



NOTICE

SHORTER NOTICE is hereby given that the 22nd Annual General Meeting of **M/s. J.G. Chemicals Limited** will be held at the Registered Office of the Company at 34A, Metcalfe Street, 3rd Floor, Room No. 3F, Kolkata-700013 on Friday, the 29th September, 2023 at 12:00 Noon to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company including Balance Sheet as at March 31, 2023, Statement of Profit & Loss and the Statement of Cash Flows of the Company for the year ended on that date together with Report of Directors' and Auditors' thereon.
2. To appoint Mr. Suresh Jhunjhunwala (DIN: 00234725), who retires by rotation and being eligible, has offered himself for his re-appointment, as a Whole time Director of the Company.
3. To consider the re-appointment Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. S. Jaykishan & Co., Chartered Accountants (FRN: 309005E), who had been appointed as the auditor of the Company for the Financial Year 2022-23 due to casual vacancy created on resignation of M/s. B. Chhawchharia & Co, Chartered Accountants (FRN: 305123E), be and are hereby appointed as Auditors of the Company for a term of 4 (four) consecutive years, i.e., from the conclusion of the forthcoming Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial year ended 31st March, 2027, at such remuneration as shall be fixed by the Board of Directors of the Company.”

Registered office:
34A, Metcalfe Street,
Kolkata -700013

By Order of the Board,
For J.G. Chemicals Limited

Sd/-
Swati Poddar
CS & Compliance Officer

Date: 19.09.2023



NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxies to be effective, should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. A proxy form is enclosed.
- 3. A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBERS HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.**
4. The Notice of the AGM, along with the Annual Report, Attendance Slip and Proxy Form are being sent in the permitted mode to all the members of the Company and also to the Directors & Auditors.
5. Members are requested to notify immediately changes, if any, in their registered address to the Company at its Registered Office.
6. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. All Documents referred to in the as Companying Notice are open for inspection at the Registered Office of the Company on all the working days during business hours up to the date of meeting.
8. Route map of the venue of the Annual General Meeting as required under Secretarial Standard - 2 is attached for the convenience of the Members.

ROUTE MAP OF THE AGM





ANNEXURE TO NOTICE OF AGM

Details of the Directors seeking appointment/ re-appointment in forthcoming Annual General Meeting

[In pursuance to the Secretarial Standard 2 issued by the Institute of Company Secretaries of India]

Name of the Director	Suresh Jhunjunwala
DIN	00234725
Date of Birth & Age	02/02/1953, Age- 70 Years
Qualifications & Expertise in Specific functional Areas	B.com (Part 1)
Original Date of Appointment	28/06/2001
Date of Appointment in the current position	16/05/2022
Remuneration last drawn	₹ 12,80,000/- Per Month
Shareholding in the Company as on date.	39,00,000 Shares
No. of Board Meetings Attended	14
List of listed Companies in which Directorships held as on 31st March, 2023	NA
Chairman/ Member of the Committee of the Board of other listed Companies in which he is a Director as on 31st March, 2023	NA
Relationship with other Directors and Key Managerial Personnels of the Company	<ol style="list-style-type: none"> 1. Mr. Anirudh Jhunjunwala- Son 2. Mr. Anuj Jhunjunwala- Son
Terms and conditions of appointment or re-appointment	Retiring by rotation but being eligible offered himself for his re-appointment

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

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DIRECTORS' REPORT

Dear Members,

The Directors present this integrated 22nd Annual Report of J.G. Chemicals Limited ("the Company or JGC") along with the Audited Financial Statements for the financial year ended March 31, 2023.

The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL HIGHLIGHTS:

The Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2023, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (IND AS) as notified by the Ministry of Corporate Affairs.

(₹ in Million)

Financial Results	Standalone		Consolidated	
	F.Y. 2022-23	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2021-22
Particulars	Amount	Amount	Amount	Amount
Revenue From Operation	3,352.99	2,565.94	7,845.76	6,128.30
Other Income	77.60	91.81	96.12	102.17
Total Income	3,430.59	2,657.75	7,941.88	6,230.47
Expenses	3,072.88	2,421.93	7,090.72	5,574.81
Profit Before Depreciation, Finance Cost and Tax	357.71	235.81	851.17	655.67
Less: Finance Cost	8.39	20.82	49.83	62.51
Less: Depreciation	6.83	6.97	34.40	26.80
Profit Before Tax	342.49	208.02	766.94	566.35
Less: Tax Expense	90.28	50.07	199.01	143.21
Profit after Taxation (PAT)	252.21	157.95	567.93	423.15
Profit Attributable to Non-controlling Shareholders	NA	NA	550.38	393.19
Non-Controlling Interest	NA	NA	18.52	30.80
Earnings per Share (in ₹)	7.95	4.98	17.32	13.34

BUSINESS ACTIVITIES

The Company has been converted into a Limited Company from Private One on 24th May, 2022. Now the name of the Company stand change to J. G Chemicals Limited.

