011

e) Market Price Data: -

a. Daily High and Low quotation of shares traded on BSE/NSE from the 13th March, 2024 onwards:

Daily	High		Low		Close	
	NSE	BSE	NSE	BSE	NSE	BSE
13-03-2024	213.75	213.75	181.30	181.20	184.80	184.65
14-03-2024	203.30	203.00	180.00	180.10	196.90	196.65
15-03-2024	202.90	203.15	193.50	193.50	194.75	194.85
18-03-2024	204.35	204.10	193.20	193.35	194.55	194.75
19-03-2024	197.40	196.60	191.00	191.00	191.50	191.60
20-03-2024	195.55	194.90	186.05	186.05	187.70	187.60
21-03-2024	192.00	191.95	186.05	186.40	186.80	186.90
22-03-2024	190.00	190.00	185.80	185.15	186.55	186.60
26-03-2024	186.90	186.95	177.05	177.30	179.10	179.25
27-03-2024	183.90	182.85	174.10	174.00	175.95	175.90
28-03-2024	177.40	177.00	171.35	171.00	172.25	172.15

b. Daily Comparison Chart of the Share Prices (in Rs.) with the NSE Nifty and BSE SENSEX along with the No. of Shares traded from the 13th March, 2024 onwards:

Daily	Nifty / Sensex(Close)		Share Price (Close) (Rs.)		No. of Shares Traded	
	NSE	BSE	NSE	BSE	NSE	BSE
13-03-2024	21,997.70	72,761.89	184.80	184.65	83,717	11,685
14-03-2024	22,146.65	73,097.28	196.90	196.65	43,247	4,127
15-03-2024	22,023.35	72,643.43	194.75	194.85	28,580	3,770
18-03-2024	22,055.70	72,748.42	194.55	194.75	19,428	3,925
19-03-2024	21,817.45	72,012.05	191.50	191.60	8,363	1,601
20-03-2024	21,839.10	72,101.69	187.70	187.60	7,612	1,592
21-03-2024	22,011.95	72,641.19	186.80	186.90	9,273	715
22-03-2024	22,096.75	72,831.94	186.55	186.60	6,726	1,235
26-03-2024	22,004.70	72,470.30	179.10	179.25	17,618	2,713
27-03-2024	22,123.65	72,996.31	175.95	175.90	27,925	2,988
28-03-2024	22,326.90	73,651.35	172.25	172.15	19,580	931

f) Registrar and Share Transfer Agent:

KFin Technologies Limited (Formerly known as KFin Technologies Pvt. Ltd)

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

Contact Person: Mr. Bhaskar Roy, Deputy Vice-president

Telephone No. : 040 – 6716 2222; Fax no. : 040 - 2343 1551; Email : einward.ris@kfintech.com

g) Share Transfer Process

The shares in physical form for transfer should be lodged at the office of the Company's Registrar and Share Transfer Agent, Kfin Technologies Ltd., Kolkata or at the Registered Office of the Company. The transfers are processed within 10 days from the date of receipt of such request for transfer, if technically found to be in order and complete in all respects. As per directives issued by SEBI it is compulsory to trade in securities of any Company's equity shares in dematerialized form.

As per the requirement of Regulation 40(9) of the SEBI Listing Regulations, the Company has obtained the necessary certificate from the Company Secretary in practice for due compliance of the share transfer formalities, which, is then submitted to the Stock Exchanges within a period of 30 days from the end of the financial year.

h) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company Secretary in practice conducts the Audit every quarter and issues us the Report which, is then submitted to the Stock Exchanges within a period of 30 days from the end of each quarter.

i) Compliance Certificate certifying Compliance under Regulation 7(2) of the SEBI Listing Regulations

Pursuant to Regulation 7(3) of the SEBI Listing Regulations, the Company obtains a Compliance Certificate duly signed by both the Compliance Officer of the Company and the Authorised representative of the share transfer agent, confirming that all the activities in relation to the share transfer facility are maintained by the Company's Registrar and Share Transfer Agent, which is a SEBI approved category-1 Registrar.

As per the requirement of Regulation 7(3) of the SEBI Listing Regulations, the Company has obtained the necessary certificate signed by both the Compliance Officer and its Registrar and Share Transfer Agent for due compliance of the provisions of this Regulation, which, is then submitted to the Stock Exchanges within a period of 30 days from the end of the financial year.

j) Intimation of loss of share certificates pursuant to Regulation 39(3) of the SEBI Listing Regulations

Pursuant to Regulation 39(3) of the SEBI Listing Regulations, the Company intimates the loss of share certificates to the Stock Exchanges, as and when received, within a period of 2 days from the date of receipt of such intimation.

k) Statement on Investors' Complaints pursuant to Regulation 13(3) of the SEBI Listing Regulations

Pursuant to Regulation 13(3) of the SEBI Listing Regulations, the Company obtains a Statement on Investors' Complaints on a quarterly basis from its Registrar and Share Transfer Agent, which, is then submitted to the Stock Exchanges within a period of 21 days from the end of each quarter.

l) Certificate in the matter of Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018

Pursuant to Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018, the Company obtains a Certificate in compliance to the captioned subject on a monthly basis from its Registrar and Share Transfer Agent, stating that the securities received from the depository participants for dematerialisation during the month, were confirmed to the depositories by the Registrar and the securities comprised in the said certificates have been listed on the Stock Exchanges where the earlier issued securities were listed. This certificate, so obtained by the Company, is then submitted to the Stock Exchanges within the stipulated time period from the end of every month.

m) Dematerialization

The Company's shares are available for dematerialisation on both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Service Limited (CDSL).

3,39,97,508 and 51,88,555 equity shares representing 86.7592 and 13.2408 of total equity share capital is held in dematerialised form with NSDL and CDSL as on March 31, 2024.

There is no unclaimed equity share lying with the Company. Hence, Demat Suspense Account has not been created with the Depository Participant as referred to in Regulation 34(3) read with Schedule V of the Listing Regulations.

a. Distribution of Shareholding as on 31st March, 2024:

Shareholding Pattern – Size of Holdings	No. of Shares (Face Value of Re. 10/-)	Percentage (%) to share capital	No. of Shareholders	Percentage (%) to Total holders
1 – 500	4913204	12.54	70720	97.08
501 – 1000	1537800	3.92	1718	2.36
1001 – 2000	346116	0.88	238	0.33
2001 – 3000	150560	0.38	59	0.08
3001 – 4000	77952	0.20	21	0.03
4001 – 5000	82478	0.21	17	0.02
5001 – 10000	285446	0.73	39	0.05
10001 & above	31792507	81.13	32	0.04
Total	39186063	100.00	72844	100.00

b. Shareholding Pattern as on 31st March, 2024:

Nature of holdings	No. of Shares (Face Value of Re. 10/-)	% of Holdings
Promoters	2,78,20,000	70.99
Resident Individuals	70,66,991	18.03
Foreign Portfolio - Corp	24,39,262	6.22
Alternative Investment Fund	7,15,297	1.83
Institutional Investors	5,23,264	1.34
Non Resident Indians	71,543	0.18
H U F	3,53,221	0.90
Bodies Corporate	1,95,976	0.50
NBFC *	500	0.00
Clearing Members	9	0.00
Total	**3,91,86,063**	**100.00**

* Notes : Other than Promoter Group Companies

n) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no GDRs/ADRs / Warrants or any Convertible instruments outstanding as on March 31, 2024, hence there is no likely impact on equity.

o) Plant Locations:

The Company's plants are located at:-

i. Jangalpur; Howrah district; West Bengal

ii. Belur; Howrah district; West Bengal.

The detailed addresses of the Company's plants have also been given separately in the Annual Report.

p) Address for Correspondence:

Shareholders should address their correspondence to the Company's Registrar & Share Transfer Agents at the address as under:

KFin Technologies Limited (Formerly known as KFin Technologies Pvt. Ltd)

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

Telephone No. : 040 – 6716 2222; Fax no. : 040 - 2343 1551.

Designated email id for Investor communication: einward.ris@kfintech.com

Shareholders may also contact:

Company Secretary at the Registered Office of the Company for any assistance

Adventz Infinity@5, 15th Floor, Unit 1511, Plot 5, Block - BN, Sector - V, Salt lake Electronics Complex, Bidhan Nagar CK Market, North 24 Parganas, Saltlake, Kolkata- 700091

Phone No: 033 4415-0100

Designated email id for Investor communication: cs@jgchem.com

IX. STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

The Company has duly fulfilled the following discretionary requirements as prescribed in Sub – Regulation 1 of Regulation 27 read with Part E of Schedule II of the SEBI Listing Regulations as follows:

Reporting of Internal Auditor:

Internal Auditors of the Company make presentations to the Audit Committee on their Reports and has direct access to the Audit Committee.

Audit Qualifications:
During the financial year 2023-24, there was no audit qualification in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensue unqualified financial statements.

Separate Posts of the Chairman and Managing Director:
The Company has maintained separate posts of the Chairman and the Managing Director. The Chairman of the Company is an Executive Director whereas the Managing Director of the Company is an Executive Director. The Company has a vast business portfolio which demands the senior leadership to have an in-depth knowledge and understanding of the functioning of the Company, so as to enhance the value generating capacity of the organisation and contribute significantly to stakeholders' expectations and aspirations.

Other Items
The rest of the Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

X. DECLARATION AFFIRMING COMPLIANCE OF PROVISIONS OF THE CODE OF CONDUCT
The declaration given by Mr. Anirudh Jhunjhunwala, Managing Director & CEO of the Company concerning the Compliance with the Code of Conduct for Board Members and the Senior Management Personnel is annexed in this Report.

For and on behalf of the Board

Suresh Jhunjhunwala
Executive Chairman & WTD
(DIN: 00234725)

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Place: Kolkata
Date: 08 August 2024

DECLARATION BY THE MANAGING DIRECTOR REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT UNDER REGULATION 26(3) OF THE SEBI LISTING REGULATIONS

I, Anirudh Jhunjhunwala, Managing Director of J.G.Chemicals Limited declare that all the Members of the Board of Directors and Senior Management Personnel have complied with the Company's Code of Conduct for Board Members and Senior Management Personnel for the year ended 31st March, 2024 in terms of the SEBI Listing Regulations.

Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)

Place: Kolkata
Date: 08 May 2024

Annexure-V

COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015

To,
The Members,
J.G. Chemicals Limited
CIN: L24100WB2001PLC093380

We have examined the compliance of conditions of Corporate Governance by J.G.CHEMICALS LIMITED ('the Company') for the year ended 31st March 2024, as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the above-mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For K. Arun & Co
Company Secretaries

Arun Kumar Khandelia
Partner
FCS: 3829
C.P. No.: 2270
UDIN: F003829F001019657

Place: Kolkata
Date: 08 August, 2024

Annexure-V

CEO & CFO CERTIFICATION

To,
The Members,
J.G.Chemicals Limited
Adventz Infinity@5, 15th Floor,
Unit 1511, Plot 5, Block - BN, Sector - V,
Kolkata- 700091

Sub: CEO & CFO certification in terms of Regulation 17(8) of the SEBI (LODR) Regulations, 2015

We,

1) Anirudh Jhunjhunwala, Chief Executive Officer & Managing Director and

2) Anuj Jhunjhunwala, Chief Financial Officer

Certify that:

a) We have reviewed Financial Statements and the Cash Flow Statement of the Company for the year ended 31st March, 2024 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024 are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which that are aware and the steps they have taken or propose to take to rectify these deficiencies.

d) During the year, there have not been any significant changes in internal control over financial reporting; there have not been any significant changes in accounting policies; and there have been no instances of significant fraud of which we are aware that involve management or other employees have significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Place: Kolkata
Date: 08 May, 2024

Anirudh Jhunjhunwala
CEO & Managing Director
(DIN: 00234879)

Anuj Jhunjhunwala
Chief Financial Officer

Annexure-V

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
J.G.Chemicals Limited
Adventz Infinity@5, 15th Floor,
Unit 1511, Plot 5, Block - BN, Sector - V,
Kolkata- 700091
CIN: L24100WB2001PLC093380

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. J.G.Chemicals Limited, having CIN: L24100WB2001PLC093380 and having registered office at Adventz Infinity@5, 15th Floor, Unit 1511, Plot 5, Block - BN, Sector - V, Salt lake Electronics Complex, Bidhan Nagar CK Market, North 24 Parganas, Saltlake, West Bengal, India, 700091, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1.	Suresh Jhunjhunwala	00234725	28/06/2001
2.	Anirudh Jhunjhunwala	00234879	28/06/2001
3.	Anuj Jhunjhunwala	00234926	07/03/2022
4.	Ashok Bhandari	00012210	30/06/2022
5.	Savita Agarwal	00062183	30/06/2022
6.	Sukanta Nag	08696001	30/06/2022

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

For K. Arun & Co.
Company Secretaries
Arun Kumar Khandelia, Partner
FCS: 3829
C.P. No.: 2270
UDIN: F003829F001019833

Place: Kolkata
Date: 08 August, 2024

Annexure-VI

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st DAY OF MARCH, 2024

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

To,
The Members,
J.G.Chemicals Limited
Adventz Infinity@5, 15th Floor,
Unit 1511, Plot 5, Block - BN, Sector - V,
Kolkata- 700091

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

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of **Secretarial Audit,** we hereby report that in our opinion the Company has, during the audit period covering the Financial Year ended 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended **31st March, 2024** according to the provisions of:

I. The Companies Act, 2013(the Act) and the rules made there under;

II. We in consultation with the Company came to a conclusion that the following laws are directly applicable with regard to business activities of the Company during the period under review:

   a. Goods And Service Tax Act, 2017

   b. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   c. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. Other acts which were required to be complied by the Company during the period under review, compliance for which was made by the company:

   a. Explosives Act, 1884 and 2008 as amended from time to time

   b. Indian Electricity Rules, 2003 as amended from time to time

   c. Other Labour Laws required to be complied by the Company for safety of its labourers.

During the period under review the Company has also complied with the Secretarial Standards **(SS-1 and SS-2)** issued by the Institute of Company Secretaries of India and the provisions of the Acts, Rules, Regulations etc. mentioned above.

We further report that:
The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and a Woman Director.

Adequate Notice is given to all Directors to schedule the Board/ Committee Meetings. Information and circulation of the agenda with detailed information thereof, convening of meetings was done in compliance with the applicable laws, rules, regulations and guidelines, etc.

A system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meetings.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that, during the period under review:

A. The Company came up with Initial Public Offering (IPO) for book built issue of Rs 251.19 crores having a combination of fresh issue of 0.75 crore shares aggregating to Rs 165.00 crores and offer for sale of 0.39 crore shares aggregating to Rs 86.19 crores.

B. The Shares of the Company got listed with the BSE Limited and the National Stock Exchange of India Ltd. on 13th March, 2024.

For K. Arun & Co
Company Secretaries

Arun Kumar Khandelia
Partner
FCS: 3829
C.P. No.: 2270
UDIN: F003829F000335336

Place: Kolkata
Date: 08 May, 2024

Standalone
Financial Statements

Independent Auditor's Report

To the Members of J.G. Chemicals Limited (Formerly J.G. Chemicals Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of J.G. CHEMICALS LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the material accounting policies and other explanatory information.

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 accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the state of affairs of the Company as at 31st March 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2024. 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 matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Revenue Recognition and Measurement** Refer Note 2(C)(b) to accounting policies and Note 26 to the Standalone Financial Statements. Revenue is recognised when the Company satisfies the performance obligation by transferring the promised goods or service to a customer. The performance obligations are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms of contract with customers. We consider there to be a risk of misstatement in the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the incorrect financial period (cut-off risk). Accordingly, revenue recognition is a key audit matter.	**Our audit procedures included:** • Assessing the Company's revenue recognition accounting policies for compliance with Ind AS. • Testing the controls around the timely and accurate recording of sales transaction. We also tested the Company's lead time assessment and quantification of any sales reversals for undelivered goods. In addition, we tested the terms and conditions set out in the sales contracts and management's estimate of transit time required to deliver the goods. • Testing the design, implementation and operating effectiveness of the Company's controls on recording revenue. • Performing testing on selected statistical samples of revenue transactions recorded throughout the year and at the year end. • Assessing and testing the adequacy and completeness of the Company's disclosures in respect of revenue from operations.

Sl. No.	Key Audit Matter	How the matter was addressed in our audit
2	**Inventory Valuation** • The Company is having inventory of Rs 226.92 million as on 31st March, 2024. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 2(C)(h) to the Standalone Financial Statements, finished goods are valued at lower of the cost and net realisable value. Materials and other supplies are not written down below cost if the finished product in which it will be incorporated are expected to be sold at or above cost. Cost of inventories is ascertained on 'FIFO' basis. • Zinc metal and zinc based products form a significant part of the Company's inventory for which the Company enters into commodity contracts. The Company takes a structured approach to the identification, quantification and hedging of risk of fluctuations in prices of zinc metal by using derivatives in commodities. We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.	**Our audit procedures included:** • Testing the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory, and accounting of derivative transactions. • On a sample basis, testing the accuracy of cost for inventory by verifying the actual purchase cost. Testing the net realisable value by comparing actual cost with most recent sale price. • Reviewing the documents and other records related to physical verification of inventories done by the management during the year. • Verifying that inventories are valued in accordance with Ind AS 2. • Assessing and testing adequacy and completeness of the Company's disclosures in the Standalone Financial Statements.

Information other than the Standalone Financial Statements and Auditor's Report thereon

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

Our opinion on the Standalone Financial Statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The accompanying Standalone Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the State of affairs, Profit including Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 Standalone 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial 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 regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, based on our audit, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Standalone Financial Statements;

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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;

d. in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e. on the basis of the written representations received from the directors as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;

f. with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls refer to our separate Report in Annexure 'B'.

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, as amended,

   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 of the Act.

h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigations, other than those disclosed in the Standalone Financial Statements; which would materially impact its financial position. Refer note no. 36 to the financial statement;

   ii. the Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31st March, 2024.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238

Dated: The 8th day of May, 2024
Place: Kolkata

Annexure A to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report of even date to the members of J.G. Chemicals Limited, on the Standalone Financial Statements for the year ended 31st March, 2024

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

(i)(a)(A)The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work in progress.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. We are informed that no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the Standalone Financial Statements are held in the name of the Company as at the balance sheet date.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.

(ii)(a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company except few differences, which are not material in nature, as reported in Note 43 to the Standalone Financial Statements.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, granted loans and provided guarantee to companies in respect of which the requisite information is provided in clause (a) to (f) as below to the extent applicable. The Company has not provided any advances in the nature of loans, or any security to companies, firms, limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has made investments, granted loans and provided guarantee to parties as stated below:

(Rs. In Millions)

Particulars	Investment	Guarantee	Loan
Aggregate amount granted/provided during the year			
- Subsidiary	-	-	654.00
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	-	-	-
Balance outstanding as at balance sheet date			
- Subsidiary	10.93	1024.40	250.00
- Joint Ventures	-	-	-
- Associates	-	-	-
- Others	78.30	-	-

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not made any investments, provided any advances in the nature of loans, any security or provided any guarantee to companies, firms, limited liability partnership or any other parties during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal and interest are regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans granted by the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loan(s) or advance(s) in the nature of loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

(Rs. In Millions)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan			
- Repayable on Demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	250	-	250
Total (A+B)	250	-	250
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of granting of loans, making investments, providing guarantees and security, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. No order has been passed by the Company Law Board, or National Company Law Tribunal, or Reserve Bank of India, or any Court, or any other Tribunal, in this regard. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act,2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made & maintained. We have, however not carried out a detailed examination of such records with a view to determine whether these are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs or other material statutory dues, as applicable, have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Period to which the amount relates	Forum where dispute is pending
West Bengal Value Added Tax Act, 2003	VAT	1.87	2005-06	Appeal is pending before the West Bengal Commercial Taxes- appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	11.37	2007-08	Appeal is pending before the West Bengal Commercial Taxes- appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	0.60	2008-09	Appeal is pending before the West Bengal Commercial Taxes- appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	VAT	2.77	2014-15	Appeal heard & decided by the West Bengal Commercial Taxes- appellate & Revisional Board in favour of the Company. Modified Order is Pending

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has partly utilised proceeds of Initial Public Offer, amounting to ₹ 250 millions, to meet the obligations of its subsidiary by way of repayment of certain borrowings availed by the subsidiary, in accordance with the objects of the issue. The Company did not have any associate or joint venture during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year on pledge of securities held in its subsidiary. The Company did not have any associate or joint venture during the year.

(x)(a) In our opinion and according to information and explanations given to us, monies raised during the year by the Company by way of initial public offer were partly applied for the purpose for which they were raised and balance funds which were not required for immediate utilization have been invested in term deposits with scheduled commercial banks. Out of the total unutilized proceeds of ₹ 1418.67 million as at March 31, 2024, ₹ 1230 million has been temporarily invested in term deposits with banks and the remaining balance of ₹ 188.67 million is lying in public issue account with a scheduled commercial bank.

(b) According to the information and explanations give to us and on the basis of 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. Hence, reporting under clause 3(x)(b) of the Order is not applicable.

(xi)(a) Based on the examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations give to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the Standalone Financial Statements, as required by the applicable accounting standards.

(xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable.

(xvi)(a) The Company is neither registered nor required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting on Clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (5) of Section 135 of the said Act. Accordingly, reporting under Clause 3(xx) (a) and (b) of the Order are not applicable.

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238

Dated: The 8th day of May, 2024
Place: Kolkata

Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls with reference to Standalone Financial Statements of J. G. CHEMICALS LIMITED ("the Company") as of 31st March 2024 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 with reference to Standalone Financial Statements based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by 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 with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

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

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2024, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238

Dated: The 8th day of May, 2024
Place: Kolkata

JG CHEMICALS

Standalone Balance Sheet as at 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	85.57	52.82
(b) Capital work-in-progress	4	-	4.54
(c) Intangible Assets	5	0.19	0.10
(d) Financial Assets:			
(i) Investments	6A	122.94	57.77
(ii) Loans	7A	250.00	-
(iii) Other Financial Assets	8	6.39	7.94
(e) Non-Current Tax Assets	9	-	0.13
(f) Deferred tax assets (net)	10	10.30	-
(g) Other Non-Current Assets	11	5.18	6.72
Total Non-current assets		**480.58**	**130.01**
(2) Current assets			
(a) Inventories	12	226.92	281.65
(b) Financial Assets:			
(i) Investments	6B	320.71	-
(ii) Trade Receivables	13	440.93	502.79
(iii) Cash and Cash Equivalents	14	436.93	34.86
(iv) Bank Balances other than (iii) above	15	1,000.00	3.26
(v) Loans	7B	-	166.50
(vi) Other Financial Assets	16	70.73	198.39
(c) Other Current Assets	17	145.73	53.03
Total current assets		**2,641.95**	**1,240.47**
TOTAL ASSETS		**3,122.53**	**1,370.49**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	391.86	317.20
(b) Other Equity	19	2,504.79	870.45
Total Equity		**2,896.65**	**1,187.65**
Liabilities			
(1) Non-current liabilities			
(a) Deferred tax liabilities (net)	10	-	1.56
Total Non-current liabilities		**-**	**1.56**
(2) Current liabilities			
(a) Financial Liabilities:			
(i) Borrowings	20	1.59	132.42
(ii) Trade Payables	21		
- Total outstanding dues of micro enterprises and small enterprises		4.69	3.56
- Total outstanding dues of creditors other than micro enterprises and small enterprises		35.28	28.86
(iii) Other Financial Liabilities	22	159.63	7.00
(b) Other Current Liabilities	23	17.56	2.09
(c) Provisions	24	7.10	5.45
(d) Current Tax Liabilities (net)	25	0.04	1.90
Total current liabilities		**225.88**	**181.28**
TOTAL EQUITY AND LIABILITIES		**3,122.53**	**1,370.49**
Material accounting policies and notes to financial statements	**1-47**		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E
CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

Standalone Statement of Profit and Loss for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars		Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
1	**Income**			
	Revenue from Operations	26	2,446.49	3,352.99
	Other Income	27	73.17	77.60
	Total Income		**2,519.66**	**3,430.59**
2	**Expenses**			
	Cost of Materials Consumed	28	2,056.99	2,626.83
	Purchases of Stock-in-Trade		7.83	46.36
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(45.10)	49.53
	Employee Benefits Expense	30	75.05	67.37
	Finance Costs	31	6.19	8.39
	Depreciation and Amortisation Expense	3 & 5	9.01	6.83
	Other Expenses	32	247.65	282.80
	Total Expenses		**2,357.60**	**3,088.10**
3	**Profit before Exceptional Item and tax (1-2)**		**162.06**	**342.49**
4	**Exceptional Item**			
	Entry Tax for Earlier Years	33	18.02	-
5	**Profit before tax (3-4)**		**144.04**	**342.49**
6	**Tax expense:**	**34**		
	(a) Current tax		29.64	87.97
	(b) Deferred tax		6.43	2.15
	(c) Earlier year taxes		0.10	0.16
7	**Profit for the Year (5-6)**		**107.87**	**252.21**
8	**Other Comprehensive Income:**			
	(i) Items that will not be reclassified to profit or loss			
	a. Remeasurements of the defined benefit plans		0.30	0.65
	b. Equity instruments through other comprehensive income		60.90	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		14.01	0.16
	Total Other Comprehensive Income		**47.19**	**0.49**
9	**Total Comprehensive Income for the Year (7+8) (Comprising Profit and Other Comprehensive Income for the year)**		**155.06**	**252.70**
10	**Earnings per equity share (of ₹10 each) :-**	**38**		
	a) Basic (in ₹)		3.36	7.95
	b) Diluted (in ₹)		3.36	7.95
Material accounting policies and notes to financial statements		**1-47**		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

JG CHEMICALS

Standalone Statement of Cash Flows for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash flows from operating activities		
Profit before tax & Exceptional Item	162.06	342.49
Adjustment for non cash/ non operating item to reconcile profit before tax to net cash flows :		
Depreciation and amortization	9.01	6.83
Loss/(profit) on sale of Property, Plant & Equipment	(0.06)	(0.13)
Dividend Income	(0.07)	(0.11)
Net (Gain)/Loss on sale of Investments	(8.63)	(9.00)
Net (Gain)/Loss on Investments measured at fair value through P&L	(9.05)	17.30
Net (Gain)/loss on outstanding Derivative Instruments measured at FVTPL	3.89	(14.40)
Unrealised foreign exchange fluctuations (gains)/losses, net	(1.41)	(1.32)
Sundry Balance Written off (net)	0.38	2.30
Interest Income	(17.25)	(14.51)
Provision for Employee Benefits	1.94	0.47
Provision for Expected Credit Loss	0.03	-
Finance cost	6.19	8.39
Operating profit before working capital changes	**147.03**	**338.31**
Movements in working capital :		
Decrease/(increase) in inventories	54.74	152.47
Decrease/(increase) in trade receivables	62.83	(103.09)
Decrease/(increase) in loans and other financial assets and other assets	39.47	(230.05)
Increase/(decrease) in trade and other payables	22.82	(10.17)
Cash generated from / (used in) operations	**326.88**	**147.46**
Direct taxes paid (net of refunds)	31.47	86.36
Exceptional Item- Entry Tax Settlement	18.02	-
Net Cash generated from / (used in) operating activities (A)	**277.39**	**61.10**
Cash flows from investing activities		
Purchase of Property, Plant & Equipment and intangible assets	(34.84)	(11.04)
Proceeds from sale of Property, Plant & Equipment	0.12	0.23
Dividend Income	0.07	0.11
Interest Income	13.32	15.49
Proceeds from sale of investments	523.57	224.54
Payment for purchase of investments	(830.87)	(177.50)
Refund of Loan from Subsidiary Company	166.50	-
Loan to Subsidiary Company	(250.00)	-
Term deposits with original maturity period of more than three months but less than twelve months	(1,000.00)	-
Net Cash generated from / (used in) investing activities (B)	**(1,412.13**	**51.82**

Standalone Statement of Cash Flows for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash flows from financing activities		
Repayment of non-current borrowings	-	(0.40)
Proceeds from Initial Public Offer of shares (Net off share issue expenses)	1,521.64	-
Payable to selling shareholders	14.53	-
Payable against share issue expenses	137.91	-
Proceeds/ (Repayment) of current borrowings (net)	(130.83)	(108.87)
Interest paid	(6.45)	(8.19)
Net Cash generated from / (used in) financing activities (C)	**1,536.80**	**(117.46)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	402.05	(4.53)
Cash and cash equivalents at the beginning of the Year	34.86	39.42
Effect of exchange rate fluctuations on cash held in foreign currency (EEFC accounts)	0.02	(0.03)
Cash and cash equivalents at the end of the Year	**436.93**	**34.86**
Cash and cash equivalents consist of the following:		
Balances with Banks		
In Current Accounts	0.27	0.26
In Cash Credit / Overdraft Accounts	9.62	13.02
In EEFC accounts	7.64	20.77
In Public issue account	188.67	-
Term deposits with original maturity period of less than three months	230.00	-
Cash on hand	0.73	0.82
Total cash and cash equivalents	**436.93**	**34.86**

Notes:

1 Standalone Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.

2 Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

Standalone Statement of Changes in Equity for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

a. Equity share capital

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Balance at the beginning of the reporting year	317.20	12.20
Change in equity share capital during the current year		
-Shares Issued as Bonus Shares	-	305.00
-Shares Issued through Initial Public Offer (IPO)	74.66	-
Balance at the end of the reporting year*	**391.86**	**317.20**

*Refer Note 18

B. Other Equity

Particulars	Reserves and surplus		Other Comprehensive Income		Total
	Securities Premium	Retained Earnings	Remeasurement of Defined Benefit Plans	Equity instruments through other comprehensive income	
Balance as at April 1, 2022	**37.80**	**883.86**	**1.09**	**-**	**922.75**
Issue of Bonus shares (as above)	(37.80)	(267.20)	-	-	(305.00)
Profit for the Year	-	252.21	-	-	252.21
Remeasurement Gain/(Loss)	-	-	0.49	-	0.49
Total Comprehensive Income For The Year	**-**	**252.21**	**0.49**	**-**	**252.70**
Balance as at March 31, 2023	**-**	**868.87**	**1.58**	**-**	**870.45**
Profit for the Year	-	107.87	-	-	107.87
Remeasurement Gain/(Loss)	-	-	0.22	46.97	47.19
Total Comprehensive Income For The Year	**-**	**107.87**	**0.22**	**46.97**	**155.06**
Securities premium on issue of shares through IPO*	1,575.34	-	-	-	1,575.34
Share issue expenses on IPO (net of income tax impact)**	(96.05)	-	-	-	(96.05)
Balance as at March 31, 2024* **	**1,479.29**	**976.74**	**1.80**	**46.97**	**2,504.79**

*Refer Note 19

*Securities Premium represents the amount received in excess of par value of securities through initial public offer (IPO) during the year.

** After allocation of such expenses to the selling shareholders.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

1 COMPANY OVERVIEW

J.G. Chemicals Limited ('the Company') is a public company domiciled and headquartered in India, having its registered office situated at Adventz Infinity@5, 15th Floor, Unit 1511, Sector - V, Salt Lake, Kolkata- 700091. The Company stands converted from 'Private' to 'Public' as per the Certificate of Incorporation dt. 24th May, 2022 issued by the Registrar of Companies, West Bengal and has completed its Initial Public Offer (IPO) and accordingly the equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) w.e.f March 13, 2024. The company is primarily engaged in the business of manufacturing of Zinc based products. The Company has operations in India and caters to both domestic and international markets. The Company has one subsidiary named BDJ Oxides Private Limited wherein it holds 94.13% of issued and paid up Capital. These Standalone Financial Statements were authorized to be issued by the Board of Directors on 8th May, 2024.

2A Basis of Preparation and Presentation of Standalone Ind AS Financial Statements

(i) Statement of compliance and basis of preparation

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (""Ind AS"") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and guidelines issued by the Securities and Exchange Board of India (""SEBI""), as a going concern on accrual basis. Accounting policies have been applied consistently to all periods presented in these Standalone Financial Statements except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use. The standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees (INR) has been rounded to the nearest millions (upto two decimals).

(ii) Basis of measurement

The Standalone Financial Statements have been prepared on historical cost convention on the accrual basis, except for the following items:

(i) Derivative financial instruments measured at fair value

(ii) Certain financial assets and financial liabilities measured at fair value;

(iii) Employee's defined benefit plan as per actuarial valuation.

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.

2B CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of these Standalone Financial Statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and amounts recognised in the Standalone Financial Statements, and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the Standalone Financial Statements that are subject to measurement uncertainty. An accounting policy may require items in Standalone Financial Statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective setout by the accounting policy. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have most significant effect on the amount recognised in the standalone financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following:

(i) Useful lives of property, plant and equipment and intangible assets

The Company depreciates property, plant and equipment on a written down method over estimated useful lives of the assets. The intangible asset is amortised on a straight line method over the useful life. The charge in respect of periodic depreciation and amortisation is derived based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. The lives are based on historical experience with similar assets and the estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortization charges.

(ii) Allowance for expected credit loss

The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's trade receivables compared to that already taken into consideration in calculating the allowances recognised in the Standalone Financial Statements.

(iii) Income taxes

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.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Recognition therefore involves judgement regarding the future financial performance of the Company. The amount of deferred tax assets, considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry forward period are reduced.

(iv) Provisions and Contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates. The Company uses significant judgement to disclose contingent liabilities.Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurence or non-occurence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(v) Employee Benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2C MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Standalone Ind AS Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Current and Non-Current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(b) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when the Company satisfies the performance obligation by transferring the promised goods or service to a customer.

(i) Sales

The Company derives revenue primarily from sale of Zinc based products.

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms of contract with customers.The Company engages in variable price contracts with its customers. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice. Revenue excludes any taxes and duties collected on behalf of the government.

(ii) Export Incentives

Export incentives are recognised as income as per terms of the scheme in respect of exports made.

(c) Recognition of interest income, dividend income and income from investment

(i) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate. Interest income is included in the other income in Statement of Profit and Loss.

(ii) Dividend Income

Dividend income on Investments is recognised in the Statement of Profit and Loss when the Company's right to receive the dividend has been established and it is certain that the economic benefits associated with the dividend will flow to the company and the amount of income can be measured reliably.

(iii) Income from investment

Profit / (loss) earned from sale of securities is recognised on the trade date. It is included in the Other Income in Statement of Profit and Loss.

(iv) All other income is accounted for on accrual basis when right to receive is established unless otherwise specified.

(d) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Notes to the Financial Statements for the year ended 31st March, 2024

(i) Property, Plant And Equipment

Recognition and Measurement

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at historical cost less accumulated depreciation and accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment which are not ready for intended use as on the date of Standalone Balance Sheet are disclosed as Capital work-in-progress.

Subsequent Measurement

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Depreciation and Amortization

Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation. The estimated useful lives of assets for the current period are as follows:

Category	Useful Life
Factory Shed & Building	30 Years
Plant, Machinery & Equipment (Continuous Process Plant)	25 Years
Plant, Machinery & Equipment (General)	15 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years
Office Equipments	5 Years
Computers	3 Years

Depreciation on additions/ disposals during the year is provided on a pro-rata basis i.e., from/ up to the date on which asset is ready for use/ disposed of.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

(ii) Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production/ use.

(iii) Intangible Assets

Intangible assets are stated at cost of acquisition, comprising of purchase price less accumulated amortization and impairment losses, if any. Depreciable amount of such assets, are allocated on systematic basis on the best estimates on straight line method.

Cost of software including directly attributable cost, if any, acquired for internal use, is allocated / amortized over the useful life of asset as under:

Asset Description	Asset Useful Life
Computer Software	5 Years

(iv) Impairment

At each balance sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(e) Leases

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 defined period of time in exchange for consideration.

(f) Financial Instruments

(i) Initial Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

(ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(iii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

a) Financial assets measured at Amortized Cost:

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at Fair Value Through Profit or Loss (FVTPL):

A Financial Asset which is not classified in any of the above categories is measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(iv) Investment in Subsidiary

The Company has accounted for its investment in subsidiary at cost.

(v) Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However dividend on such Equity Investment are recognised in the Statement of Profit and Loss when the Company has rights to receive is established.

(vi) Impairment of Financial Assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months' expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

(vii) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

(viii) Derecognition of Financial Instruments:

The company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a financial liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(ix) Offsetting

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

Notes to the Financial Statements for the year ended 31st March, 2024

(g) Derivative Instruments
Commodity Contracts
Initial recognition and subsequent measurement
The Company enters into derivative instruments such as commodity future contract to manage its exposure to risk associated with commodity prices fluctuations. The counter-party for those contracts are global commodity exchanges. The Company uses of these instruments is intended to mitigate exposure to market variables. The Company also enters into certain derivative contracts on Multi Commodity Exchange of India (MCX) to hedge risks which are not designated as hedges. All derivative contracts are initially recognised at fair value through profit or loss and subsequently re-measured at fair value. The changes in fair value of commodity derivatives are recognised in Statement of Profit or Loss.

(h) Inventory
Finished Goods are valued at lower of the cost or net realizable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares includes expenditure incurred in acquiring the inventories, production or conversion cost and other cost incurred in bringing them to their present location and condition. Cost in respect of finished goods represents prime cost, and includes appropriate portion of overheads.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred on completion and disposal.

(i) Cash and Cash Equivalents
The Company's cash and cash equivalents includes cash at banks and on hand, and short-term money market deposits with original maturities of less than or upto three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Foreign Currency Transaction
Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of Profit and Loss account.

(k) Accounting for Taxes on Income
Income Tax expense or credit for the period is the tax payable on the current period taxable income based on the applicable Income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(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.

(ii) Deferred Tax
Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(l) Employee Benefits
(i) Short-Term Employee Benefits
Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. The undiscounted amount of short term employee benefits such as salaries, wages, etc to be paid in exchange of employee services is recognised as an expense as the related service is rendered by the employee.

(ii) Post-Employment Benefit includes:
Defined Benefit Plans
For defined benefit schemes in the form of gratuity fund, the cost of providing benefits is actuarially determined using the

projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

The Company recognises contribution payable to the provident fund scheme as an expense in the Statement of Profit and Loss, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or refund.

Under a defined contribution plan, the Company's sole obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service.

(m) Dividend

Final dividends on shares are recorded as a liability, on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(n) Research and Development Expenses

Research and development expenses (other than those in the nature of capital expenditure) are charged to the Statement of Profit and Loss as expenses in the year in which they are incurred.

(o) Earnings per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(p) Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pretax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material 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 unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

2D Recent Indian Accounting Standards (Ind AS)/ Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from 1st April, 2024, for which the impact on the Standalone Financial Information is required to be disclosed

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

3 Property, Plant and Equipment:

(All amount in INR Millions unless otherwise stated)

Particulars	Freehold Land	Factory Shed & Building	Plant, Machinery and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block								
As at April 1, 2023	11.25	16.33	26.63	6.36	6.25	4.80	2.38	74.01
Additions	-	5.18	15.22	16.31	-	2.84	2.18	41.73
Disposal	-	-	-	-	(1.10)	-	-	(1.10)
As at March 31, 2024	**11.25**	**21.52**	**41.85**	**22.68**	**5.15**	**7.64**	**4.56**	**114.64**
Accumulated Depreciation								
As at April 1, 2023	-	4.19	5.47	2.85	4.21	2.73	1.73	21.19
Charge for the year	-	1.17	2.98	2.24	0.53	1.19	0.81	8.92
Adjustments	-	-	-	-	(1.05)	-	-	(1.05)
As at March 31, 2024	**-**	**5.37**	**8.46**	**5.09**	**3.69**	**3.92**	**2.54**	**29.07**
Net carrying amount								
As at March 31, 2024	**11.25**	**16.15**	**33.40**	**17.59**	**1.45**	**3.72**	**2.02**	**85.57**

Particulars	Freehold Land	Factory Shed & Building	Plant, Machinery and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block								
As at April 1, 2022	11.25	15.07	24.21	5.52	6.25	3.75	1.95	67.99
Additions	-	1.27	3.05	0.85	-	1.14	0.43	6.73
Disposal	-	-	(0.63)	(0.00)	-	(0.08)	-	(0.71)
As at March 31, 2023	**11.25**	**16.33**	**26.63**	**6.36**	**6.25**	**4.80**	**2.38**	**74.01**
Accumulated Depreciation								
As at April 1, 2022	-	3.13	3.46	1.86	3.41	1.88	1.32	15.06
Charge for the year	-	1.06	2.55	0.99	0.80	0.93	0.41	6.75
Adjustments	-	-	(0.54)	(0.00)	-	(0.08)	-	(0.62)
As at March 31, 2023	**-**	**4.19**	**5.47**	**2.85**	**4.21**	**2.73**	**1.73**	**21.19**
Net carrying amount								
As at March 31, 2023	**11.25**	**12.14**	**21.16**	**3.51**	**2.04**	**2.07**	**0.65**	**52.82**

4 Capital-Work-in Progress (CWIP):

(All amount in INR Millions unless otherwise stated)

CWIP	Amount in CWIP as at March 31, 2024				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	-	-	-	-	-

CWIP	Amount in CWIP as at March 31, 2023				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	4.54	-	-	-	4.54

Note: The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

5 Intangible Assets:

Particulars	Gross Block as at April 1, 2023	Additions	Gross Block as at March 31, 2024	Accumulated Depreciation as at April 1, 2023	Charge for the year	Cumulative Depreciation as at March 31, 2024	Net carrying amount as at March 31, 2024	Net carrying amount as at March 31, 2023
Computer Softwares	0.43	0.18	0.61	0.33	0.08	0.42	0.19	0.10

Particulars	Gross Block as at April 1, 2022	Additions	Gross Block as at March 31, 2023	Accumulated Depreciation as at April 1, 2022	Charge for the year	Cumulative Depreciation as at March 31, 2023	Net carrying amount as at March 31, 2023	Net carrying amount as at March 31, 2022
Computer Softwares	0.43	-	0.43	0.257	0.08	0.33	0.10	0.17

6 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity/ Units	Amount	Quantity/ Units	Amount
A. NON-CURRENT				
(I) Investment in Equity Instruments				
(a) Quoted (fully paid-up)				
- At Fair Value through P&L				
Balkrishna Industries Ltd (FV ₹ 2)	1,250	2.90	1,250	2.44
JK Lakshmi Cement Ltd. (FV ₹ 5)	1,500	1.31	1,500	1.19
Kotak Mahindra Bank Ltd. (FV ₹5)	413	0.74	413	0.72
Nocil Ltd. (FV ₹10)	12,360	3.08	12,360	2.55
Sub - Total (i)		**8.03**		**6.90**
(b) Unquoted (Fully Paid)				
-At Deemed Cost				
Investment in Subsidiary				
BDJ Speciality Chemicals Pvt Ltd - (FV ₹ 10)**	-	-	*17,40,000	17.40
BDJ Oxides Pvt Ltd - (FV ₹ 10)	2,50,000	10.93	2,50,000	10.93
Sub-Total (ii)		**10.93**		**28.33**
-At Fair Value through OCI				
Investment in Others				
Vision Projects & Finvest Pvt Ltd (FV ₹ 10)**	43,500	78.30	-	-
Sub-Total (iii)		**78.30**		**-**