To meet the demand supply gap and to ensure PAN India presence the company is planning to set up new manufacturing facility in different part of the company. The techno feasibility analysis for the same is in progress. The Company is also planning to become debt free. To repay the existing debts and for future requirement of working capital the company also intends to go for an IPO and for the said purpose the company has filed the DRHP on 5th January, 2023, the further process is in progress and your director are confident to float the IPO in suitable time on receiving necessary approvals from various Regulatory Authority.



J. G. Chemicals Limited

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Mfg. of : "LUXMI" BRAND ZINC OXIDE

CIN: U24100WB2001PLC093380

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PERFORMANCE & ANALYSIS

Your Directors are glad to inform that

- i) On a consolidated basis, the revenue for FY 2023 was ₹ 7,845.76 Million, higher by 28.03 percent over the previous year's revenue of ₹ 6,128.30 Million. The profit after tax ("PAT") attributable to shareholders and non-controlling interests for FY 2023 and FY 2022 was ₹ 567.93 Million and ₹ 423.15 Million, respectively. The PAT attributable to shareholders for FY 2023 was ₹ 550.38 Million registering a growth of 39.98 percent over the PAT of ₹ 393.19 Million in FY 2022.
- ii) On a standalone basis, the revenue for FY 2023 was ₹ 3,352.99 Million, higher by 30.67 percent over the previous year's revenue of ₹ 2,565.94 Million. The PAT attributable to shareholders in FY 2023 was ₹ 252.21 Million registering a growth of 59.68 percent over the PAT of ₹ 157.95 Million in FY 2022.

SUBSIDIARY COMPANIES

- a) The Company has two Subsidiaries as on March 31, 2023. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Material changes in the organisations are:
 - **BDJ Oxides Private Limited**- Enhancement of existing capacity and Zinc Sulphate project commenced dated 05th September, has taken place during the year.
 - **BDJ Speciality Chemicals Private Limited**- The Company was formed with a view to create a separate identity and product which could not be undertaken for subsequent changes in the market scenario and other requirements currently the subsidiary company haven't undertaken any major business activities. In view of the above the Board in its meeting dated 29th November, 2021, considered merger of the Companies with a company under a same group M/s. Vision Projects & Finvest Private Limited, registered NBFC for better capitalisation and deployment of its resources. As on date, 02nd motion of the Scheme of Merger is approved dated 19th June, 2023 before the Hon'ble NCLT, Kolkata Bench.
- b) Pursuant to the provision of Section 129 (3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company as "**Annexure-I**".
- c) Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available at the registered office of the Company.

TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company (Standalone) for FY ended 31st March, 2023, after all appropriations and adjustments was ₹ 870.45 Million.

DIVIDEND

Your Directors do not recommend any Dividend on the Equity Shares of the Company for FY ended 31st March, 2023 considering its growth requirements.

ISSUE OF BONUS SHARE

The company to rewards its shareholders has issued bonus share @ of 25 shares against every shares held on the record date. All the formalities including allotment of such shares were completed.



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QUALITY INITIATIVES

During the year under review the Company's commitment for highest levels of quality material, best delivery methodology and providing outstanding values to its customer with Industry best practices. The Company also have robust information system and security practices.

The company's quality discipline was first (first Zinc Oxide producer in the Country) endorsed through an ISO 9001:2015 certification on 26/08/2002 which was continuously maintained, improved, and revalidated. Subsequently the Company was also granted with ISO 14001:2015 certification on 20/09/2018 and ISO 45001:2018 certification on 22/01/2020 by one of the leading international auditors, IRCLASS Systems & Solutions Private Limited. All the above certifications are valid till 2024. BDJ Oxides Private Limited has undergone the Quality management system certification under IATF (International Automotive Task Force) 16949:2016 Standard requirement and we have received the certification on 25-Apr-2022.

The requirements of IATF Standard are more manufacturing process oriented and cover the Quality, Environment and Safety related aspects of the organization. BDJ Oxides Private Limited is the only Zinc Oxide manufacturer who has been certified under IATF Standard in India. This Standard is applicable to all the manufacturers who are suppliers or sub-suppliers to OEMs in the automobile industry.