* includes 5 shares held by nominee shareholders of the Company

** As per scheme of amalgamation approved by Hon'ble NCLT in terms of their order dated 19th June, 2023, M/s BDJ Speciality Chemicals Pvt Ltd is amalgamated with M/s Vision Projects & Finvest Pvt Ltd and 43,500 Class A Equity shares of Rs.10 each of the said Vision Projects & Finvest Pvt Ltd are allotted in lieu of shares held in erstwhile amalgamated Co. M/s BDJ Speciality Chemicals (P) Ltd.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity/ Units	Amount	Quantity/ Units	Amount
(II) Investment in Mutual Funds				
Quoted				
-At Fair Value through P&L				
HDFC Small Cap Fund - Direct Growth Plan	53,693	7.10	53,693	4.76
ICICI Prudential Liquid Fund - Growth*	48,586	17.21	48,586	16.07
Mirae Assets Hang Seng Tech ETF For-Direct-Growth	2,18,903	1.38	2,18,903	1.72
Sub-Total (iv)		**25.69**		**22.55**
*pledged with broker against margin money				
TOTAL NON-CURRENT INVESTMENTS		**122.94**		**57.77**
Total Investment at Deemed Cost		10.93		28.33
Total Investment at FVTOCI		78.30		-
Total Investment at FVTPL		33.72		29.45
		122.94		**57.77**
Aggregate amount of Quoted Investments and Market Value thereof		33.72		29.45
Aggregate amount of Unquoted Investments		89.23		28.33
		122.94		**57.77**
B. CURRENT				
Investment in Mutual Funds				
Quoted				
-At Fair Value through P&L				
SBI Arbitrage Opportunities Fund- Growth	20,34,049	63.03	-	-
ICICI Prudential Liquid Fund - Growth	3,14,352	111.33	-	-
HDFC Liquid Fund -Growth	2,215	10.40	-	-
Aditya Birla Sunlife Arbitrage Fund-Growth	14,39,552	35.08	-	-
HDFC Arbitrage Fund-Wholesale Plan - Regular Plan - Growth	35,91,401	100.86	-	-
TOTAL CURRENT INVESTMENTS		**320.71**		
Total Investments at FVTPL		**320.71**		
Aggregate amount of Quoted Investments and Market Value thereof		**320.71**		

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

7 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
A NON-CURRENT		
Unsecured, considered good		
Loans to Subsidiary- BDJ Oxides Pvt. Ltd.	250.00	-
	250.00	**-**
B CURRENT		
Unsecured, considered good		
Loans to Subsidiary- BDJ Oxides Pvt. Ltd.	-	166.50
(for general corporate purposes)		
	-	**166.50**

Details of Loan and advances in the nature of loans granted to promoters, directors, KMPs and related parties

Types of Borrower	Amount of loan or advance in the nature of loan outstanding		% of the total Loans and Advances in the nature of loans	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Related Parties (Subsidiary Company)	250.00	166.50	100%	100%

8 Other Non-Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Security Deposit	1.93	3.74
(b) Fixed Deposits with Banks with more than 12 months maturity*	4.25	4.03
(c) Interest accrued on fixed deposits	0.21	0.17
	6.39	**7.94**

*Under Lien with banks against Cash Credit facility & Bank Guarantees.

9 Non-Current Tax Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax and TDS (Net of Provisions).	-	0.13
	-	**0.13**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

10 Deferred Tax Assets /(Liabilities) (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets		
Timing Difference on account of Property, Plant & Equipment	0.52	0.55
Timing Difference on account of Provision for employees benefits	0.49	0.27
Timing Difference on account of Share Issue Expenses (netted from Securities Premium)	25.84	-
	26.85	**0.82**
Deferred Tax Liabilities		
Financial Assets at Fair value through P&L	2.08	0.87
Derivative instruments designated at Fair value through P&L	0.53	1.51
Financial Assets at Fair value through other comprehensive Income	13.93	-
	16.55	**2.38**
Deferred Tax Assets /(Liabilities) (Net)	**10.30**	**(1.56)**

Movement In Deferred tax assets and liabilities during the year ended March 31, 2024 and year ended March 31, 2023

Particulars	Opening Balance	Recognised during the year	Recognised in statement of P&L	Recognised in OCI	Closing Balance
As at March 31, 2024					
Deferred Tax Assets					
Timing Difference on account of Property, Plant & Equipment	0.55	-	(0.03)	-	0.52
Timing Difference on account of Provision for employees benefits	0.27	-	0.29	(0.08)	0.49
Timing Difference on account of Share Issue Expenses (netted from Securities Premium)	-	32.30	(6.46)	-	25.84
	0.82	**32.30**	**(6.20)**	**(0.08)**	**26.85**
Deferred Tax Liabilities					
Financial Assets at Fair value through P&L	0.87	-	1.21	-	2.08
Derivative instruments designated at Fair value through P&L	1.51	-	(0.98)	-	0.53
Financial Assets at Fair value through other comprehensive Income	-	-	-	13.93	13.93
	2.38	**-**	**0.23**	**13.93**	**16.55**
	(1.56)	**32.30**	**(6.43)**	**(14.01)**	**10.30**
As at 31st March 2023					
Deferred Tax Assets					
Timing Difference on account of Property, Plant & Equipment	0.52	-	0.04	-	0.55
Timing Difference on account of Provision for employees benefits	0.53	-	(0.10)	(0.16)	0.27
	1.05	**-**	**(0.06)**	**(0.16)**	**0.82**
Deferred Tax Liabilities					
Financial Assets at Fair value through P&L	2.41	-	(1.54)	-	0.87
Derivative instruments designated at Fair value through P&L	(2.11)	-	3.62	-	1.51
	0.30	**-**	**2.08**	**-**	**2.38**
	0.75	**-**	**(2.15)**	**(0.16)**	**(1.56)**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

11 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balance with statutory authorities	3.76	4.13
(b) Advances for capital goods	0.28	2.15
(c) Prepaid Expenses.	1.13	0.44
	5.18	**6.72**

12 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Raw Materials	103.24	204.32
(b) Finished Goods*	114.72	69.62
(c) Stores and Consumables	8.96	7.72
	226.92	**281.65**
* includes stock in transit and lying with third party	35.58	22.90

13 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	440.93	502.79
Receivables which have significant increase in Credit Risk	0.03	-
Less: Allowance for doubtful receivables	(0.03)	-
	440.93	**502.79**

During the year ended March 31, 2024 the Company has created provision for doubtful debts of ₹ 0.03 millions (Previous Year: ₹ Nil)

Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from the date of transaction					
	Less Than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
For the year ended March 31, 2024						
(i) Undisputed - Considered Good	432.60	8.22	0.01	0.07	0.03	440.93
(ii) Undisputed - which have significant increase in credit risk	-	-	0.01	0.02	-	0.03
Less: Allowance for doubtful receivables	-	-	(0.01)	(0.02)	-	(0.03)
Total	**432.60**	**8.22**	**0.01**	**0.07**	**0.03**	**440.93**
For the year ended March 31, 2023						
(i) Undisputed - Considered Good	502.56	0.11	0.09	0.03	-	502.79
(ii) Undisputed - which have significant increase in credit risk						
Less: Allowance for doubtful receivables	-	-	-	-	-	-
Total	**502.56**	**0.11**	**0.09**	**0.03**	**-**	**502.79**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

14 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balances with Banks:		
- In Current Accounts	0.27	0.26
- In Cash Credit/ Overdraft Accounts*	9.62	13.02
- In EEFC Accounts	7.64	20.77
- In Public issue account**	188.67	-
-Term deposits with original maturity period of less than three months	230.00	-
(b) Cash on hand	0.73	0.82
	436.93	**34.86**

*represents debit balances in Cash Credit/ Overdraft accounts with the Banks

** includes balance for amount payable to Selling Shareholders and share issue expenses remaining unpaid, on the Balance Sheet date.

15 Bank Balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Term deposits with original maturity period of more than three months but less than twelve months	1,000.00	-
(b) Term deposits with original maturity period of more than three months but less than twelve months		
-under Lien with Bank against Bank Guarantee/Stand By Letter of Credit facility.	-	3.26
	1,000.00	**3.26**

16 Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Margin money/ Balances with broker	34.94	61.44
(b) Payments against Investments in Mutual Funds	-	100.00
- pending execution of Orders (executed on 3/4/23)		
(c) Earnest Money deposit/Security Deposit	26.52	1.37
(d) Advances to employees	0.96	1.39
(e) Rent Receivables	0.07	0.07
(f) Interest accrued on fixed deposits	3.89	-
(g) Derivative Assets at fair value through profit and loss (net)	2.12	6.01
(h) Share Issue Expenses (refer Note below)	-	28.09
(i) Others receivables*	2.24	0.02
	70.73	**198.39**

*'Other receivables' includes amount refundable from a statutory body, employee group gratuity balance and Export Benefit Receivable.

Note : Share issue expenses incurred by the Company in earlier year relate to the proposed Initial Public offer (IPO) of equity shares of the Company, completed during the year and adjusted with Securities Premium.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

17 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balance with statutory/ government authorities	108.69	29.32
(b) Advances for goods and services	35.37	20.11
(c) Prepaid expenses	1.67	3.59
	145.73	**53.03**

18 Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Authorised:		
4,50,00,000 (Previous year 3,70,00,000) Equity Shares of ₹ 10/- each	450.00	370.00
	450.00	**370.00**
(b) Issued, Subscribed and Fully Paid Up:		
3,91,86,063 (Previous year 3,17,20,000) Equity Shares of ₹ 10/- each, fully paid up in cash	391.86	317.20
	391.86	**317.20**

(c) Share Capital Reconciliation:

Equity Share Capital:	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Opening balance	3,17,20,000	317.20	12,20,000	12.20
Add: Shares issued through IPO (Refer note (i) below)	74,66,063	74.66	-	-
Add: Shares issued as Bonus Shares (Refer note (ii) below)	-	-	3,05,00,000	305.00
Closing Balance	**3,91,86,063**	**391.86**	**3,17,20,000**	**317.20**

Note (i) : During the year ended March 31, 2024, the Company has completed its Initial Public Offer (IPO) of 1,13,66,063 equity shares of face value of ₹10/- each at an issue price of ₹ 221/- per share aggregating to ₹ 2,511.90 millions, comprising of fresh issue of 74,66,063 shares aggregating to ₹1650.00 millions and offer for sale of 39,00,000 shares by the selling shareholders aggregating to ₹ 861.90 millions. The Equity Shares were listed on the BSE Limited and National Stock Exchange of India Limited on March 13, 2024.

Note (ii) : Pursuant to a resolution of the Board of Directors dated 25th May, 2022 and after shareholders' approval in the EOGM dated 31st May, 2022, the Company has issued 25 (twenty five) bonus shares of face value of ₹ 10 (Rupees Ten) each for every 1 (One) existing fully paid-up equity share of face value of ₹ 10 (Rupees Ten) each on 21st June, 2022, by capitalisation of its reserves & surplus.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

(d) Particulars of Equity Shareholders holding more than 5% Shares at Balance Sheet date:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos	% holding	Nos	% holding
Alka Jhunjhunwala	41,60,000	10.62%	41,60,000	13.11%
Anirudh Jhunjhunwala	41,60,000	10.62%	41,60,000	13.11%
Anuj Jhunjhunwala	39,00,000	9.95%	39,00,000	12.30%
Suresh Jhunjhunwala	39,00,000	9.95%	39,00,000	12.30%
Vision Projects & Finvest Pvt. Ltd.*	84,36,100	21.53%	36,40,000	11.48%
Jayanti Commercial Ltd.	31,83,900	8.13%	31,85,000	10.04%
Eeshwar Fiscal Services Pvt. Ltd.*	-	0.00%	29,25,000	9.22%
Alkan Fiscal Services Pvt. Ltd.*	-	0.00%	26,00,000	8.20%

*Pursuant to a scheme of merger u/s 230 & 232 of the Companies Act, 2013, approved by Hon'ble National Company Law Tribunal (NCLT) dt. June 19, 2023, Alkan Fiscal Services Private Limited, Eeshwar Fiscal Services Private Limited and other four companies (collectively, "Transferor Companies") merged with Vision Projects & Finvest Private Limited ("Transferee Company") with effect from July 14, 2023, appointed date being April 01, 2021.

(e) Rights, Preferences and Restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹10/- per share. The dividend recommended by the Board of Directors is subject to the approval of Shareholders in the Annual General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) No shares have been reserved for issue under options and contracts / commitments for sale of shares / disinvestment as at Balance Sheet date.

(g) Details of shares issued for consideration other than cash/ bonus shares / bought back

During the year ended March 31, 2023, the company has issued 3,05,00,000 shares of ₹ 10 each as fully paid-up bonus shares representing a ratio of 25 (twenty-five) equity shares for every 1 (one) equity share outstanding on the record date.

(h) No convertible securities have been issued by the Company during the year.

(i) Particulars of Promoter Shareholding for Equity Share Capital as at Balance sheet date:

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Anirudh Jhunjhunwala	41,60,000	10.62%	-2.50%	41,60,000	13.11%	-
Anuj Jhunjhunwala	39,00,000	9.95%	-2.34%	39,00,000	12.30%	-
Suresh Jhunjhunwala	39,00,000	9.95%	-2.34%	39,00,000	12.30%	-

19 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium	1,479.29	-
(b) Retained Earnings	976.74	868.87
(c) Other Comprehensive Income	48.77	1.58
	2,504.79	**870.45**

Notes to the Standalone Financial Statements
for the year ended 31st March, 2024

Securities Premium
Securities Premium represents the amount received in excess of par value of securities through initial public offering during the year after adjustment of related issue expenses. Section 52 of Companies Act, 2013 specifies restriction for utilisation of security premium.

Retained Earnings
Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

Other Comprehensive Income - Items that will not be reclassified to profit and loss.
The actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and fair value gain/ loss on unquoted equity instruments have been recognised in OCI.

20 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Secured Loan		
From Banks		
- Cash Credit	1.59	97.69
- Packing Credit	-	34.73
	1.59	**132.42**

Security
Cash credit, Packing Credit & Working Capital Demand Loan

(a) The Company has Cash credit facility with Bank of Baroda with a sub-limit of letter of credit (ILC/FLC/SBLC), carrying variable interest (presently @ 9.15% p.a.), secured by:

Security details
- First pari-pasu charge on the entire current assets of the company, both present and future.
- 10 % cash Margin in the Form of FDR on L/C Limit utilization basis.
- 10 % cash Margin in the Form of FDR on P/C Limit utilization basis.
- 10 % cash Margin in the Form of FDR on BG Limit utilization basis. (In case of disputed liabilities / Court cases 100% cash Margin).

Collateral security
- Equitable Mortgage on Factory Lands along with Shed & Building thereon (First Pari Passu Charge with Citi Bank, NA).
- Entire Fixed Assets of the Company except Land & Building as above. (First Pari Passu Charge with Citi Bank, NA).
- Lien on FDR for ₹ 3.38 millions in the name of the company.

- Personal Guarantee
Above facilities are secured by personal guarantee of three Promoter directors.

(b) The company has Cash credit facility with Citi Bank with a sub-limit of Working Capital Demand Loan (WCDL), Packing Credit, Pre and Post Shipment - Under LCs/ PO and Sight/ Usance Letter of credit, carrying variable interest (presently @ 8.5% p.a.), secured by:

Security details
- First paripasu charge on the Stock and Book debts of the company both present and future.
- First Paripasu Charge on Entire Plant & Machinery and other movable assets of the company present and future.
- First Paripasu charge by way of Equitable Mortgage on factory land along with shed, building etc located at Jalan Industrial Complex, Domjur, District, Howrah and at Belur 189, Girish Ghosh Road, Howrah, owned by the company.
- Cash margin of 10% on SLC/ULC and BG.

- Personal Guarantee
Above facilities has been secured by personal guarantee of two Promoter directors.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

21 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
- Total outstanding dues of micro enterprises and small enterprises	4.69	3.56
- Total outstanding dues of creditors other than micro enterprises and small enterprises	35.28	28.86
	39.97	**32.42**

Trade Payables ageing schedule :

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
For the year ended March 31, 2024					
(i) MSME - undisputed	4.69	-	-	-	4.69
(ii) Others - undisputed	34.63	0.44	0.11	0.10	35.28
For the year ended March 31, 2023					
(i) MSME - undisputed	3.56	-	-	-	3.56
(ii) Others - undisputed	28.45	0.31	-	0.10	28.86

Disclosure of the amount due to the Micro, Small and Medium Enterprises (on the basis of the information and records available with the management):

Particulars	March 31, 2024	March 31, 2023
(a) The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
- Principal amount	4.69	3.56
- Interest due thereon	-	-
(b) The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payments which has been made beyond the appointed day (during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006.	-	-
(d) The amount of interest accrued and remaining un paid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the Small / Micro Enterprises.	-	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

22 Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Interest accrued but not due on borrowings	0.01	0.27
(b) Sundry Creditors for capital goods	1.27	0.61
(c) Other Payables (year end liability for expenses)	5.90	6.12
(d) Payable against Share issue expenses	137.91	-
(e) Payable to Selling Shareholders	14.53	-
	159.63	**7.00**

23 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Advance from customers	0.05	0.12
(b) Statutory Dues	17.50	1.97
	17.56	**2.09**

24 Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits :		
(a) Gratuity Liability	1.93	1.07
(b) Other Employee benefit obligation	5.17	4.38
	7.10	**5.45**

25 Current Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Liabilities (net of Payments)	0.04	1.90
	0.04	**1.90**

26 Revenue from Operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of Products		
Finished Goods	2,438.26	3,302.87
Sale of Traded Goods	8.08	46.66
Sale of Raw Materials	-	3.21
(b) Other Operating Revenue:		
Exports Benefits	0.15	0.25
	2,446.49	**3,352.99**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

27 Other Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Interest Income measured at amortised cost *	17.25	14.51
(b) Net gain/(loss) on settlement of Derivatives Instruments	12.16	27.86
(c) Net gain/(loss) on outstanding Derivative Instruments measured at FVTPL	(3.89)	14.40
(d) Net gain/(loss) on sale of Investments	8.63	9.00
(e) Net gain/(loss) on Investments measured at FVTPL	9.05	(17.30)
(f) Dividend Income from investment	0.07	0.11
(g) Net gain/(loss) on foreign exchange fluctuation	18.54	26.48
(h) Net gain/(loss) on sale of Property, Plant & Equipment	0.06	0.13
(i) Insurance Claim received	-	1.08
(j) Corporate Guarantee Commission	10.26	-
(k) Rent Received	0.08	0.06
(l) Miscellaneous Income	0.96	1.27
	73.17	**77.60**

* Interest Income includes Interest on Loan, Interest on Fixed Deposits and Others

28 Cost of Materials Consumed

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Raw material consumed*		
Inventory at the beginning of the year	204.32	304.81
Add: Purchases	1,955.91	2,526.33
	2,160.23	**2,831.15**
Less: Inventory at the end of the year	103.24	204.32
	2,056.99	**2,626.83**
* includes cost of materials sold	**-**	2.75

29 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(i) Inventories at the beginning of the year		
- Finished Goods	69.62	119.15
	69.62	**119.15**
(ii) Inventories at the end of the year		
- Finished Goods	114.72	69.62
	114.72	**69.62**
	(45.10)	**49.53**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

30 Employee Benefits Expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Salaries, Wages and Allowances*	67.42	60.47
(b) Contribution to Provident and Other Funds	5.12	5.21
(c) Staff welfare expenses	2.51	1.69
	75.05	**67.37**
*Net of Shared Services Allocation to Subsidiary Company	23.75	20.77

POST RETIREMENT EMPLOYEE BENEFITS

The disclosures required under IND AS 19 on "Employee Benefits", are given below:

Defined Contribution Plans

Contributions to Defined Contribution Plans, recognized for the year (included in Statement of Profit & Loss) as under:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employer's Contribution to Provident & Pension Fund	3.64	3.43
Employer's Contribution to ESI	0.24	0.25

Post Retirement Benefit Plans

The employee's gratuity fund scheme managed by Life Insurance Corporation of India (LIC) is a defined benefit plan. The present value of obligation is determined based on independent actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(a) Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity (funded)	
	As at 31st March 2024	As at 31st March 2023
Liability at the beginning of the year	**8.78**	**8.08**
Interest Cost	0.61	0.57
Current Service Cost	1.16	1.29
Benefits paid	-	(0.43)
Remeasurements - Due to Financial Assumptions	0.26	(0.22)
Remeasurements - Due to Demographic Assumptions	(0.01)	-
Remeasurements - Due to Experience Adjustments	(0.56)	(0.50)
Liability at the end of the year	**10.26**	**8.78**

(b) Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Fair value of Plan Assets at the beginning of the year	**7.71**	**6.42**
Interest Income	0.54	0.47
Contributions by the Company	0.08	1.33
Benefits paid	-	(0.43)
Remeasurements - Return on Assets (Excluding Interest Income)	0.00	(0.07)
Fair value of Plan Assets at the end of the year	**8.33**	**7.71**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

(c) Amount Recognized in Balance Sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Liability at the end of the year	10.26	8.78
Fair value of Plan Assets at the end of the year	8.33	7.71
Amount Recognized in the Balance Sheet	**1.93**	**1.07**

(d) Expenses Recognized in the Income Statement

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Current Service Cost	1.16	1.29
Interest Cost	0.61	0.57
Expected return on plan assets	(0.54)	(0.47)
Expenses Recognized in Profit & Loss Account	**1.24**	**1.39**

(e) Remeasurements Recognized in Other Comprehensive Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Remeasurements - Due to Financial Assumptions	0.26	(0.22)
Remeasurements - Due to Demographic Assumptions	(0.01)	-
Remeasurements - Due to Experience Adjustments	(0.56)	(0.50)
Remeasurements- Return on Assets	(0.00)	0.07
Remeasurements Recognized in Other Comprehensive Income	**(0.30)**	**(0.65)**

(f) Balance Sheet Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	1.07	1.66
Defined Benefit Cost included in Profit and Loss	1.24	1.39
Remeasurements recognised in OCI	(0.30)	(0.65)
Employers Contribution	(0.08)	(1.33)
Amount Recognized in Balance Sheet	**1.93**	**1.07**

(g) The Principal actuarial assumptions used for estimating defined benefit obligations are set out as below:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Summary of Financial Assumptions		
Discount Rate	6.97%	7.25%
Salary Escalation	7.00%	7.00%
Expected Return on Plan Assets	6.97%	7.25%
Summary of Demographic Assumptions		
Mortality Rate	IALM 2012-2015 Ultimate	IALM 2012-2014 Ultimate
Disability Table (as % of above mortality rate)	1%	1%
Withdrawal Rate	1%	1%
Retirement Age	60 years	60 years
Average Future Service	18 Years	19 Years

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 50 Basis Points from the assumed assumption is given below:

Particulars	Change in Assumption	Gratuity As at 31st March 2024	Gratuity As at 31st March 2023
Changes in Defined Benefit Obligations			
Salary Escalation	0.5%	10.81	9.27
Salary Escalation	-0.5%	9.74	8.34
Attrition Rate	0.5%	10.26	8.78
Attrition Rate	-0.5%	10.26	8.78
Discount Rates	0.5%	9.68	8.24
Discount Rates	-0.5%	10.89	9.38

The Company's gratuity plan is managed by Life Insurance Corporation of India and the estimate maturity profile of the expected cash flow in respect of Defined Benefit Obligations (without taking effect of Interest accruing on funds invested) are as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Year 1	3.04	2.90
Year 2	0.12	0.06
Year 3	0.49	0.11
Year 4	0.07	0.46
Year 5	0.07	0.07
Remaining Subsequent Years	20.57	19.50

31 Finance Costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Interest Expense	5.02	7.00
(b) Other Borrowing Cost	1.16	1.38
	6.19	**8.39**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

32 Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Consumption of Stores & Spares	8.57	9.01
(b) Packing Materials	18.80	21.76
(c) Power & Fuel	89.87	107.64
(d) Processing Charges	5.38	7.56
(e) Material Handling, Machinery Hire & Other Charges	2.01	1.56
(f) Repairs and Maintenance		
- for Building	2.05	2.33
- for Plant and Machinery	5.56	4.63
- for others	2.24	1.62
(g) Auditors Remuneration		
- for Statutory audit	0.90	0.60
- for Tax audit	0.10	0.10
- for Other Matters	0.50	0.06
(h) Rent	6.66	5.90
(i) Rates & Taxes	1.34	0.96
(j) Insurance Charges	1.57	1.72
(k) Legal & Professional Fees	5.01	10.87
(l) Postage, Telephone & Stationery	3.36	2.93
(m) Bank Charges	2.65	2.56
(n) Fees & Subscription	2.35	5.31
(o) Carriage Outward	40.54	54.54
(p) Discount and Commission on sales	5.33	5.34
(q) Sales Promotion Expenses	9.33	4.44
(r) Security Expenses	3.18	3.19
(s) Charity & Donation	0.04	0.06
(t) CSR Expenses	4.33	2.95
(u) Travelling & Conveyance	18.30	15.60
(v) Provision for Expected Credit Loss	0.03	-
(w) Vehicle Expenses	1.73	2.02
(x) Directors Sitting Fees	0.80	0.61
(y) Miscellaneous Expenses	4.76	4.61
(z) Sundry Balance Written off (net)	0.38	2.30
	247.65	**282.80**

33 Exceptional Items represent litigation settlements in respect of Entry Tax for earlier years under WB Sales Tax (Settlement of Dispute) Act, 1999.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

34 Tax Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Amount recognised in Profit & Loss		
Current Tax		
Current Tax for the Year	29.64	87.97
Earlier Year taxes	0.10	0.16
Total Current Tax Expense	**29.74**	**88.13**
Deferred Tax		
Deferred Tax for the Year	6.43	2.15
Total Deferred Tax Expense	**6.43**	**2.15**
Total Tax Expense	**36.17**	**90.28**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Amount recognised in Other Comprehensive Income		
Deferred Tax		
Deferred Tax for the Year	14.01	0.16
Total Deferred Tax Expense	**14.01**	**0.16**

Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit and loss

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before Taxes	144.04	342.49
Indian Statutory Income tax Rate	25.17%	25.17%
Estimated Income tax expenses	36.25	86.20
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense :		
Expenses that are not deductible in determining taxable profit	1.12	1.51
Tax payable at different rate	(1.29)	1.78
Earlier Year Taxes	0.10	0.16
Others	(0.00)	0.63
Income Tax expense in the Statement of Profit and Loss	**36.17**	**90.28**

35 RELATED PARTY TRANSACTIONS

Related party disclosure as identified by the management in accordance with the IND AS 24 on 'Related Party Disclosures' where control exits and with whom transactions have taken place during reported years:

Names of the related parties and description of relationships:

A Subsidiaries

BDJ Oxides Pvt Ltd.

BDJ Speciality Chemicals Pvt. Ltd.*

B. Key Management personnel (KMP) and close members of their family

Suresh Jhunjhunwala - Executive Chairman

Anirudh Jhunjhunwala - CEO & Managing Director

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Anuj Jhunjhunwala - Whole Time Director & CFO
Alka Jhunjhunwala - Wife of Suresh Jhunjhunwala
Swati Poddar- Company Secretary and Compliance Officer

C Entities where KMP or their close members have significant influence or control

BDJ Chemicals Pvt. Ltd.*
BDJ Impex Pvt. Ltd.
Jayanti Commercial Limited
Anirudh Jhunjhunwala HUF
Suresh Kumar Jhunjhunwala HUF
BDJ Foundation
Vision Projects & Finvest Pvt Ltd*

* Pursuant to a scheme of merger u/s 230 & 232 of the Companies Act, 2013, approved by Hon'ble National Company Law Tribunal (NCLT) dt. June 19, 2023, BDJ Speciality Chemicals Pvt. Ltd., BDJ Chemicals Pvt. Ltd. and other four companies (collectively, "Transferor Companies") merged with Vision Projects & Finvest Private Limited ("Transferee Company") with effect from July 14, 2023, appointed date being April 01, 2021.

D Related party transactions:

Nature of Transaction	Subsidiaries		Entities where KMP or their close member have significant influence or control		Key Management personnel (KMP) and close members of their family	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Interest Received on Loan						
BDJ Oxides Pvt. Ltd.	12.02	14.01	-	-	-	-
Purchase of Goods						
BDJ Oxides Pvt. Ltd.	49.39	104.73	-	-	-	-
Sale of Goods						
BDJ Oxides Pvt. Ltd.	20.33	26.56	-	-	-	-
Sale of Property, Plant & Equipment						
BDJ Oxides Pvt. Ltd.	-	0.09	-	-	-	-
Miscellaneous Income						
BDJ Oxides Pvt. Ltd.	0.11	0.21	-	-	-	-
Rent Received						
BDJ Impex Pvt. Ltd.	-	-	0.08	0.06	-	-
CSR Expenses						
BDJ Foundation	-	-	1.20	-	-	-
Corporate Guarantee Commission						
BDJ Oxides Pvt. Ltd.	10.26	-	-	-	-	-
Shared Services Allocation						
BDJ Oxides Pvt. Ltd.	23.75	20.77	-	-	-	-
Salaries & Allowances						
Anirudh Jhunjhunwala	-	-	-	-	16.07	15.49
Suresh Jhunjhunwala	-	-	-	-	16.58	16.26
Anuj Jhunjhunwala	-	-	-	-	14.78	12.93
Swati Poddar	-	-	-	-	0.71	0.58

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Nature of Transaction	Subsidiaries		Entities where KMP or their close member have significant influence or control		Key Management personnel (KMP) and close members of their family	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Rent paid						
Alka Jhunjhunwala	-	-	-	-	0.11	0.18
BDJ Impex Pvt. Ltd.	-	-	4.86	4.86	-	-
BDJ Chemicals Pvt. Ltd.*	-	-	-	0.18	-	-
Vision Projects & Finvest Pvt Ltd*	-	-	0.18	-	-	-
Loan Given						
BDJ Oxides Pvt. Ltd.	654.00	804.50	-	-	-	-
Loan Received back						
BDJ Oxides Pvt. Ltd.	570.50	638.00	-	-	-	-
Amount Payable to Selling Shareholders against their offer for sale						
-net of share issue expenses						
Anirudh Jhunjhunwala HUF	-	-	122.74	-	-	-
Jayanti Commercial Limited	-	-	0.22	-	-	-
Suresh Kumar Jhunjhunwala HUF	-	-	253.53	-	-	-
Vision Projects & Finvest Pvt Ltd*	-	-	408.24	-	-	-

Nature of Transaction	Subsidiaries		Entities where KMP or their close member have significant influence or control		Key Management personnel (KMP) and close members of their family	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Closing Balances						
Loan given						
BDJ Oxides Pvt. Ltd.	250.00	166.50	-	-	-	-
Security Deposit						
BDJ Impex Pvt. Ltd.(Received)	-	-	0.02	0.02	-	-
BDJ Impex Pvt. Ltd.(Paid)	-	-	0.95	0.95	-	-
Investment						
BDJ Oxides Pvt. Ltd.	10.93	10.93	-	-	-	-
BDJ Speciality Chemicals Pvt. Ltd.*	-	17.40	-	-	-	-
Vision Projects & Finvest Pvt Ltd*	-	-	78.30	-	-	-
Payable to Selling Shareholders						
Anirudh Jhunjhunwala HUF	-	-	2.74	-	-	-
Jayanti Commercial Limited	-	-	0.02	-	-	-
Suresh Kumar Jhunjhunwala HUF	-	-	3.53	-	-	-
Vision Projects & Finvest Pvt Ltd*	-	-	8.24	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

E Information pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Loan & Advances (in nature of loan both Current & Non Current) to subsidiary company are as under :

Particulars	Balance as on 31-3-2024	Balance as on 31-3-2023	Maximum Balance outstanding during FY 2023-2024	Maximum Balance outstanding during FY 2022-2023
BDJ Oxides Private Limited	250.00	166.50	250.00	316.50

F Compensation of Key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employee benefits Expense	48.15	45.26
Post-employment benefits	0.82	0.35

36 COMMITMENTS AND CONTINGENCIES

i. Capital commitments

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:	-	2.77
	-	**2.77**

ii. Contingent Liabilities not provided for in respect of:

Particulars	As at March 31, 2024	As at March 31, 2023
Disputed amount of Sales Tax / VAT	16.61	16.61
Entry Tax	-	36.04
	16.61	**52.65**

Corporate Guarantees given on behalf of BDJ Oxides Pvt Ltd (Subsidiary) against credit facilities for ₹ 316.40 millions (Previous Year ₹ 358.1 millions) from Bank of Baroda ₹ 708 millions (Previous Year ₹ 710 millions) from Citibank.

37 Segment information

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Company has identified the Chief Operating Decision Maker as its Managing Director. The company operates mainly in one business segment viz., Manufacturing and selling of Zinc based products and all other activities revolve around the main activity. As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, Entity-Wise disclosures are as under:

a) Revenues from customers attributed to the Country of Domicile and attributed to all foreign countries from which the company derives revenues

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from the Country of Domicile- India	1,843.91	2,649.21
Revenue from foreign countries	602.58	703.78

Revenue of ₹ 842.95 millions (Year ended March 31, 2023 ₹ 1,161.31 millions) is derived from customers each of whom contribute to more than 10% of the total revenue.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

b) Details of non current assets*

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Non Current assets within the Country of Domicile- India	90.95	64.30
Non Current assets in foreign countries	-	-

* Non current assets for this purpose consist of property, plant and equipment, capital work-in-progress, intangible assets and other non financial non current assets

38 EARNING PER SHARE:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net Profit attributable to the Equity holders of the Company as per Statement of Profit and Loss.	107.87	252.21
Weighted average number of equity shares for calculation of basic and diluted earnings per share	3,21,48,381	3,17,20,000
Face value of Equity Shares (₹)	10.00	10.00
Basic EPS (₹)	3.36	7.95
Diluted EPS (₹)	3.36	7.95

39 Confirmations for the balances shown under current and non-current loans & advances, current liabilities, trade payables, receivables and other current assets have been sought from the respective parties on random sampling basis. Consequential adjustments, if any, shall be done on the receipt of the same. In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

40 Leases

The Company's leasing agreements (as lessee) in respect of lease for office accommodation & godown are all in the nature of rental arrangements which are on periodic renewal basis. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit & Loss amounts to ₹ 6.66 millions (Year ended March 31, 2023 ₹ 5.90 millions)

41 Corporate Social Responsibility

Expense towards activities relating to Corporate Social Responsibility in compliance with section 135 of the Companies Act, 2013 is as under:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Gross amount required to be spent by the Company during the year	4.33	2.95
(b) Amount of expenditure incurred	4.33	2.95
(c) Provision of unspent CSR - movement during the year		
Opening Provision	-	-
Addition during the Year	-	-
Utilised during the Year	-	-
Closing Provision	**-**	**-**
(d) Nature of CSR activities	Education, Health care, Animal welfare	Education, Health care, Disaster Relief, Animal welfare and Rural development
(e) Details of related party transactions		
BDJ Foundation		
Ongoing projects	1.00	-
Other Than Ongoing projects	0.20	-
	1.20	**-**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

42 Ratios disclosed as per requirement of Schedule III to the Act

(All amount in INR Millions unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(i) Current Ratio:		
(Current Assets / Current Liabilities)		
Current Assets	2,641.95	1,240.47
Current Liabilities	225.88	181.28
Current Ratio (times)	11.70	6.84
% of changes as compared to the preceding year	**70.92%**	
	(Refer Note 1)	
(ii) Debt-Equity Ratio:		
(Total Debt/ Shareholder's equity)		
Total debt	1.59	132.42
Shareholder's equity	2,896.65	1,187.65
Debt-Equity Ratio (times)	0.00	0.11
% of changes as compared to the preceding year	**-99.51%**	
	(Refer Note 2)	
(iii) Debt Service Coverage Ratio:		
(EBIDTA/ Interest + Principal repayments of debt)		
EBIDTA	159.24	357.71
Interest + Principal repayments of debt	6.19	10.08
Debt Service Coverage Ratio (times)	**25.73**	**35.48**
% of changes as compared to the preceding year	**-27.50%**	
	(Refer Note 3)	
(iv) Return on Equity Ratio:		
(Profit after tax / Shareholder's equity)		
Profit after tax	107.87	252.21
Average shareholder's equity	2,042.15	1,061.30
Return on Equity Ratio (%)	**5.28%**	**23.76%**
% of changes as compared to the preceding year	**-77.77%**	
	(Refer Note 4)	
(v) Inventory turnover ratio:		
(Sales/ Average Inventory)		
Sales	2,446.34	3,352.75
Average Inventory	254.28	357.89
Inventory turnover ratio (times)	9.62	9.37
% of changes as compared to the preceding year	**2.69%**	
(vi) Trade Receivables turnover ratio:		
(Sales / Average Trade Receivables)		
Sales	2,446.34	3,352.75
Average trade receivables	471.86	451.81
Trade Receivables turnover ratio (times)	5.18	7.42
% of changes as compared to the preceding year	**-30.14%**	
	(Refer Note 5)	

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(vii) Trade payables turnover ratio:		
(Purchase of raw material and stock in trade / Average trade payables)		
Purchase of raw material and stock in trade	1,963.73	2,572.69
Average trade payables	9.01	7.23
Trade payables turnover ratio (times)	217.96	355.80
% of changes as compared to the preceding year	**-38.74%**	
	(Refer Note 6)	
(viii) Net capital turnover ratio:		
(Sales / Working capital)		
Sales	2,446.34	3,352.75
Working capital	2,416.07	1,059.20
Net capital turnover ratio (times)	1.01	3.17
% of changes as compared to the preceding year	**-68.01%**	
	(Refer Note 7)	
(ix) Net profit ratio:		
(Profit after tax/Sales)		
Profit after tax	107.87	252.21
Sales	2,446.34	3,352.75
Net profit ratio (%)	**4.41%**	**7.52%**
% of changes as compared to the preceding year	**-41.38%**	
	(Refer Note 8)	
(x) Return on Capital employed:		
(EBIT / Capital employed)		
Earning before interest and tax (EBIT)	150.23	350.88
Capital Employed (Equity + Debt + Accrued Interest)	2,898.25	1,320.34
Return on Capital employed (%)	**5.18%**	**26.57%**
% of changes as compared to the preceding year	**-80.49%**	
	(Refer Note 9)	
(xi) Return on investment:		
(Income Generated from Investments / Average Investments)		
Income Generated from Investments	9.12	(8.19)
Average Investments	191.93	57.11
Return on investment (%)	4.75%	-14.35%
% of changes as compared to the preceding year	**133.11%**	
	(Refer Note 10)	

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Reasons for variance:

1) Current ratio increased on account of proceeds of IPO (Net of Share Issue Expenses)
2) Debt Equity Ratio Variation is due to reduction in borrowings and increase in equity capital.
3) Debt Service Coverage Ratio decreased due to reduction in Revenue from Operations, resulting in reduction of EBITDA
4) Decrease in profit after tax and increase in Equity base at the end of the year (due to IPO) led to variation in the return on equity ratio.
5) Increase in the year end Trade Receivables due to higher sales in the last quarter of the year and reduction in revenue from operation adversely affected the ratio.
6) Variation due to decrease in purchase of raw materials when compared with last year.
7) Variation is due to increase in current assets on account of Bank Balances of the IPO proceeds.
8) Net Profit ratio reduced due to lower profitability as compared with previous year.
9) Return on Capital employed variation is due to lower profitability and increased capital employed (due to IPO) as compared to previous financial year.
10) Return on Investment variation is due to negative figure in previous financial year.

43 Borrowing from banks and financial institutions

The Company has obtained borrowings from banks on the basis of security of current assets. The particulars of statements of current assets filed by the Company with the Banks for each quarter ended during the year are as under:

Quarter ended	Particulars	Amount as per Books	Amount as reported in the quarterly returns	Amount of difference
For the Year Ended March 31, 2024				
Quarter ended March 31, 2024	Inventory	217.96	217.96	-
	Debtors	440.93	440.93	-
Quarter ended December 31, 2023	Inventory	334.81	334.82	0.01
	Debtors	318.96	318.93	-0.03
Quarter ended September 30, 2023	Inventory	311.84	311.84	-
	Debtors	302.10	302.05	-0.05
Quarter ended June 30, 2023	Inventory	187.62	187.74	0.12
	Debtors	427.73	427.73	-

Quarter ended	Particulars	Amount as per Books	Amount as reported in the quarterly returns	Amount of difference*
For the year ended March 31, 2023				
Quarter ended March 31, 2023	Inventory	273.93	273.74	-0.19
	Debtors	502.79	502.79	0.00
Quarter ended December 31, 2022	Inventory	254.54	254.53	-0.01
	Debtors	439.35	439.35	-0.00
Quarter ended September 30, 2022*	Inventory	208.38	234.12	25.74
	Debtors	508.49	510.80	2.31
Quarter ended June 30, 2022*	Inventory	217.57	239.00	21.43
	Debtors	642.50	642.50	-

Note:

* The above stated difference is primarily due to the amount of GST included on cost of materials purchased.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

44 Financial Instruments

A. Categories of financial instruments

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

Particulars	Fair value through Other Comprehensive Income	Fair value through Profit or Loss	Amortised Cost	Total
Financial assets				
- Investments	78.30	354.42	10.93	443.65
- Trade Receivables	-	-	440.93	440.93
- Cash and Cash Equivalents	-	-	436.93	436.93
- Other bank balances	-	-	1,000.00	1,000.00
- Loans	-	-	250.00	250.00
- Other Financial Assets	-	2.12	75.00	77.12
Total financial assets	**78.30**	**356.54**	**2,213.79**	**2,648.63**
Financial liabilities				
- Borrowings	-	-	1.59	1.59
- Trade payables	-	-	39.97	39.97
- Other Financial Liabilities	-	-	159.63	159.63
Total financial liabilities	**-**	**-**	**201.19**	**201.19**

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

Particulars	Fair value through Other Comprehensive Income	Fair value through Profit or Loss	Amortised Cost	Total
Financial assets				
- Investments	-	29.45	28.33	57.77
- Trade Receivables	-	-	502.79	502.79
- Cash and Cash Equivalents	-	-	34.86	34.86
- Other bank balances	-	-	3.26	3.26
- Loans	-	-	166.50	166.50
- Other Financial Assets	-	6.01	200.31	206.32
Total financial assets	**-**	**35.46**	**936.05**	**971.50**
Financial liabilities				
- Borrowings	-	-	132.42	132.42
- Trade payables	-	-	32.42	32.42
- Other Financial Liabilities	-	-	7.00	7.00
Total financial liabilities	**-**	**-**	**171.84**	**171.84**

The assets and liabilities which are valued at amortised cost represents Fair Value at period end

B. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. available prices) or indirectly (i.e. derived from estimation).