DEPOSITS

The Company has not accepted any Deposits from public within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. No amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

SHARE CAPITAL

Authorised Share Capital:

The Company as per the approval of the members in the Extra Ordinary General Meeting held on 30.04.2022, has increased the Authorised share capital of the Company by ₹ 22.20 million divided into 2.2 million equity share of ₹ 10 each. The present Authorised capital of the company stands at ₹ 370 million divided into 37 Million equity shares of ₹ 10/- each, your directors feel that this increased capital will be sufficient to take care of the allotment of equity shares which will take place in IPO in the coming days

Issued and Paid Up Share Capital:

The complete details including reconciliation thereof has been provided in Note number 18 of the Standalone Financial Statement of Accounts as on 31.03.2023

ANNUAL RETURN

The copy of the Annual Return as required under Section 92(3) of Companies Act, 2013 read along with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2022-23 is available on Company's website at URL www.jgchem.com.

DETAILS OF MATERIAL CHANGES AND EVENTS FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

There has been no material changes and events in the financial position of the Company occurred since the end of the financial year 2022-23.



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MEETINGS OF THE BOARD

During the financial year under review, the Board of Directors duly met 14 (Fourteen) times respectively as mentioned below:

Sr. No.	Board Meeting Date	Sr. No.	Board Meeting Date
1	04.04.2022	8	30.06.2022
2	18.04.2022	9	18.08.2022
3	10.05.2022	10	16.09.2022
4	16.05.2022	11	27.09.2022
5	25.05.2022	12	17.11.2022
6	11.06.2022	13	04.01.2023
7	21.06.2022	14	06.03.2023

*The gap between any two Board Meetings did not exceed 120 days as provided in the Companies Act, 2013.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder and other applicable laws inter alia with respect to appointment of women director, non-executive director(s) and independent director(s).

During the year under review, the following changes have taken place in the composition of the Board of Directors of the Company.

- (a) Appointment of Mr. Ashok Bhandari as an Additional Independent Non-Executive Director of the Company for a term of 2 (two) years with effect from 30th June, 2022. His appointment has been regularized in the Annual General Meeting held on 8th September, 2022.
- (b) Appointment of Mr. Sukanta Nag as an Additional Independent Non-Executive Director of the Company for a term of 2 (two) years with effect from 30th June, 2022. His appointment has been regularized in the Annual General Meeting held on 8th September, 2022.
- (c) Appointment of Mrs. Savita Agarwal as an Additional Independent Non-Executive Director of the Company for a term of 2 (two) years with effect from 30th June, 2022. Her appointment has been regularized in the Annual General Meeting held on 8th September, 2022.

The Board has taken into consideration the attributes and qualifications of the Independent Directors provided in Section 149 of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, while appointing them as Directors of the Company.

The Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under Section 149 of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and have included their names in the databank of Independent Directors, as required under Rule 6 of the said Rules. The Independent Directors are not required to undertake online proficiency self-assessment test conducted by The Indian Institute of Corporate Affairs, Manesar ("IICA") as they are exempted under this criteria.

In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Suresh Jhunjunwala, Chairman & Whole Time Director, (DIN: 00234725) and Mr. Anuj Jhunjunwala Whole Time Director (DIN: 00234926), retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.



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Director(s) Disclosure

None of the Directors of the Company are disqualified as per section 164(2) of the Companies Act, 2013. The Directors have also made necessary disclosures to the extent as required under provisions of section 184(1) of the Companies Act, 2013.

Key Managerial Personnel

In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read along with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company:

- (i) Mr. Suresh Jhunjunwala – Change of Designation made as Executive Whole Time Director & Chairman of the Company with effect from May 16, 2022;
- (ii) Mr. Anirudh Jhunjunwala - Change of Designation made as Managing Director of the Company & Chief Executive Officer (CEO) with effect from May 16, 2022;
- (iii) Mr. Anuj Jhunjunwala - Change of Designation made as Whole-time Director & Chief Financial Officer (CFO) with effect from May 16, 2022;
- (iv) Ms. Swati Poddar – appointed as the Company Secretary and Compliance Officer with effect from June 1, 2022.

COMMITTEES OF THE BOARD:

The Board of Directors have constituted statutory and non-statutory Committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders' Relationship Committee, IPO Committee, and Independent Directors Committee.