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Fair Value Hierarchy as at March 31, 2024

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
- Investments	354.42	78.30	-	432.72
- Other Financial assets	-	2.12	-	2.12
Total Financial assets	**354.42**	**80.42**	**-**	**434.84**

Fair Value Hierarchy as at March 31, 2023

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
- Investments	29.45	-	-	29.45
- Other Financial assets	-	6.01	-	6.01
Total Financial assets	**29.45**	**6.01**	**-**	**35.46**

Valuation techniques to determine Fair Value

(i) The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

(ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investment measured at fair value (FVTOCI) and falling under fair value hierarchy Level 2 is valued on the basis of valuation report provided by external valuer.

(iii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors

(iv) The Company enters into derivative financial instruments with few financial institutions. Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange i.e. London Metal Exchange, United Kingdom (U.K.) [a level 2 technique]. The changes in counterparty risk had no material effect on the hedge effectiveness assessment for the derivatives designated in hedge relationship and the value of the other financial instrument recognised at fair value.

C. Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

(i) Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company functional currency exposure.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Exposure to currency Risk	Currency	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		In foreign currency		In Indian Currency	
Financial Assets					
Trade receivables	USD	0.78	1.09	65.20	89.62
Trade receivables	EURO	0.72	0.44	65.00	39.43
Cash and cash equivalents	USD	0.09	0.25	7.64	20.77
Other financial assets	USD	0.14	0.18	12.01	14.80
Other current assets	USD	0.05	-	3.83	-
				153.67	**164.61**
Financial Liabilities					
Borrowings	USD	-	0.26	-	21.38
Trade payables	USD	-	0.07	-	5.76
Other financial liabilities	USD	0.02	-	1.80	-
Other financial liabilities	EURO	0.00	-	0.01	-
				1.82	**27.13**

As at March 31, 2024, 5% increase/(decrease) in the exchange rate of Indian Rupee with foreign currencies would result in approximately ₹ 7.59 millions (decrease) / increase in the fair value of the Company's foreign currency dollar denominated instruments (As at March 31, 2023, ₹ 6.87 millions)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long term and short term borrowing with floating interest rates. The company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The interest rate profile of the company interest bearing financial instruments at the end of the reporting year are as follows:

Particulars	March 31, 2024	March 31, 2023
Fixed rate Instrument		
Financial assets	1,484.25	173.78
Financial liabilities	-	-
Variable rate Instrument		
Financial assets	-	-
Financial liabilities	1.59	132.42

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

As at March 31, 2024, 100 basis points (1%) increase/(decrease) in the interest rate at Indian currency borrowings would result in approximately ₹ 0.02 millions in the finance cost of the Company's Indian currency borrowings (As at March 31, 2023, ₹ 1.32 millions)

Price Risk

The Company invests its surplus funds primarily in equity shares and mutual funds measured at fair value. Aggregate value of such investments as at March 31, 2024 is ₹ 354.42 millions (As at March 31, 2023 ₹ 29.45 millions)

Increase/(decrease) of 5% would result in an impact increase/(decrease) by ₹ 17.72 millions and ₹ 1.47 millions on total profit for the year ended March 31, 2024 & March 31, 2023

(ii) Liquidity Risk

Liquidity risk is the risk than an entity will encounter difficulty in meeting obligation associated with financial liabilities that are settled by delivering cash or other financial assets. The Company mitigates its liquidity risks by ensuring timely collections of its receivables and close monitoring of its credit cycle.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date:

Particulars	Carrying value	On Demand	Less than 1 year	Beyond 1 year	Total
As at March 31, 2024					
- Borrowings	1.59	1.59	-	-	1.59
- Trade payables	39.97	-	39.97	-	39.97
- Other Financial Liabilities	159.63	-	159.63	-	159.63
	201.19	**1.59**	**199.60**	**-**	**201.19**
As at March 31, 2023					
- Borrowings	132.42	97.69	34.73	-	132.42
- Trade payables	32.42	-	32.42	-	32.42
- Other Financial Liabilities	7.00	-	7.00	-	7.00
	171.84	**97.69**	**74.15**	**-**	**171.84**

(iii) Credit Risk

Credit risk is the risk of financial loss in case counter-party to a financial instrument fails to repay debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables and loans, investments and other financial assets.

In respect of trade and other receivables, the company is not exposed to any significant credit risk exposure to any single party. Trade receivables consist of major customers belonging to Tyre & Rubber Industries. The company has very limited history of customer default, and considers the credit quality of trade receivables, that are not past due or impaired, to be good.

The credit risk for cash and cash equivalents and bank deposits is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

The exposure to credit risk was ₹ 1114.45 millions & ₹ 898.16 millions, as at March 31, 2024 and March 31, 2023 respectively, being the total carrying value of trade receivables, loans, investments in mutual funds and other financial assets.

(iv) Capital Management

The Company's policy is to maintain a strong capital base for future development of the business. For the purpose of Company's capital management, capital includes issued capital and all other equity attributable to equity shareholders of the Company. As at March 31, 2024, the Company has only one class of equity shares.

(v) Hedging activity and derivatives

Fair value hedge of Zinc metal price risk

The Company is exposed to fluctuations in zinc metal price on purchase, sale and inventories lying with the company. To manage the variations in fair value, the company enters into derivative financial instruments relating to the highly probable forecasted transactions to mitigate the risk associated with zinc metal price fluctuations. Such derivative financial instruments are primarily in the nature of future commodity contracts.

The company designates derivatives as hedging instruments in respect of commodity price risk in cash flow hedges and fair value hedges. As the value of the derivative instruments generally changes in response to the value of the hedged item, the economic relationship is established.

Category wise outstanding derivatives contracts are as follows:

Derivatives Instrument	Currency	As at March 2024		As at March 2023	
		No. of deals (Lots)	Amount in foreign currency (USD In Millions)	No. of deals (Lots)	Amount in foreign currency (USD In Millions)
Buy forward	USD	-	-	-	-
Sale forward	USD	7	0.44	7	0.59

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

45 Other Regulatory Information :

(i) The Company does not have any Benami property and no proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with struck off Companies.

(iii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

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

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

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

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

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

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

(vi) 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.

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

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

(ix) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

46 Utilisation of IPO proceeds

The Company has received an amount of ₹ 1650 million, being proceeds of fresh issue of equity shares. Net Proceeds after Offer Expenses in relation to Fresh Issue are proposed to be utilised and the utilisation thereof are summarised as below:

Objects of the issue	Amount proposed to be utilised	Utilised upto March 31, 2024	Un-utilised upto March 31,2024
1) Investment in Material Subsidiary, viz. BDJ Oxides Pvt Ltd. comprising of			
(i) repayment or pre-payment, in full or in part, of all or certain borrowings availed by the Material Subsidiary;	250.00	250.00	-
(ii) funding capital expenditure requirements for setting up of R&D Centre;	60.58	-	60.58
(iii) funding its long-term working capital requirements	600.00	-	600.00
2) Funding long-term working capital requirements of the Company	350.00	-	350.00
3) General corporate purposes	232.66	-	232.66
Total	**1,493.24**	**250.00**	**1,243.24**

IPO proceeds which were un-utilised as at March 31, 2024 were temporarily invested in term deposits amounting to ₹ 1,230 million with scheduled bank and the balance amount lying in the Public Issue account.

47 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year's financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWW6238
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of
J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

Consolidated Financial Statements

Independent Auditor's Report

To the Members of J. G. Chemicals Limited (Formerly J. G. Chemicals Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of J.G. Chemicals Limited (formerly J.G. Chemicals Private Limited) ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the material accounting policies and other explanatory information.

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 accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), of the consolidated state of affairs of the Group as at 31st March 2024, and its consolidated profit (including other comprehensive income), consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sl. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Revenue Recognition and Measurement** Refer Note 2(C)(b) to accounting policies and Note 28 to the Consolidated Financial Statements. Revenue is recognised when the Group satisfies the performance obligation by transferring the promised goods or service to a customer. The performance obligations are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms of contract with customers. We consider there to be a risk of misstatement in the financial statements related to transactions occurring close to the year end, as transactions could be recorded in the incorrect financial period (cut-off risk). Accordingly, revenue recognition is a key audit matter.	**Our audit procedures included:** • Assessing the Group's revenue recognition accounting policies for compliance with Ind AS. • Testing the controls around the timely and accurate recording of sales transaction. We also tested the Group's lead time assessment and quantification of any sales reversals for undelivered goods. In addition, we tested the terms and conditions set out in the sales contracts and management's estimate of transit time required to deliver the goods. • Testing the design, implementation and operating effectiveness of the Group's controls on recording revenue. • Performed testing on selected statistical samples of revenue transactions recorded throughout the year and at the year end. • Assessing and testing the adequacy and completeness of the Group's disclosures in respect of revenue from operations.

Sl. No.	Key Audit Matter	How the matter was addressed in our audit
2	**Inventory Valuation** • The Group is having inventory of Rs 556.55 million as on 31st March, 2024. Inventories are to be valued as per Ind AS 2. As described in the accounting policies in note 2(C)(h) to the Consolidated Financial Statements, finished goods are valued at lower of the cost and net realisable value. Materials and other supplies are not written down below cost if the finished product in which it will be incorporated are expected to be sold at or above cost. Cost of inventories is ascertained on 'FIFO' basis. • Zinc metal and zinc based products form a significant part of the Group's inventory for which the Group enters into commodity contracts. The Group takes a structured approach to the identification, quantification and hedging of risk of fluctuations in prices of zinc metal by using derivatives in commodities. We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.	**Our audit procedures included:** • Testing the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory, and accounting of derivative transactions. • On a sample basis, testing the accuracy of cost for inventory by verifying the actual purchase cost. Testing the net realisable value by comparing actual cost with most recent sale price. • Reviewing the documents and other records related to physical verification of inventories done by the management during the year. • Verifying that inventories are valued in accordance with Ind AS 2. • Assessing and testing adequacy and completeness of the Group's disclosures in the Consolidated Financial Statements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the financial statements and our auditor's reports thereon. The Holding Company's Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The accompanying Consolidated Financial Statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing each Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing (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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and its subsidiary included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. As required by section 143(3) of the Act, based on our audit, we report that:
   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
   b) in our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept 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, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the 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;
   e) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024, taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiary company incorporated in India, none of the directors of the Group Companies covered under the Act is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
   f) with respect to the adequacy of the internal financial controls with reference to the financial statements of the Holding Company and its subsidiary company, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed an unmodified opinion; and

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, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The subsidiary company incorporated in India has not paid any remuneration to its directors during the year.

h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Consolidated Financial Statements disclose the impact of pending litigations as at 31st March, 2024 on the consolidated financial position of the Group as detailed in Note no. 38 to the Consolidated Financial Statements;

ii. the Holding Company and its subsidiary company have made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there is no amount, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

iv.(a)The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company to or in any other person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiary company have not declared or paid any dividend during the year ended 31st March, 2024.

vi. Based on our examination which included test checks, the Company and its subsidiary has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWX4339

Dated: The 8th day of May, 2024
Place: Kolkata

Annexure A to the Independent Auditor's Report

Annexure referred to in first paragraph of our audit report on the Consolidated Financial Statements of J.G. Chemicals Limited (formerly J.G. Chemicals Private Limited) for the year ended 31st March, 2024.

Name of the entity	Relationship
BDJ Oxides Private Limited	Subsidiary

Annexure B to the Independent Auditor's Report

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

In conjunction with our audit of the Consolidated Financial Statements of J.G. CHEMICALS LIMITED ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') as at and for the year ended 31st March 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company, which is a company incorporated in India, as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI), prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which is a company incorporated in India, have in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31st March 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **S. Jaykishan**
Chartered Accountants
Firm's Registration No. 309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWX4339

Dated: The 8th day of May, 2024
Place: Kolkata

JG CHEMICALS

Consolidated Balance Sheet as at 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	416.93	352.68
(b) Capital work-in-progress	4	-	9.23
(c) Intangible Assets	5	0.19	0.10
(d) Financial Assets:			
(i) Investments	6A	112.02	29.55
(ii) Other Financial Assets	7	9.95	11.48
(e) Non-Current Tax Assets	8	-	0.13
(f) Deferred tax assets (net)	9	6.51	-
(g) Other Non-Current Assets	10	5.35	11.38
Total Non-current assets		**550.94**	**414.55**
(2) Current assets			
(a) Inventories	11	556.55	1,038.45
(b) Financial Assets:			
(i) Investments	6B	320.71	-
(ii) Trade Receivables	12	1,166.88	1,156.09
(iii) Cash and Cash Equivalents	13	466.93	35.48
(iv) Bank Balances other than (iii) above	14	1,000.04	13.09
(v) Loans	15	-	18.40
(vi) Other Financial Assets	16	180.44	211.28
(c) Other Current Assets	17	247.33	90.56
Total current assets		**3,938.87**	**2,563.35**
TOTAL ASSETS		**4,489.82**	**2,977.90**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	391.86	317.20
(b) Other Equity	19	3,592.08	1,759.35
Total Equity attributable to Equity Holders of the Company		**3,983.94**	**2,076.55**
(c) Non Controlling Interest		71.14	58.73
Total Equity		**4,055.08**	**2,135.28**
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities:			
Borrowings	20	36.09	67.15
(b) Provisions	21	4.13	2.85
(c) Deferred tax liabilities (net)	9	-	5.89
Total Non-current liabilities		**40.22**	**75.89**
(2) Current liabilities			
(a) Financial Liabilities:			
(i) Borrowings	22	101.67	636.36
(ii) Trade Payables	23		
- Total outstanding dues of micro enterprises and small enterprises		7.28	7.67
- Total outstanding dues of creditors other than micro enterprises and small enterprises		74.83	76.01
(iii) Other Financial Liabilities	24	169.81	23.09
(b) Other Current Liabilities	25	20.40	4.64
(c) Provisions	26	15.02	12.63
(d) Current Tax Liabilities (net)	27	5.51	6.33
Total current liabilities		**394.52**	**766.73**
TOTAL EQUITY AND LIABILITIES		**4,489.82**	**2,977.90**
Material accounting policies and notes to financial statements	**1-50**		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E
CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWX4339
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

(All amount in INR Millions unless otherwise stated)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

	Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
1	**Income**			
	Revenue from Operations	28	6,676.86	7,845.76
	Other Income	29	77.52	96.12
	Total Income		**6,754.37**	**7,941.88**
2	**Expenses**			
	Cost of Materials Consumed	30	5,491.15	6,369.01
	Changes in Inventories of Finished Goods,			
	Stock-in-Trade and Work-in-Progress	31	5.17	(28.35)
	Employee Benefits Expense	32	164.64	148.10
	Finance Costs	33	36.32	49.83
	Depreciation and Amortisation Expense	3 & 5	45.26	34.40
	Other Expenses	34	562.79	601.95
	Total Expenses		**6,305.33**	**7,174.95**
3	**Profit before Exceptional Item and tax (1-2)**		**449.04**	**766.94**
4	**Exceptional Item**			
	Entry Tax for Earlier Years	35	18.02	-
5	**Profit before tax (3-4)**		**431.02**	**766.94**
6	**Tax expense:**	**36**		
	(a) Current tax		105.04	192.84
	(b) Deferred tax		5.89	5.89
	(c) Earlier year taxes		(0.99)	0.28
7	**Profit for the Year (5-6)**		**321.08**	**567.93**
8	**Other Comprehensive Income:**			
	(i) Items that will not be reclassified to profit or loss			
	a. Remeasurements of the defined benefit plans		0.29	1.30
	b. Equity instruments through other comprehensive income		60.90	-
	(ii) Income tax relating to items that will not be			
	reclassified to profit or loss		14.01	0.33
	Total Other Comprehensive Income		**47.19**	**0.97**
9	**Total Comprehensive Income for the Year (7+8) (Comprising**			
	Profit and Other Comprehensive Income for the Year)		**368.27**	**568.90**
10	**Net Profit attributable to:**			
	Owners of the Parent		308.56	549.43
	Non-Controlling Interest		12.52	18.49
11	**Other Comprehensive Income attributable to:**			
	Owners of the Parent		47.19	0.94
	Non-Controlling Interest		(0.00)	0.03
12	**Total Comprehensive Income attributable to:**			
	Owners of the Parent		355.74	550.38
	Non-Controlling Interest		12.52	18.52
13	**Earnings per equity share (of ₹10 each):-**	**40**		
	a) Basic (in ₹)		9.60	17.32
	b) Diluted (in ₹)		9.60	17.32
Material accounting policies and notes to financial statements		1-50		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E
CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWX4339
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

JG CHEMICALS

Consolidated Cash Flows Statement for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash flows from operating activities		
Profit before tax & Exceptional Item	449.04	766.94
Adjustment for non cash/ non operating items to reconcile profit before tax to net cash flows :		
Depreciation and Amortization	45.26	34.40
Loss/(profit) on sale of Property, Plant & Equipment	(0.06)	(0.13)
Dividend Income	(0.07)	(0.11)
Net (Gain)/loss on sale of Investments	(9.90)	(9.00)
Net (Gain)/loss on Investments measured at fair value through P&L	(9.05)	17.30
Net (Gain)/loss on outstanding Derivative Instruments measured at FVTPL	7.19	(21.85)
Unrealised foreign exchange fluctuations (gains)/losses, net	(2.14)	(1.67)
Sundry credit balances written back (net)	(0.85)	2.29
Interest Income	(6.10)	(2.46)
Provision for Employee Benefits	3.97	3.03
Provision for Expected Credit Loss	0.96	-
Finance cost	36.32	49.83
	65.53	**71.64**
Operating profit before working capital changes	**514.57**	**838.58**
Movements in working capital :		
Decrease/(increase) in inventories	481.90	(155.79)
Decrease/(increase) in trade receivables	(10.20)	(210.67)
Decrease/(increase) in Loans and other financial assets and other assets	(115.89)	24.54
Increase/(decrease) in trade and other payables	11.94	10.45
	367.75	**(331.48)**
Cash generated from / (used in) operations	**882.31**	**507.10**
Direct taxes paid (net of refunds)	104.65	195.42
Exceptional Item- Entry Tax Settlement	18.02	-
Net Cash generated from / (used in) operating activities (A)	**759.64**	**311.69**
Cash flows from investing activities		
Purchase of Property, Plant and Equipment and intangible assets	(94.54)	(98.90)
Proceeds from sale of Property, Plant and Equipment	0.12	0.22
Dividend Income	0.07	0.11
Interest Income	1.84	2.57
Proceeds from sale of investments	704.85	224.54
Payment for purchase of investments	(1,010.87)	(177.50)
Term Deposits with original maturity period of more than three months but less than twelve months	(1,000.00)	-
Net Cash generated from / (used in) investing activities (B)	**(1,398.52)**	**(48.97)**

Consolidated Cash Flows Statement for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Cash flows from financing activities		
Proceeds from non-current borrowings	-	40.00
Repayment of non-current borrowings	(31.06)	(28.80)
Proceeds from Initial Public Offer of shares (Net off share issue expenses)	1,521.64	-
Payable to selling shareholders	14.53	-
Payable against share issue expenses	137.91	-
Proceeds/ (Repayment) of current borrowings (net)	(534.68)	(247.10)
Interest paid	(38.03)	(49.83)
Net Cash generated from / (used in) financing activities (C)	**1,070.31**	**(285.73)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	431.42	(23.01)
Cash and cash equivalents at the beginning of the year	35.48	58.53
Effect of exchange rate fluctuations on cash held in foreign currency (EEFC accounts)	0.02	(0.03)
Cash and cash equivalents at the end of the Year	**466.93**	**35.48**
Cash and cash equivalents consists of the following:		
Balances with Banks		
In Current Accounts	0.40	0.51
In Cash Credit Accounts/Overdraft Accounts	39.05	13.28
In EEFC Accounts	7.64	20.77
In Public issue account	188.67	-
Term deposits with original maturity period of less than three months	230.00	-
Cash on hand	1.17	0.92
Total cash and cash equivalents	**466.93**	**35.48**

Notes:

1 Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" specified under Section 133 of the Companies Act, 2013.

2 Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advances and liability for capital goods) during the year.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWX4339
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of
J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

1 Company Overview

J.G. Chemicals Limited ('the Company') is a public company domiciled and headquartered in India, having its registered office situated at Adventz Infinity@5, 15th Floor, Unit 1511, Sector - V, Salt Lake, Kolkata- 700091. The Holding Company stands converted from 'Private' to 'Public' as per the Certificate of Incorporation dt. 24th May, 2022 issued by the Registrar of Companies, West Bengal and has completed its Initial Public Offer (IPO) and accordingly the equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) w.e.f March 13, 2024. The Group is primarily engaged in the business of manufacturing of Zinc based products. The Group has operations in India and caters to both domestic and international markets. The Consolidated Financial Statements comprise financial statements of "J. G. Chemicals Limited" ("the Holding Company" or "The Company"), and its subsidiary (collectively referred to as "the Group") for the year ended March 31, 2024 & March 31, 2023 . These Consolidated Financial Statements were authorized to be issued by the Board of Directors on 8th May, 2024.

2A Basis of Preparation and Presentation of Consolidated Ind AS Financial Statements

(i) Statement of compliance and basis of preparation

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (""IndAS"") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and guidelines issued by the Securities and Exchange Board of India (""SEBI""), as a going concern on accrual basis. Accounting policies have been applied consistently to all periods presented in this Consolidated Financial Statements except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use. The consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional and presentation currency. All financial information presented in Indian Rupees (INR) has been rounded to the nearest millions (upto two decimals).

(ii) Basis of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

Investment in Subsidiary

The financial statements of the Holding Company and its subsidiary are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intragroup balances and intragroup transactions.

Profits or losses resulting from intra-group transactions that are recognised in assets are eliminated in full.There is no difference in accounting policies of the Holding Company and its subsidiary.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the parent's investment in the subsidiary is offset (eliminated) against the parent's portion of equity in the subsidiary.

Non-Controlling Interest's share of profit/loss of the subsidiary for the period is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

Non-Controlling Interest's share of net assets of the subsidiary is identified and presented in the Consolidated Balance Sheet.

Statement showing percentage holding of the Group in its Subsidiaries:

SL.No.	Name of Subsidiary	March 31, 2024		March 31, 2023	
		No. of Shares	% Holding	No. of Shares	% Holding
1	BDJ Oxides Pvt. Ltd	2,50,000	94.13%	2,50,000	94.13%

(iii) Basis of measurement

The Consolidated Financial Statements have been prepared on historical cost convention on the accrual basis, except for the following items:

(i) Derivative financial instruments measured at fair value

(ii) Certain financial assets and financial liabilities measured at fair value;

(iii) Employee's defined benefit plan as per actuarial valuation.

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.

2B CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of these Consolidated Financial Statements in conformity with Ind AS requires the management to make judgements, accounting estimates and assumptions that affect the application of accounting policies and amounts recognised in the Consolidated Financial Statements, and the reported amounts of assets, liabilities, income and expenses. Accounting estimates are monetary amounts in the Consolidated Financial Statements that are subject to measurement uncertainty. An accounting policy may require items in Consolidated Financial Statements to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, management develops an accounting estimate to achieve the objective setout by the accounting policy. Estimates

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have most significant effect on the amount recognised in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following:

(i) Useful lives of property, plant and equipment and intangible assets

The Group depreciates property, plant and equipment on a written down method over estimated useful lives of the assets. The intangible asset is amortised on a straight line method over the useful life. The charge in respect of periodic depreciation and amortisation is derived based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. The lives are based on historical experience with similar assets and the estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortization charges.

(ii) Allowance for expected credit loss

The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Group's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Group's trade receivables compared to that already taken into consideration in calculating the allowances recognised in the Consolidated Financial Statements.

(iii) Income taxes

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.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Recognition therefore involves judgement regarding the future financial performance of the Group. The amount of deferred tax assets, considered realisable, however, could reduce in the near term if estimates of future taxable income during the carry forward period are reduced.

(iv) Provisions and Contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates. The Group uses significant judgement to disclose contingent liabilities.Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurence or non-occurence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

(v) Employee Benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2C SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Consolidated Ind AS Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Current and Non-Current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(b) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when the Group satisfies the performance obligation by transferring the promised goods or service to a customer.

(i) Sales

The Group derives revenue primarily from sale of Zinc based products.

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations are fulfilled at the time of dispatch,

delivery or upon formal customer acceptance depending on terms of contract with customers.The Company engages in variable price contracts with its customers. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice. Revenue excludes any taxes and duties collected on behalf of the government.

(ii) Export Incentives

Export incentives are recognised as income as per terms of the scheme in respect of exports made.

(c) Recognition of interest income, dividend income and income from investment

(i) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate. Interest income is included in the other income in Statement of Profit and Loss.

(ii) Dividend Income

Dividend income on Investments is recognised in the Statement of Profit and Loss when the Group's right to receive the dividend has been established and it is certain that the economic benefits associated with the dividend will flow to the company and the amount of income can be measured reliably.

(iii) Income from investment

Profit / (loss) earned from sale of securities is recognised on the trade date. It is included in the Other Income in Statement of Profit and Loss.

(iv) All other income is accounted for on accrual basis when right to receive is established unless otherwise specified.

(d) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(i) Property, Plant And Equipment

Recognition and Measurement

Property, plant and equipment held for use in the production or/ and supply of goods or services, or for administrative purposes, are stated in the balance sheet at historical cost less accumulated depreciation and accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment which are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as Capital work-in-progress.

Subsequent Measurement

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Depreciation and Amortization

Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Group based on the technical evaluation. The estimated useful lives of assets for the current period are as follows:

Category	Useful Life
Factory Shed & Building	30 Years
Plant, Machinery & Equipment (Continuous Process Plant)	25 Years
Plant, Machinery & Equipment (General)	15 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years
Office Equipments	5 Years
Computers	3 Years

Depreciation on additions/ disposals during the year is provided on a pro-rata basis i.e., from/ up to the date on which asset is ready for use/ disposed of.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

(ii) Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production/ use.

(iii) Intangible Assets

Intangible assets are stated at cost of acquisition, comprising of purchase price less accumulated amortization and impairment losses, if any. Depreciable amount of such assets, are allocated on systematic basis on the best estimates on straight line method.

Cost of software including directly attributable cost, if any, acquired for internal use, is allocated / amortized over the useful life of asset as under:

Asset Description	Asset Useful Life
Computer Software	5 Years

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(iv) Impairment

At each balance sheet date, the Group reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(e) Leases

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 defined period of time in exchange for consideration.

(f) Financial Instruments

(i) Initial Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of Profit and Loss.

(ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(iii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

a) Financial assets measured at Amortized Cost:

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at Fair Value Through Profit or Loss (FVTPL):

A Financial Asset which is not classified in any of the above categories is measured at FVTPL.

Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(iv) Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'. However dividend on such Equity Investment are recognised in the Statement of Profit and Loss when the Group has rights to receive is established.

(v) Impairment of Financial Assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months' expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

(vi) Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. For trade and other payables maturing within one year from the

balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments.

(vii)Derecognition of Financial Instruments:

The Group derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a financial liability) is derecognized from the holding company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(viii) Offsetting:

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

(g) Derivative Instruments

Commodity Contracts

Initial recognition and subsequent measurement

The Group enters into derivative instruments such as commodity future contract to manage its exposure to risk associated with commodity prices fluctuations. The counter-party for those contracts are global commodity exchanges. The Group uses of these instruments is intended to mitigate exposure to market variables. The Group also enters into certain derivative contracts on Multi Commodity Exchange of India (MCX) to hedge risks which are not designated as hedges. All derivative contracts are initially recognised at fair value through profit or loss and subsequently re-measured at fair value. The changes in fair value of commodity derivatives are recognised in Statement of Profit or Loss.

(h) Inventory

Finished Goods are valued at lower of the cost or net realizable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares includes expenditure incurred in acquiring the inventories, production or conversion cost and other cost incurred in bringing them to their present location and condition. Cost in respect of finished goods represents prime cost, and includes appropriate portion of overheads.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred on completion and disposal.

(i) Cash and Cash Equivalents

The Group's cash and cash equivalents includes cash at banks and on hand, and short-term money market deposits with original maturities of less than or upto three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Foreign Currency Transaction

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of Profit and Loss account.

(k) Accounting for Taxes on Income

Income Tax expense or credit for the period is the tax payable on the current period taxable income based on the applicable Income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(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.

(ii) Deferred Tax

Deferred Tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(l) Employee Benefits

(i) Short-Term Employee Benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. The undiscounted amount of short term employee benefits such as salaries, wages, etc to be paid in exchange of employee services is recognised as an expense as the related service is rendered by the employee.

(ii) Post-Employment Benefit includes:

Defined Benefit Plans

For defined benefit schemes in the form of gratuity fund, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

The Group recognises contribution payable to the provident fund scheme as an expense in the Statement of Profit and Loss, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or refund.

Under a defined contribution plan, the Group's sole obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service.

(m) Dividend

Final dividends on shares are recorded as a liability, on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Holding Company's Board of Directors.

(n) Research and Development Expenses

Research and development expenses (other than those in the nature of capital expenditure) are charged to the Statement of Profit and Loss as expenses in the year in which they are incurred.

(o) Earnings per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(p) Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the estimated cash flows to settle the present obligation, its carrying amount is the present value of those cash flows. The discount rate used is a pretax rate that reflects current market assessments of the time value of money in that jurisdiction and the risks specific to the liability.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material 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 unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

2D Recent Indian Accounting Standards (Ind AS)/ Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification which would have been applicable from 1st April, 2024, for which the impact on the Financial Information is required to be disclosed.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

3 Property, Plant and Equipment:

Particulars	Freehold land	Leasehold land	Factory Shed & Building	Plant, Machinery and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block									
As at April 1, 2023	30.86	10.22	141.45	210.28	7.86	16.72	32.25	3.05	452.68
Additions	-	-	19.08	49.56	33.96	0.09	4.52	2.28	109.48
Disposal	-	-	-	-	-	(1.10)	-	-	(1.10)
As at March 31, 2024	**30.86**	**10.22**	**160.53**	**259.84**	**41.82**	**15.70**	**36.77**	**5.32**	**561.06**
Accumulated Depreciation									
As at April 1, 2023	-	-	28.64	43.70	3.52	9.09	12.90	2.16	100.00
Charge for the year	-	-	10.93	25.45	3.73	2.31	1.81	0.95	45.18
Adjustments	-	-	-	-	-	(1.05)	-	-	(1.05)
As at March 31, 2024	**-**	**-**	**39.57**	**69.15**	**7.24**	**10.35**	**14.70**	**3.12**	**144.13**
Net carrying amount									
As at March 31, 2024	**30.86**	**10.22**	**120.96**	**190.69**	**34.58**	**5.35**	**22.06**	**2.21**	**416.93**

Particulars	Freehold land	Leasehold land	Factory Shed & Building	Plant, Machinery and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block									
As at April 1, 2022	30.86	10.22	87.49	120.36	6.47	15.47	16.56	2.49	289.93
Additions	-	-	53.96	90.54	1.40	1.25	15.78	0.55	163.47
Disposal	-	-	-	(0.63)	(0.00)	-	(0.08)	-	(0.71)
As at March 31, 2023	**30.86**	**10.22**	**141.45**	**210.28**	**7.86**	**16.72**	**32.25**	**3.05**	**452.68**
Accumulated Depreciation									
As at April 1, 2022	-	-	19.67	27.99	2.41	6.00	8.66	1.55	66.29
Charge for the year	-	-	8.96	16.24	1.11	3.09	4.31	0.61	34.33
Adjustments	-	-	-	(0.54)	(0.00)		(0.08)	-	(0.62)
As at March 31, 2023	**-**	**-**	**28.64**	**43.70**	**3.52**	**9.09**	**12.90**	**2.16**	**100.00**
Net carrying amount									
As at March 31, 2023	**30.86**	**10.22**	**112.81**	**166.57**	**4.35**	**7.63**	**19.35**	**0.88**	**352.68**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

4 Capital Work-in Progress (CWIP):

CWIP	Amount in CWIP as at March 31, 2024				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	-	-	-	-	-

CWIP	Amount in CWIP as at March 31, 2023				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	9.23	-	-	-	9.23

Note: The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

5 Intangible Assets:

Particulars	Gross Block as at April 1, 2023	Additions	Gross Block as at March 31, 2024	Accumulated Depreciation as at April 1, 2023	Charge for the year	Cumulative Depreciation as at March 31, 2024	Net carrying amount as at March 31, 2024	Net carrying amount as at March 31, 2023
Computer Softwares	0.44	0.18	0.62	0.34	0.08	0.43	0.19	0.10

Particulars	Gross Block as at April 1, 2022	Additions	Gross Block as at March 31, 2023	Accumulated Depreciation as at April 1, 2022	Charge for the year	Cumulative Depreciation as at March 31, 2023	Net carrying amount as at March 31, 2023	Net carrying amount as at March 31, 2022
Computer Softwares	0.44	-	0.44	0.27	0.08	0.34	0.10	0.17

6 Investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Quantity/ Units	Amount	Quantity/ Units	Amount
A NON-CURRENT				
(I) Investment in Equity Instruments				
(a) Quoted (fully paid-up) - At Fair Value through P&L				
Balkrishna Industries Ltd (FV ₹ 2)	1,250	2.90	1,250	2.44
JK Lakshmi Cement Ltd. (FV ₹ 5)	1,500	1.31	1,500	1.19
Kotak Mahindra Bank Ltd. (FV ₹5)	413	0.74	413	0.72
Nocil Ltd. (FV ₹10)	12,360	3.08	12,360	2.55
Sub - Total (i)		**8.03**		**6.90**
(b) Unquoted (Fully Paid)				
- At Fair Value through OCI Investment in Others				
Vision Projects & Finvest Private Limited - (FV ₹ 10)*	43,500	78.30	-	-
Sub - Total (ii)		**78.30**	**-**	**-**
- At Fair Value through P&L				
Swarnim Complex Private Limited (FV ₹ 10)	-	-	10,000	0.10
Sub - Total (iii)	**-**	**-**	**-**	**0.10**

* As per scheme of amalgamation approved by Hon'ble NCLT in terms of their order dated 19th June, 2023, M/s BDJ Speciality Chemicals Pvt Ltd is amalgamated with M/s Vision Projects & Finvest Pvt Ltd and 43,500 Class A Equity shares of Rs.10 each of the said Vision Projects & Finvest Pvt Ltd are allotted in lieu of shares held in erstwhile amalgamated Co. M/s BDJ Speciality Chemicals (P) Ltd.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Equity Share Capital:	As at March 31, 2024		As at March 31, 2023	
	Quantity/ Units	Amount	Quantity/ Units	Amount
(II) Investment in Mutual Funds				
Quoted				
- At Fair Value through P&L				
HDFC Small Cap Fund - Direct Growth Plan	53,693	7.10	53,693	4.76
ICICI Prudential Liquid Fund - Growth*	48,586	17.21	48,586	16.07
Mirae Assets Hang Seng Tech ETF For-Direct-Growth	2,18,903	1.38	2,18,903	1.72
Sub-Total (iv)		**25.69**		**22.55**
*pledged with broker against margin money				
TOTAL NON-CURRENT INVESTMENTS		112.02		29.55
		112.02		**29.55**
Total Investment at FVTOCI		78.30		-
Total Investment at FVTPL		33.72		29.45
		112.02		**29.45**
Aggregate amount of Quoted Investments and Market Value thereof		33.72		29.45
Aggregate amount of Unquoted Investments		78.30		0.10
		112.02		**29.55**
B CURRENT				
(I) Investment in Mutual Funds				
Quoted				
- At Fair Value through P&L				
SBI Arbitrage Opportunities Fund Growth	20,34,049	63.03	-	-
ICICI Prudential Liquid Fund - Growth	3,14,352	111.33	-	-
HDFC Liquid Fund -Growth	2,215	10.40	-	-
Aditya Birla Sunlife Arbitrage Fund-Growth	14,39,552	35.08	-	-
HDFC Arbitrage Fund-Wholesale Plan - Regular Plan - Growth	35,91,401	100.86	-	-
TOTAL CURRENT INVESTMENTS		**320.71**		**-**
Total Investment at FVTPL		320.71		-
Aggregate amount of Quoted Investments and Market Value thereof		**320.71**		**-**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

7 Other Non-Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Security Deposit	5.46	7.28
(b) Fixed Deposits with Banks with more than 12 months maturity*	4.28	4.04
(c) Interest accrued on fixed deposits	0.21	0.17
	9.95	**11.48**

*Under Lien with bank against Cash Credit/ Bank Overdraft & Bank Guarantees.

8 Non-Current Tax Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax and TDS (Net of Provisions)	-	0.13
	-	**0.13**

9 Deferred Tax Assets / (Liabilities) (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets		
Timing Difference on account of Provision for employees benefits	1.57	0.99
Timing Difference on account of Share Issue Expenses (netted from Securities Premium)	25.84	-
	27.42	**0.99**
Deferred Tax Liabilities		
Timing Difference on account of Property, Plant & Equipment	3.85	3.16
Financial Assets at Fair value through P&L	2.08	0.87
Derivative instruments designated at Fair value through P&L	1.04	2.85
Financial Assets at Fair value through other comprehensive Income	13.93	
	20.91	**6.88**
Deferred Tax Assets /(Liabilities) (Net)	**6.51**	**(5.89)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2024 and year ended March 31, 2023

Particulars	Opening Balance	Recognised during the year	Recognised in statement of P&L	Recognised in OCI	Closing Balance
As at March 31, 2024					
Deferred Tax Assets					
Timing Difference on account of Provision for employees benefits	0.99	-	0.66	(0.08)	1.57
Timing Difference on account of Share Issue Expenses (netted from Securities Premium)	-	32.30	(6.46)	-	25.84
	0.99	**32.30**	**(5.80)**	**(0.08)**	**27.42**
Deferred Tax Liabilities					
Timing Difference on account of Property, Plant & Equipment	3.16	-	0.70	-	3.85
Financial Assets at Fair value through P&L	0.87	-	1.21	-	2.08
Derivative instruments designated at Fair value through P&L	2.85	-	(1.81)	-	1.04
Financial Assets at Fair value Through other comprehensive Income	-	-	-	13.93	13.93
	6.88	**-**	**0.09**	**13.93**	**20.91**
	(5.89)	**32.30**	**(5.89)**	**(14.01)**	**6.51**
As at 31st March 2023					
Deferred Tax Assets					
Timing Difference on account of Provision for employees benefits	1.13	-	0.18	(0.33)	0.99
	1.13	**-**	**0.18**	**(0.33)**	**0.99**
Deferred Tax Liabilities					
Timing Difference on account of Property, Plant & Equipment	1.04	-	2.11	-	3.16
Financial Assets at Fair value through P&L	2.41	-	(1.54)	-	0.87
Derivative instruments designated at Fair value through P&L	(2.64)	-	5.50	-	2.85
	0.81	**-**	**6.07**	**-**	**6.88**
	0.32	**-**	**(5.89)**	**(0.33)**	**(5.89)**

10 Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balance with statutory authorities	3.76	4.13
(b) Advances for capital goods	0.28	6.51
(c) Prepaid Expenses	1.30	0.73
	5.35	**11.38**

11 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Raw Materials	239.01	721.86
(b) Finished Goods*	293.36	298.53
(c) Stores and Consumables	24.18	18.06
	556.55	**1,038.45**
* includes stock in transit and lying with third party	42.85	30.51

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

12 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good	1,166.88	1,156.09
Receivables which have significant increase in Credit Risk	0.96	-
Less: Allowance for doubtful receivables	0.96	-
	1,166.88	**1,156.09**

During the year ended March 31, 2024 the Company has created provision for doubtful debts of ₹ 0.96 millions. (Previous Year: ₹ Nil)

Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
For the year ended March 31, 2024						
(i) Undisputed - Considered Good	1,152.30	13.72	0.54	0.14	0.17	1,166.88
(ii) Undisputed - which have significant increase in credit risk	-	-	0.41	0.54	0.00	0.96
Less: Allowance for doubtful receivables	-	-	0.41	0.54	0.00	(0.96)
Total	**1,152.30**	**13.72**	**0.54**	**0.14**	**0.17**	**1,166.88**
For the year ended March 31, 2023						
(i) Undisputed - Considered Good	1,152.64	0.97	1.03	1.45	-	1,156.09
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-
Less: Allowance for doubtful receivables	-	-	-	-	-	-
Total	**1,152.64**	**0.97**	**1.03**	**1.45**	**-**	**1,156.09**

13 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balances with Banks:		
- In Current Accounts	0.40	0.51
- In Cash Credit/ Overdraft Accounts*	39.05	13.28
- In EEFC Accounts	7.64	20.77
- In Public issue account**	188.67	-
-Term deposits with original maturity period of less than three months	230.00	-
(b) Cash on hand	1.17	0.92
	466.93	**35.48**

*represents debit balances in Cash Credit/ Overdraft accounts with the Banks

** includes balance for amount payable to Selling Shareholders and share issue expenses remaining unpaid, on the Balance Sheet date.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

14 Bank Balances other than Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Term deposits with original maturity period of more than three months but less than twelve months	1,000.01	2.80
(b) Term deposits with original maturity period of more than three months but less than twelve months		
-under Lien with Bank against Bank Guarantee/Stand By Letter of Credit facility.	0.03	10.29
	1,000.04	**13.09**

15 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Loans & Advances to Related Party	-	18.40
	-	**18.40**

Details of Loan and advances in the nature of loans granted to promoters, directors, KMPs and related parties

Types of Borrower	Amount of loan or advance in the nature of loan outstanding		% of the total Loans and Advances in the nature of loans	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Related Parties	-	18.40	-	100%

16 Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Margin money/ Balances with broker	137.74	63.83
(b) Payments against Investments in Mutual Funds	-	100.00
- pending execution of Orders (executed on 3/4/23)		
(c) Earnest Money deposit/Security Deposit	29.98	4.62
(d) Advances to employees	2.01	1.87
(e) Rent Receivables	0.07	0.07
(f) Interest accrued on fixed deposits	4.26	1.45
(g) Derivative Assets at fair value through profit and loss (net)	4.15	11.34
(h) Share Issue Expenses (refer Note below)	-	28.09
(i) Others receivables*	2.24	0.02
	180.44	**211.28**

*'Other receivables' includes amount refundable from a statutory body, employee group gratuity balance and Export Benefit Receivable.

Note : Share issue expenses incurred by the Company in earlier year relate to the proposed Initial Public offer (IPO) of equity shares of the Company, completed during the year and adjusted with Securities Premium.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

17 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Balance with statutory/ government authorities	118.53	48.36
(b) Advances for goods and services	125.58	36.74
(c) Prepaid expenses	3.23	5.46
	247.33	**90.56**

18 Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Authorised:		
4,50,00,000 (Previous year 3,70,00,000) Equity Shares of ₹ 10/- each	450.00	370.00
	450.00	**370.00**
(b) Issued, Subscribed and Fully Paid Up:		
3,91,86,063 (Previous year 3,17,20,000) Equity Shares of ₹ 10/- each, fully paid up in cash	391.86	317.20
	391.86	**317.20**

(c) Share Capital Reconciliation:

Equity Share Capital:	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
Opening balance	3,17,20,000	317.20	12,20,000	12.20
Add: Shares issued through IPO (Refer note (i) below)	74,66,063	74.66	-	-
Add: Shares issued as Bonus Shares (Refer note (ii) below)	-	-	3,05,00,000	305.00
Closing Balance	**3,91,86,063**	**391.86**	**3,17,20,000**	**317.20**

Note (i) : During the year ended March 31, 2024, the Company has completed its Initial Public Offer (IPO) of 1,13,66,063 equity shares of face value of ₹10/- each at an issue price of ₹ 221/- per share aggregating to ₹ 2,511.90 millions, comprising of fresh issue of 74,66,063 shares aggregating to ₹1650.00 millions and offer for sale of 39,00,000 shares by the selling shareholders aggregating to ₹ 861.90 millions. The Equity Shares were listed on the BSE Limited and National Stock Exchange of India Limited on March 13, 2024.

Note (ii) : Pursuant to a resolution of the Board of Directors dated 25th May, 2022 and after shareholders' approval in the EOGM dated 31st May, 2022, the Company has issued 25 (twenty five) bonus shares of face value of ₹ 10 (Rupees Ten) each for every 1 (One) existing fully paid-up equity share of face value of ₹ 10 (Rupees Ten) each on 21st June,2022, by capitalisation of its reserves & surplus.

(d) Particulars of Equity Shareholders holding more than 5% Shares at Balance Sheet date:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos	% holding	Nos	% holding
Alka Jhunjhunwala	41,60,000	10.62%	41,60,000	13.11%
Anirudh Jhunjhunwala	41,60,000	10.62%	41,60,000	13.11%
Anuj Jhunjhunwala	39,00,000	9.95%	39,00,000	12.30%
Suresh Jhunjhunwala	39,00,000	9.95%	39,00,000	12.30%
Vision Projects & Finvest Pvt. Ltd.*	84,36,100	21.53%	36,40,000	11.48%
Jayanti Commercial Ltd.	31,83,900	8.13%	31,85,000	10.04%
Eeshwar Fiscal Services Pvt. Ltd.*	-	0.00%	29,25,000	9.22%
Alkan Fiscal Services Pvt. Ltd.*	-	0.00%	26,00,000	8.20%

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

*Pursuant to a scheme of merger u/s 230 & 232 of the Companies Act, 2013, approved by Hon'ble National Company Law Tribunal (NCLT) dt. June 19, 2023, Alkan Fiscal Services Private Limited, Eeshwar Fiscal Services Private Limited and other four companies (collectively, "Transferor Companies") merged with Vision Projects & Finvest Private Limited ("Transferee Company") with effect from July 14, 2023, appointed date being April 01, 2021.

(e) Rights, Preferences and Restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹10/- per share. The dividend recommended by the Board of Directors is subject to the approval of Shareholders in the Annual General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment as at Balance Sheet date.

(g) Details of shares issued for consideration other than cash/ bonus shares / bought back

During the year ended March 31, 2023, the company has issued 3,05,00,000 shares of ₹ 10 each as fully paid-up bonus shares representing a ratio of 25 (twenty-five) equity shares for every 1 (one) equity share outstanding on the record date.

(h) No convertible securities have been issued by the Company during the year.

(i) Particulars of Promoter Shareholding for Equity Share Capital as at Balance sheet date:

Promoter Name	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Anirudh Jhunjhunwala	41,60,000	10.62%	-2.50%	41,60,000	13.11%	-
Anuj Jhunjhunwala	39,00,000	9.95%	-2.34%	39,00,000	12.30%	-
Suresh Jhunjhunwala	39,00,000	9.95%	-2.34%	39,00,000	12.30%	-

19 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium	1,479.29	-
(b) Capital Reserve arising on consolidation	49.46	49.46
(c) Retained Earnings	2,013.54	1,707.28
(c) Other Comprehensive Income	49.79	2.61
	3,592.08	**1,759.35**

Securities Premium

Securities Premium represents the amount received in excess of par value of securities through initial public offering during the year after adjustment of related issue expenses. Section 52 of Companies Act, 2013 specifies restriction for utilisation of security premium.

Capital Reserve arising on consolidation

Consequent upon increase in percentage of shareholding of the Company in BDJ Oxides Pvt. Ltd. (a subsidiary), from 75.30% to 94.13% on buyback of shares in the FY 2021-22.

Retained Earnings

Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Group.

Other Comprehensive Income- Items that will not be reclassified to profit and loss.

The actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and fair value gain/ loss on unquoted equity instruments have been recognised in OCI.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

20 Non - Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
From Banks/Financial Institutions (Secured):		
(a) Term Loans	61.19	90.94
(b) Vehicle Loan	3.22	4.44
Less: Current maturities of long-term borrowings (refer Note C)	(28.31)	(28.22)
	36.09	**67.15**

A Repayment terms & Security details - Term Loans (in the Subsidiary Company)

Particulars	Amount Outstanding (including Current maturity)	Number of instalment due as on Balance Sheet Date	Amount of instalment	Rate of interest	Security details
From Bank Of Baroda (Term Loan 2)					
March 31, 2024	13.19	5 Quarterly	2.75	9.15%	1st Exclusive charge by way of hypothecation of movable Plant & Machinery & other movable fixed assets (present and future).
March 31, 2023	26.94	10 Quarterly	2.75	9.35%	
From Bank Of Baroda (Term Loan 4)					
March 31, 2024	48.00	12 Quarterly	4.00	9.05%	Equitable Mortgage of Land at Plot No. 15,16, 17 & 18, Attivaram, Nellore with first exclusive charge on the entire project assets created/to be created from the said loan.
March 31, 2023	64.00	16 Quarterly	4.00	9.05%	

- Personal & Corporate Guarantee

Above loans are secured by personal guarantee of two Directors and corporate guarantee of Holding Company.

B Repayment terms & Security details - Vehicle Loans

Particulars	Amount Outstanding (including Current maturity)	Number of instalment due as on Balance Sheet Date	Amount of instalment	Rate of interest	Security details
From Daimler Financial Services India Pvt Ltd					
March 31, 2024	3.22	28 Monthly	0.13	7.10%	Vehicle loan are secured by hypothecation of respective specific vehicles being financed by them.
March 31, 2023	4.44	40 Monthly	0.13	7.10%	

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

C Current maturities of long-term borrowings consists of:

Particulars	As at March 31, 2024	As at March 31, 2023
From Banks/Financial Institutions (Secured):		
(a) Term Loans	27.00	27.00
(b) Vehicle Loans	1.31	1.22
	28.31	**28.22**

21 Non - Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
- Gratuity Liability	4.13	2.85
	4.13	**2.85**

22 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Secured Loan		
From Banks		
- Cash Credit	73.36	573.40
- Packing Credit	-	34.73
(b) Current Maturities of Long Term Debt	28.31	28.22
	101.67	**636.36**

Security

Cash Credit, Packing Credit & Working Capital Demand Loan - Company

(a) The company has Cash credit facility with Bank of Baroda with a sub-limit of letter of credit (ILC/FLC/SBLC), carrying variable interest (presently @ 9.15% p.a.) secured by:

Security details

- First pari-pasu charge on the entire current assets of the company both present and future.
- 10 % cash Margin in the Form of FDR on L/C Limit utilization basis.
- 10 % cash Margin in the Form of FDR on P/C Limit utilization basis.
- 10 % cash Margin in the Form of FDR on BG Limit utilization basis. (In case of disputed liabilities / Court cases 100% cash Margin).

Collateral security

- Equitable Mortgage on Factory Lands along with Shed, Building etc. thereon (First Pari Passu Charge with Citi Bank, NA).
- Entire Fixed Assets of the Company except Land & Building as above. (First Pari Passu Charge with Citi Bank, NA).
- Lien on FDR for ₹ 3.38 millions in the name of the Company.

- Personal Guarantee

Above facilities has been secured by personal guarantee of three Promoter directors.

(b) The company has Cash credit facility with Citi Bank with a sub-limit of Working Capital Demand Loan (WCDL), Packing Credit, Pre and Post Shipment - Under LCs/ PO and Sight/ Usance Letter of credit, carrying variable interest (presently at the rate of 8.5% p.a.) and is secured by:

Security details

- First paripasu charge on the Stock and Book debts of the company both present and future.
- First paripasu charge on Entire Plant & Machinery and other movable assets of the company present and future.
- First Paripasu charge by way of Equitable Mortgage on factory land along with shed, building etc located at Jalan Industrial Complex, Domjur, District, Howrah and at Belur 189, Girish Ghosh Road, Howrah, owned by the company.
- Cash margin of 10% on SLC/ULC and BG.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

- **Personal Guarantee**

Above facilities are secured by personal guarantee of two Promoter directors.

- **Subsidiary Company**

(a) The company has Cash credit facility with Bank of Baroda with a sub-limit of Letter of Credit (ILC/FLC/SBLC), carrying variable interest (presently @ 9.15% p.a.) and is secured by:

Security details

- First Pari Passu charge with CITI Bank by way of hypothecation of stocks, Book Debts & other current assets of the company both present & future.
- 10 % cash Margin in the Form of FDR on utilization basis
- 2nd pari-passu charge with citi bank on factory land & building along with boundary wall and plant and machineries and other movable fixed assets both present & future at plot no 10, 15 & 16, 17 & 18, Attivaram, Industrial Park, Mandal, Ojili, Attivaram SPSR Nellore District.

- **Personal & Corporate Guarantee**

Above loans are secured by personal guarantee of two Directors and corporate guarantee of the Holding Company.

(b) The company has Cash credit facility with Citi Bank with a sub-limit of Working capital demand Loan (WCDL), Packing credit , Pre & Post Shipment- under LCs /PO and sight /usance letter of credit, carrying variable interest (presently at the rate of 9.25% p.a.) and is secured by:

Security details

- First paripassu charge on the Stock and Book debts of the company both present and future
- Second paripassu charge with Bank of Baroda on entire fixed assets of the company located at plot no 10 Attivaram, Industrial Park, Mandal, Ojili, District Trupati.
- Cash Margin of 10% on SLC/ULC and BG
- Second paripassu charge with Bank of Baroda on Land and Building situated at Plot No. 10,15 & 16, 17 & 18, Attivaram, Industrial Park, Mandal, Ojili, Nellore district owned by subsidiary.

- **Personal & Corporate Guarantee**

Above loans are secured by personal guarantee of two Directors and corporate guarantee of Holding Company.

23 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
- Total outstanding dues of micro enterprises and small enterprises	7.28	7.67
- Total outstanding dues of creditors other than micro enterprises and small enterprises	74.83	76.01
	82.11	**83.69**

Trade Payables ageing schedule :

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
For the Year ended March 31, 2024					
(i) MSME - undisputed	7.28	-	-	-	7.28
(ii) Others - undisputed	74.18	0.44	0.11	0.10	74.83
For the Year ended March 31, 2023					
(i) MSME - undisputed	7.67	-	-	-	7.67
(ii) Others - undisputed	75.27	0.60	0.01	0.13	76.01

Disclosure of the amount due to the Micro, Small and Medium Enterprises (on the basis of the information and records available with the management):

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
(a) The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
- Principal amount	7.28	7.67
- Interest due thereon	-	-
(b) The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payments which has been made beyond the appointed day (during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the Small / Micro Enterprises.	-	-

24 Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Interest accrued but not due on borrowings	0.77	2.48
(b) Sundry Creditors for capital goods	5.26	5.59
(c) Other Payables (year end liability for expenses)	11.33	15.01
(d) Payable against Share issue expenses	137.91	-
(e) Payable to Selling Shareholders	14.53	-
	169.81	**23.09**

25 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Advance from customers	0.08	0.15
(b) Statutory Dues	19.43	4.49
(c) Security Deposits	0.89	-
	20.40	**4.64**

26 Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits :		
(a) Gratuity Liability	2.12	1.07
(b) Other Employee benefit obligation	12.90	11.56
	15.02	**12.63**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

27 Current Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Liabilities (net of Payments)	5.51	6.33
	5.51	**6.33**

28 Revenue from Operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Sale of Products		
Finished Goods	6,676.71	7,842.31
Sale of Raw Materials	-	3.21
(b) Other Operating Revenue:		
Exports Benefits	0.15	0.25
	6,676.86	**7,845.76**

29 Other Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Interest Income measured at amortised cost*	6.10	2.46
(b) Net gain/(loss) on settlement of Derivatives Instruments	10.95	27.74
(c) Net gain/(loss) on Outstanding Derivative Instruments measured at FVTPL	(7.19)	21.85
(d) Net gain/(loss) on sale of Investments	9.90	9.00
(e) Net gain/(loss) on Investments measured at FVTPL	9.05	(17.30)
(f) Dividend Income from investment	0.07	0.11
(g) Net gain/(loss) on foreign exchange fluctuation	43.25	48.53
(h) Net gain/(loss) on Sale of Property, Plant & Equipment	0.06	0.13
(i) Insurance Claim received	-	1.08
(j) Rent Received	0.08	0.06
(k) Sundry Balances Written Back (Net)	0.85	-
(l) Miscellaneous Income	4.40	2.47
	77.52	**96.12**

* Interest income includes interest from fixed deposit and Others

30 Cost of Materials Consumed

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Raw material consumed*		
Inventory at the beginning of the Year	721.86	588.67
Add: Purchases	5,008.31	6,502.21
	5,730.17	7,090.87
Less: Inventory at the end of the Year	239.01	721.86
	5,491.15	**6,369.01**
* Includes Cost of Material sold	-	2.75

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

31 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(i) Inventories at the beginning of the Year		
Finished Goods	298.53	270.18
	298.53	**270.18**
(ii) Inventories at the end of the Year		
Finished Goods	293.36	298.53
	293.36	**298.53**
	5.17	(28.35)

32 Employee Benefits Expense

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Salaries, Wages and Allowances	152.11	137.19
(b) Contribution to Provident and Other Funds	8.95	8.46
(c) Staff welfare expenses	3.58	2.45
	164.64	**148.10**

POST RETIREMENT EMPLOYEE BENEFITS

The disclosures required under IND AS 19 on "Employee Benefits", are given below:

Defined Contribution Plans

Contributions to Defined Contribution Plans, recognized for the Year (included in Statement of Profit & Loss) as under:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employer's Contribution to Provident & Pension Fund	5.35	4.97
Employer's Contribution to ESI	0.90	0.85

Post Retirement Benefit Plans

The employee's gratuity fund scheme managed by Life Insurance Corporation of India (LIC) is a defined benefit plan. The present value of obligation is determined based on independent actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(a) Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity (Partially funded)	
	As at March 31, 2024	As at March 31, 2023
Liability at the beginning of the year	**11.63**	**10.46**
Interest Cost	0.81	0.74
Current Service Cost	2.43	2.23
Benefits paid	-	(0.43)
Remeasurements - Due to Financial Assumptions	0.45	(0.20)
Remeasurements - Due to Demographic Assumptions	(0.01)	-
Remeasurements - Due to Experience Adjustments	(0.73)	(1.17)
Liability at the end of the year	**14.58**	**11.63**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

(b) Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Fair value of Plan Assets at the beginning of the year	**7.71**	**6.42**
Interest Income	0.54	0.47
Contributions by the Company	0.08	1.33
Benefits paid	-	(0.43)
Remeasurements - Return on Assets (Excluding Interest Income)	0.00	(0.07)
Fair value of Plan Assets at the end of the year	**8.33**	**7.71**

(c) Amount Recognized in Balance Sheet

Particulars	As at March 31, 2024	As at March 31, 2023
Liability at the end of the year	14.58	11.63
Fair value of Plan Assets at the end of the year	8.33	7.71
Amount Recognized in the Balance Sheet	**6.25**	**3.92**

(d) Expenses Recognized in the Income Statement

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Current Service Cost	2.43	2.23
Interest Cost	0.81	0.74
Expected return on plan assets	(0.54)	(0.47)
Expenses Recognized in Profit & Loss Account	**2.71**	**2.51**

(e) Remeasurements Recognized in Other Comprehensive Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Remeasurements - Due to Financial Assumptions	0.45	(0.20)
Remeasurements - Due to Demographic Assumptions	(0.01)	-
Remeasurements - Due to Experience Adjustments	(0.73)	(1.17)
Remeasurements- Return on Assets	(0.00)	0.07
Remeasurements Recognized in Other Comprehensive Income	**(0.29)**	**(1.30)**

(f) Balance Sheet Reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Net Liability	3.92	4.04
Defined Benefit Cost included in Profit and Loss	2.71	2.51
Remeasurements recognised in OCI	(0.29)	(1.30)
Employers Contribution	(0.08)	(1.33)
Amount Recognized in Balance Sheet	**6.25**	**3.92**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

(g) The Principal actuarial assumptions used for estimating defined benefit obligations are set out as below:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Summary of Financial Assumptions		
Discount Rate	6.97%	7.25%
Salary Escalation	7.00%	7.00%
Expected Return on Plan Assets	6.97%	7.25%
Summary of Demographic Assumptions		
Mortality Rate	IALM 2012-2015 ULTIMATE	IALM 2012-2014 ULTIMATE
Disability Table (as % of above mortality rate)	1%	1%
Withdrawal Rate	1%	1%
Retirement Age	60 years	60 years
Average Future Service	18 Years	19 Years

Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 50 Basis Points from the assumed assumption is given below:

Particulars	Change in Assumption	Gratuity As at March 31, 2024	Gratuity As at March 31, 2023
Changes in Defined Benefit Obligations			
Salary Escalation	0.5%	15.54	12.37
Salary Escalation	-0.5%	13.70	10.96
Attrition Rate	0.5%	14.58	11.63
Attrition Rate	-0.5%	14.59	11.64
Discount Rates	0.5%	13.65	10.86
Discount Rates	-0.5%	15.62	12.48

The Company's gratuity plan is managed by Life Insurance Corporation of India and the estimate maturity profile of the expected cash flow in respect of Defined Benefit Obligations are as follows:

(without taking effect of interest accruing on funds invested)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Year 1	3.24	3.09
Year 2	0.15	0.09
Year 3	0.53	0.14
Year 4	0.20	0.49
Year 5	0.12	0.17
Remaining Subsequent Years	39.59	32.15

33 Finance Costs

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Interest Expense	33.16	45.47
(b) Other Borrowing Cost	3.16	4.36
	36.32	**49.83**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

34 Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Consumption of Stores & Spares	24.92	24.06
(b) Packing Materials	39.73	39.58
(c) Power & Fuel	244.21	258.08
(d) Processing Charges	12.95	18.85
(e) Material Handling, Machinery Hire & Other Charges	5.50	3.50
(f) Repairs and Maintenance		
- for Building	2.05	6.60
- for Plant and Machinery	18.93	21.60
- for others	3.34	2.43
(g) Auditors Remuneration		
- for Statutory audit	1.50	1.04
- for Tax audit	0.20	0.20
- Other Matters	1.00	0.24
(h) Rent	17.47	16.72
(i) Rates & Taxes	2.33	2.32
(j) Insurance Charges	4.06	3.97
(k) Legal & Professional Fees	13.31	21.16
(l) Postage, Telephone & Stationery	4.35	3.80
(m) Bank Charges	3.75	3.69
(n) Fees & Subscription	2.35	5.31
(o) Carriage Outward	76.95	89.79
(p) Discount & Commission on sales	20.52	25.93
(q) Sales Promotion Expenses	12.30	5.00
(r) Security Expenses	5.05	6.18
(s) Charity & Donation	0.04	0.08
(t) CSR Expenses	11.45	7.53
(u) Travelling & Conveyance	23.75	21.61
(v) Provision for Expected Credit Loss	0.96	-
(w) Vehicle Expenses	2.68	3.27
(x) Directors Sitting Fees	0.80	0.61
(y) Miscellaneous Expenses	6.36	6.52
(z) Sundry Balance Written off (net)	-	2.29
	562.79	**601.95**

35 Exceptional Items represent litigation settlements in respect of Entry Tax for earlier years under WB Sales Tax (Settlement of Dispute) Act, 1999.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

36 Tax Expenses

(All amount in INR Millions unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Amount recognised in Profit & Loss		
Current Tax		
Current Tax for the Year	105.04	192.84
Earlier Year taxes	(0.99)	0.28
Total Current Tax Expense	**104.05**	**193.12**
Deferred Tax		
Deferred Tax for the Year	5.89	5.89
Total Deferred Tax Expense	**5.89**	**5.89**
Total Tax Expense	**109.94**	**199.01**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Amount recognised in Other Comprehensive Income		
Deferred Tax		
Deferred Tax for the Year	14.01	0.33
Total Deferred Tax Expense	**14.01**	**0.33**

Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit and loss

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before Taxes	431.02	766.94
Indian Statutory Income tax Rate	25.17%	25.17%
Estimated Income tax expenses	108.48	193.02
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense :		
Expenses that are not deductible in determining taxable profit	3.15	2.67
Tax payable at different rate	(1.31)	1.78
Earlier Year Taxes	(0.99)	0.16
Others	0.61	1.38
Income Tax expense in the Statement of Profit and Loss	**109.94**	**199.01**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

37 RELATED PARTY TRANSACTIONS

Related party disclosure as identified by the management in accordance with the IND AS 24 on 'Related Party Disclosures' where control exits and with whom transactions have taken place during reported years:

Names of the related parties and description of relationships:

A Key Management personnel (KMP) and close member of their family:

Suresh Jhunjhunwala - Executive Chairman
Anirudh Jhunjhunwala - CEO & Managing Director
Anuj Jhunjhunwala - Whole time Director & CFO
Aakriti Jhunjhunwala - Wife of Anuj Jhunjhunwala
Alka Jhunjhunwala - Wife of Suresh Jhunjhunwala
Swati Poddar- Company Secretary and Compliance officer

B Entities where KMP or their close member have significant influence or control:

Alkan Fiscal Services Pvt. Ltd.*
BDJ Chemicals Pvt. Ltd.*
BDJ Impex Pvt. Ltd.
Eeshwar Fiscal Services Pvt. Ltd.*
Vision Projects & Finvest Pvt. Ltd.*
Swarnim Complex Pvt Ltd.*
Crystal Towers Pvt Ltd.
Jayanti Commercial Ltd.
Afford Tie Up Pvt Ltd
Anirudh Jhunjhunwala HUF
Suresh Kumar Jhunjhunwala HUF
BDJ Foundation

* Pursuant to a scheme of merger u/s 230 & 232 of the Companies Act, 2013, approved by Hon'ble National Company Law Tribunal (NCLT) dt. June 19, 2023, Alkan Fiscal Services Private Limited, BDJ Chemicals Private Limited, Swarnim Complex Private Limited, Eeshwar Fiscal Services Private Limited, & other two companies (collectively, "Transferor Companies") has merged with Vision Projects & Finvest Private Limited ("Transferee Company") with effect from July 14, 2023, appointed date being April 01, 2021.

C Related party transaction:

Nature of Transaction	Entities where KMP or their close member have significant influence or control		Key Management personnel (KMP) and close member of their family	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Salaries & Allowances				
Anirudh Jhunjhunwala	-	-	16.07	15.79
Suresh Jhunjhunwala	-	-	16.58	16.26
Anuj Jhunjhunwala	-	-	14.78	14.52
Aakriti Jhunjhunwala	-	-	2.51	2.24
Swati Poddar	-	-	0.71	0.58
Interest Paid on Loan				
Eeshwar Fiscal Services Pvt. Ltd.*	-	0.15	-	-
BDJ Chemicals Pvt. Ltd.*	-	0.15	-	-
BDJ Impex Pvt. Ltd.	-	0.01	-	-
Alkan Fiscal Services Pvt. Ltd.*	-	0.07	-	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Nature of Transaction	Entities where KMP or their close member have significant influence or control		Key Management personnel (KMP) and close member of their family	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Interest Received on Loan				
Afford Tie Up Pvt Ltd	-	0.39	-	-
Crystal Towers Pvt Ltd.	-	0.06	-	-
Jayanti Commercial Ltd	-	1.22	-	-
Rent Received				
BDJ Impex Pvt. Ltd.	0.08	0.06	-	-
Loan Taken				
BDJ Chemicals Pvt. Ltd.*	-	8.25	-	-
BDJ Impex Pvt. Ltd.	-	1.00	-	-
Alkan Fiscal Services Pvt. Ltd.*	-	12.50	-	-
Eeshwar Fiscal Services Pvt. Ltd.*	-	10.00	-	-
Loan Repayment				
Eeshwar Fiscal Services Pvt. Ltd.*	-	10.00	-	-
BDJ Chemicals Pvt. Ltd.*	-	8.25	-	-
BDJ Impex Pvt. Ltd.	-	1.00	-	-
Alkan Fiscal Services Pvt. Ltd.*	-	12.50	-	-
Loan Given				
Jayanti Commercial Limited	-	2.25	-	-
Loan Received back				
Crystal Towers Pvt Ltd.	-	1.15	-	-
Afford Tie Up Pvt Ltd	-	0.30	-	-
Rent paid				
Crystal Towers Pvt Ltd.	8.31	8.31	-	-
BDJ Impex Pvt. Ltd.	5.94	4.86	-	-
BDJ Chemicals Pvt Ltd. *	-	1.38	-	-
Vision Projects & Finvest Pvt. Ltd.*	1.38	-	-	-
Alka Jhunjhunwala	-	-	0.11	0.18
CSR Expenses				
BDJ Foundation	2.20	-	-	-
Amount Payable to Selling Shareholders against their offer for sale				
-net of share issue expenses				
Anirudh Jhunjhunwala HUF	122.74	-	-	-
Jayanti Commercial Limited	0.22	-	-	-
Suresh Kumar Jhunjhunwala HUF	253.53	-	-	-
Vision Projects & Finvest Pvt Ltd*	408.24	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Nature of Transaction	Entities where KMP or their close member have significant influence or control		Key Management personnel (KMP) and close member of their family	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Closing balances				
Security Deposit				
Crystal Towers Pvt Ltd.	2.08	2.08	-	-
BDJ Impex Pvt. Ltd. (Received)	0.02	0.02	-	-
Vision Projects & Finvest Pvt. Ltd.*	0.30	0.30	-	-
BDJ Impex Pvt. Ltd. (Paid)	0.95	0.95		
Investment				
Swarnim Complex Pvt Ltd*	-	0.10	-	-
Vision Projects & Finvest Private Limited*	78.30	-	-	-
Loan given				
Afford Tie Up Pvt Ltd	-	3.70	-	-
Jayanti Commercial Ltd	-	14.70	-	-
Payable to Selling Shareholders				
Anirudh Jhunjhunwala HUF	2.74	-	-	-
Jayanti Commercial Limited	0.02	-	-	-
Suresh Kumar Jhunjhunwala HUF	3.53	-	-	-
Vision Projects & Finvest Pvt Ltd*	8.24	-	-	-

D Compensation of Key management personnel

The remuneration of directors and other member of key management personnel during the year was as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Employee benefits expense	48.15	47.14
Post-employment benefits	0.82	0.35

38 COMMITMENTS AND CONTINGENCIES

i. Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:	-	6.69
	-	**6.69**

ii. Contingent Liabilities not provided for in respect of:

Particulars	As at March 31, 2024	As at March 31, 2023
Disputed amount of Sales Tax / VAT	16.61	16.61
Entry Tax	0.87	36.91
	17.48	**53.52**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

39 Segment information

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Group has identified the Chief Operating Decision Maker as its Managing Director. The Group operates mainly in one business segment viz., Manufacturing and selling of Zinc based products and all other activities revolve around the main activity. As the Group has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, Entity-Wise disclosures are as under:

a) Revenues from customers attributed to the Country of Domicile and attributed to all foreign countries from which the Group derives revenues

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from the Country of Domicile- India	6,060.38	7,118.70
Revenue from foreign countries	616.47	727.07

Revenue of ₹ 3,661.98 millions (Year ended March 31, 2023 ₹ 4,153.15 millions) is derived from customers each of whom contribute to more than 10% of the total revenue.

b) Details of non current assets*

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Non Current assets within the Country of Domicile- India	422.47	373.52
Non Current assets in foreign countries	-	-

* Non current assets for this purpose consist of property, plant and equipment, capital work-in-progress, intangible assets and other non financial non current assets

40 EARNING PER SHARE:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net profit attributable to the Equity holders of the Company as per Statement of Profit and Loss.	308.56	549.43
Weighted average number of equity shares for calculation of basic and diluted earnings per share	3,21,48,381	3,17,20,000
Face value of Equity Shares (₹)	10.00	10.00
Basic EPS (₹)	9.60	17.32
Diluted EPS (₹)	9.60	17.32

41 Confirmations for the balances shown under current and non-current loans & advances, current liabilities, trade payables, receivables and other current assets have been sought from the respective parties on random sampling basis. Consequential adjustments, if any, shall be done on the receipt of the same. In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

42 Leases

The Group's leasing agreements (as lessee) in respect of lease for office accommodation & godown are all in the nature of rental arrangements which are on periodic renewal basis. Expenditure incurred on account of rent during the year and recognized in the Statement of Profit & Loss amounts to ₹ 17.31 (Year ended March 31, 2023 ₹ 16.62 millions)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

43 Corporate Social Responsibility

Expense towards activities relating to Corporate Social Responsibility in compliance with section 135 of the Companies Act, 2013 is as under:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Gross amount required to be spent by the Group during the Year	11.45	7.70
(b) Amount of expenditure incurred	11.45	7.53*
(c) Provision of unspent CSR - movement during the year		
Opening Provision	-	-
Addition during the Year	-	-
Utilised during the Year	-	-
Closing Provision	-	-
(d) Nature of CSR activities	Education, Health care, Animal welfare, Rural Development	Education, Health care, Disaster Relief, Animal welfare, Rural Development
(e) Details of related party transactions		
BDJ Foundation		
Ongoing projects	2.00	-
Other Than Ongoing projects	0.20	-
	2.20	**-**

*This has been adjusted against the excess CSR expenditure carried over by the Company.

44 Borrowing from banks and financial institutions

The Group has obtained borrowings from banks on the basis of security of current assets. The particulars of statements of current assets filed by the Group with the Banks for each quarter ended during the year are as under:

Quarter ended	Particulars	Amount as per Books	Amount as reported in the quarterly returns	Amount of difference*
For the year ended March 31, 2024				
Quarter ended March 31, 2024	Inventory	532.37	532.37	-
	Debtors	1,166.88	1,166.88	-
Quarter ended December 31, 2023	Inventory	741.52	741.47	(0.05)
	Debtors	943.23	943.20	(0.03)
Quarter ended September 30, 2023	Inventory	714.47	715.95	1.48
	Debtors	894.85	894.80	(0.05)
Quarter ended June 30, 2023	Inventory	591.30	591.10	(0.20)
	Debtors	987.10	987.10	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Quarter ended	Particulars	Amount as per Books	Amount as reported in the quarterly returns	Amount of difference*
For the year ended March 31, 2023				
Quarter ended March 31, 2023	Inventory	1,020.39	1,020.28	(0.10)
	Debtors	1,156.09	1,156.13	0.04
Quarter ended December 31, 2022	Inventory	802.19	801.87	(0.32)
	Debtors	908.60	908.60	-
Quarter ended September 30, 2022*	Inventory	702.48	776.34	73.86
	Debtors	1,177.52	1,183.89	6.37
Quarter ended June 30, 2022*	Inventory	722.38	799.53	77.15
	Debtors	1,362.60	1,362.60	-

Note:

* The above stated difference is primarily due to the amount of GST included on cost of materials purchased.

45 Financial Instruments

A. Categories of financial instruments

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

Particulars	Fair value through Other Comprehensive Income	Fair value through Profit or Loss	Amortised Cost	Total
Financial assets				
- Investments	78.30	354.42	-	432.72
- Trade Receivables	-	-	1,166.88	1,166.88
- Cash and Cash Equivalents	-	-	466.93	466.93
- Other bank balances	-	-	1,000.04	1,000.04
- Other Financial Assets	-	4.15	186.24	190.39
Total Financial assets	**78.30**	**358.57**	**2,820.09**	**3,256.96**
Financial Liabilities				
- Borrowings	-	-	137.76	137.76
- Trade payables	-	-	82.11	82.11
- Other Financial Liabilities	-	-	169.81	169.81
Total Financial liabilities	**-**	**-**	**389.69**	**389.69**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

Particulars	Fair value through Other Comprehensive Income	Fair value through Profit or Loss	Amortised Cost	Total
Financial assets				
- Investments	-	29.55	-	29.55
- Trade Receivables	-	-	1,156.09	1,156.09
- Cash and Cash Equivalents	-	-	35.48	35.48
- Other bank balances	-	-	13.09	13.09
- Loans	-	-	18.40	18.40
- Other Financial Assets	-	11.34	211.42	222.76
Total Financial assets	**-**	**40.89**	**1,434.48**	**1,475.37**
Financial Liabilities				
- Borrowings	-	-	703.51	703.51
- Trade payables	-	-	83.68	83.68
- Other Financial Liabilities	-	-	23.09	23.09
Total Financial Liabilities	**-**	**-**	**810.28**	**810.28**

The assets and liabilities which are valued at amortised cost represents Fair Value at period end.

B. Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. available prices) or indirectly (i.e. derived from estimation).

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

Fair Value Hierarchy as at March 31, 2024

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
- Investments	354.42	78.30	-	432.72
- Other Financial assets	-	4.15	-	4.15
Total Financial assets	**354.42**	**82.45**	**-**	**436.87**

Fair Value Hierarchy as at March 31, 2023

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
- Investments	29.55	-	-	29.55
- Other Financial assets	-	11.34	-	11.34
Total Financial assets	**29.55**	**11.34**	**-**	**40.89**

Valuation techniques to determine Fair Value

(i) The management assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

(ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investment measured at fair value (FVTOCI) and falling under fair value hierarchy Level 2 is valued on the basis of valuation report provided by external valuer.

(iii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iv) The Group enters into derivative financial instruments with few financial institutions. Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange i.e. London Metal Exchange, United Kingdom (U.K.) [a level 2 technique]. The changes in counterparty risk had no material effect on the hedge effectiveness assessment for the derivatives designated in hedge relationship and the value of the other financial instrument recognised at fair value.

C. Financial Risk Management

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

(i) Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group functional currency exposure.

Exposure to currency Risk	Currency	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		In foreign currency		In Indian Currency	
Financial Assets					
Trade receivables	USD	1.23	1.16	102.66	95.05
Trade receivables	EURO	0.72	0.44	65.00	39.43
Cash and cash equivalents	USD	0.09	0.25	7.64	20.77
Other financial assets	USD	0.32	0.32	26.84	26.25
Other current assets	USD	0.69	-	57.60	-
				259.73	**181.50**
Financial Liabilities					
Borrowings	USD	-	0.82	-	67.29
Trade payables	USD	0.10	0.34	8.34	28.24
Other financial liabilities	USD	0.02	-	1.80	-
Other financial liabilities	EURO	0.00	-	0.01	-
				10.15	**95.53**

As at March 31, 2024, 5% increase/ (decrease) in the exchange rate of Indian Rupee with foreign currencies would result in approximately ₹ 12.48 millions (decrease) / increase in the fair value of the Group's foreign currency dollar denominated instruments. (As at March 31, 2023, ₹ 4.3 millions.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

The interest rate profile of the Group interest bearing financial instruments at the end of the reporting year are as follows:

Particulars	March 31, 2024	March 31, 2023
Fixed rate Instrument		
Financial assets	1,234.32	35.53
Financial liabilities	-	-
Variable rate Instrument		
Financial assets	-	-
Financial liabilities	137.76	703.51

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity analysis.

As at March 31, 2024, 100 basis points (1%) increase/(decrease) in the interest rate at Indian currency borrowings would result in approximately ₹ 1.38 millions in the finance cost of the Group's Indian currency borrowings (As at March 31, 2023, ₹ 7.04 millions).

Price Risk

The Group invests its surplus funds primarily in equity shares and mutual funds measured at fair value. Aggregate value of such investments as at March 31, 2024 is ₹ 354.42 millions. (As at 31st March, 2023 ₹ 29.45 millions)

Increase/(decrease) of 5% would result in an impact increase/(decrease) by ₹ 17.72 millions & ₹ 1.47 millions on total profit for the year ended March 31, 2024 & March 31, 2023.

(ii) Liquidity Risk

Liquidity risk is the risk than an entity will encounter difficulty in meeting obligation associated with financial liabilities that are settled by delivering cash or other financial assets. The Group mitigates its liquidity risks by ensuring timely collections of its receivables and close monitoring of its credit cycle.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date:

Particulars	Carrying value	On Demand	Less than 1 year	Beyond 1 year	Total
As at March 31, 2024					
- Borrowings	137.76	73.36	28.31	36.09	137.76
- Trade payables	82.11	-	82.11	-	82.11
- Other Financial Liabilities	169.81	-	169.81	-	169.81
	389.69	**73.36**	**280.24**	**36.09**	**389.69**
As at March 31, 2023					
- Borrowings	703.51	573.40	62.96	67.15	703.51
- Trade payables	83.68	-	83.68	-	83.68
- Other Financial Liabilities	23.09	-	23.09	-	23.09
	810.28	**573.40**	**169.73**	**67.15**	**810.28**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

(iii) Credit Risk

Credit risk is the risk of financial loss in case counter-party to a financial instrument fails to repay debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables and loans, investments and other financial assets.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single party. Trade receivables consist of major customers belonging to Tyre and Rubber industries. The Group has very limited history of customer default and considers the credit quality of trade receivables, that are not past due or impaired, to be good.

The credit risk for cash and cash equivalents and bank deposits is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

The exposure to credit risk was ₹ 1703.66 millions & ₹ 1419.81 millions, as at March 31, 2024 & as at March 31, 2023, respectively, being the total carrying value of trade receivables, loans, investments in mutual funds and other financial assets.

(iv) Capital Management

The Group's policy is to maintain a strong capital base for future development of the business. For the purpose of Company's capital management, capital includes issued capital and all other equity attributable to equity shareholders of the Company. As at March 31, 2024, the Company has only one class of equity shares.

(v) Hedging activity and derivatives

Fair value hedge of Zinc metal price risk

The Group is exposed to fluctuations in zinc metal price on purchase, sale and inventories lying with the Group. To manage the variations in fair value, the Group enters into derivative financial instruments relating to the highly probable forecasted transactions to mitigate the risk associated with zinc metal price fluctuations. Such derivative financial instruments are primarily in the nature of future commodity contracts.

The Group designates derivatives as hedging instruments in respect of commodity price risk in cash flow hedges and fair value hedges. As the value of the derivative instruments generally changes in response to the value of the hedged item, the economic relationship is established.

Category wise outstanding derivatives contracts are as follows:

Derivatives Instrument	Currency	As at March 31, 2024		As at March 31, 2023	
		No. of deals (Lots)	Amount in foreign currency (USD In Millions)	No. of deals (Lots)	Amount in foreign currency (USD In Millions)
Buy forward	USD	-		1	0.08
Sale forward	USD	11	0.70	17	1.39

46 Disclosure of additional information pertaining to the Parent Company and Subsidiary as per Schedule III of the Companies Act, 2013

For the Year ended March 31, 2024

Name of the Company	% of Holding	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income	
		As % of Consolidated net assets	Net Assets	As % of Consolidated Profit or Loss	Profit/ Loss	As % of Consolidated OCI	Other Comprehensive Income
Parent		72.44%	2,885.77	34.96%	107.87	100.01%	47.19
Subsidiaries							
Indian							
BDJ Oxides Private Limited	94.13%	29.35%	1,169.30	69.10%	213.21	-0.01%	(0.01)
Non Controlling Interest		-1.79%	(71.14)	-4.06%	(12.52)	0.00%	0.00

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

Disclosure of additional information pertaining to the Parent Company and Subsidiaries as per Schedule III of the Companies Act, 2013
For the Year ended March 31st, 2023

Name of the Company	% of Holding	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss		Other Comprehensive Income	
		As % of Consolidated net assets	Net Assets	As % of Consolidated Profit or Loss	Profit/ Loss	As % of Consolidated OCI	Other Comprehensive Income
Parent		55.83%	1,159.38	45.90%	252.22	34.70%	0.33
Subsidiaries							
Indian							
BDJ Oxides Private Limited	94.13%	46.04%	956.09	57.29%	314.76	68.30%	0.64
BDJ Speciality Chemicals Private Limited	99.43%	0.95%	19.81	0.17%	0.96	0.00%	-
Non Controlling Interest		-2.83%	(58.73)	-3.37%	(18.49)	-3.00%	(0.03)

47 Other Regulatory Information :

(i) The Group does not have any Benami property and no proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with struck off companies .

(iii) The Holding Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

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

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

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

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

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

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

(vi) 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.

(vii) The Group has not traded or invested in Crypto currency or Virtual Currency during the year.

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

48 Pursuant to a scheme of merger u/s 230 & 232 of the Companies Act, 2013, approved by Hon'ble National Company Law Tribunal (NCLT), BDJ Speciality Chemicals Private Limited (BDJSCPL), erstwhile subsidiary company has merged with Vision Projects & Finvest Private Limited (Transferee Company). Accordingly, the said BDJSCPL ceased to be the subsidiary of the Company.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

(All amount in INR Millions unless otherwise stated)

49 Utilisation of IPO proceeds

The Holding Company has received an amount of ₹1650 millions, being proceeds of fresh issue of equity shares. Net Proceeds after Offer Expenses in relation to Fresh Issue are proposed to be utilised and the utilisation thereof are summarised as below:

Objects of the issue	Amount proposed to be utilised	Utilised upto March 31, 2024	Un-utilised upto March 31, 2024
1) Investment in Material Subsidiary, viz. BDJ Oxides Pvt Ltd. comprising of			
(i) repayment or pre-payment, in full or in part, of all or certain borrowings availed by the Material Subsidiary;	250.00	250.00	-
(ii) funding capital expenditure requirements for setting up of R&D Centre;	60.58	-	60.58
(iii) funding its long-term working capital requirements	600.00	-	600.00
2) Funding long-term working capital requirements of the Company	350.00	-	350.00
3) General corporate purposes	232.66	-	232.66
	1,493.24	**250.00**	**1,243.24**

IPO proceeds which were un-utilised as at March 31, 2024 were temporarily invested in term deposits amounting to ₹ 1,230 millions with scheduled bank and the balance amount lying in Public Issue account.

50 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure. Accordingly, amounts and other disclosures for the preceding year are included as an integral part of the current year's financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date
For S. Jaykishan
Chartered Accountants
Firm's Registration Number :309005E

CA Vishal Agarwal
Partner
Membership No. 315490
UDIN: 24315490BKCBWX4339
Place : Kolkata
Date: 08 May 2024

For and on behalf of the Board of Directors of
J.G.Chemicals Limited

Suresh Jhunjhunwala
Executive Chairman
DIN No. 00234725

Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

JG
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