The composition of the said Committees as on March 31, 2023, is as under:

1. AUDIT COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Ashok Bhandari	Independent Director	Chairperson
02	Mrs. Savita Agarwal	Independent Director	Member
03	Mr. Suresh Jhunjunwala	Chairman of the Board and Whole Time Director	Member

2. NOMINATION & REMUNERATION COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Ashok Bhandari	Independent Director	Chairperson
02	Mrs. Savita Agarwal	Independent Director	Member
03	Mr. Sukanta Nag	Independent Director	Member



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3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Suresh Jhunjunwala	Chairman of the Board & Whole Time Director	Chairperson
02	Mr. Anirudh Jhunjunwala	Managing Director & CEO	Member
03	Mr. Ashok Bhandari	Independent Director	Member

4. RISK MANAGEMENT COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Suresh Jhunjunwala	Chairman of the Board & Whole Time Director	Chairperson
02	Mr. Anirudh Jhunjunwala	Managing Director & CEO	Member
03	Mr. Ashok Bhandari	Independent Director	Member
04	Mr. Sukanta Nag	Independent Director	Member

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Sukanta Nag	Independent Director	Chairperson
02	Mr. Anirudh Jhunjunwala	Managing Director & CEO	Member
03	Mr. Ashok Bhandari	Independent Director	Member
04	Mr. Suresh Jhunjunwala	Chairman of the Board & Whole Time Director	Member

6. IPO COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Suresh Jhunjunwala	Chairman of the Board & Whole Time Director	Chairperson
02	Mr. Anirudh Jhunjunwala	Managing Director & CEO	Member
03	Mr. Anuj Jhunjunwala	Whole Time Director & CFO	Member

7. INDEPENDENT DIRECTORS' COMMITTEE

Sr. No.	Composition	Designation	Category
01	Mr. Ashok Bhandari	Independent Director	Chairperson
02	Mr. Sukanta Nag	Independent Director	Member
03	Mrs. Savita Agarwal	Independent Director	Member



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MEETING OF THE BOARD COMMITTEES

During the year under review, post their constitution, met as follows:

1. AUDIT COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	18.08.2022	3	3
2.	16.09.2022	3	2
3.	17.11.2022	3	3
4.	04.01.2023	3	3
5.	06.03.2023	3	3

2. NOMINATION & REMUNERATION COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	06.03.2023	3	3

3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	18.08.2022	3	2
2.	06.03.2023	3	3

4. RISK MANAGEMENT COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	06.03.2023	4	4

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	06.03.2023	4	4

6. IPO COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	NA	NA	NA



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7. INDEPENDENT DIRECTORS' COMMITTEE

Sr. No.	Meeting Date	No. of members entitled to be present	No. of members present
1.	06.03.2023	3	3

Recommendations made by the Committees have been accepted and implemented by the Board immediately to the extent possible. Further, the Board is in process of applying the suggestions yet to be implemented.

BOARD EVALUATION

The Annual evaluation process of the Board of Directors and individual Directors was conducted in accordance with the provisions of the Act and the SEBI (LODR) Regulations, 2015.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, taking into account the views of Executive and Non-executive Directors in the aforesaid meeting. The Board also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board meeting and performance evaluation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated.

DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost, secretarial auditors and external agencies, including audit of internal controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-23.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care 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;
- iv. they have prepared the annual accounts on a going concern basis;



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

VIGIL MECHANISM

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Company's Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Company's Code of Conduct cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to Mr. Ashok Bhandari, Chairperson of the Audit Committee through email: helpdesk@jgchem.com in a closed and secured envelope and should be super scribed as "Protected disclosures under the Whistle Blower Policy" or sent through email with the subject "Protected disclosure under the Whistle Blower Policy". Details of the Vigil Mechanism and Whistle Blower Policy is available on the Company's website at URL: <https://jgchem.com/governance/>. No complaint had been received as on the date.

AUDITORS:

STATUTORY AUDITORS' AND AUDIT REPORT:

M/s B. Chhawchharia & Co, Chartered Accountants, had been appointed for period of five years commencing from the conclusion of 17th Annual General Meeting hold the office till the conclusion of 22nd Annual General Meeting. The Statutory Auditor of the Company resigned vide a letter dated 11th August, 2022 setting reason for inadequate remuneration.

Pursuant to provisions of section 139 of the Companies Act, 2013, M/s. S. Jaykishan & Co., Chartered Accountants (FRN: 309005E), was appointed as Statutory Auditors of the Company in the Annual General Meeting held on 08.09.2022, to fill the casual vacancy created due to resignation of M/s B. Chhawchharia & Co, Chartered Accountants. Consent has been received from M/s. S. Jaykishan & Co., Chartered Accountants (FRN:309005E) for their reappointment as Statutory Auditor of the Company for period of four years commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2026-2027.

Statutory Auditor's comments on the Annual Financial Statements of the Company for the year ended 31st March 2023, are self-explanatory and do not require any explanation as per provision of Section 134(3)(f) of the Companies Act, 2013.

There were no disqualifications, reservation or adverse remarks or disclaimer made by the Statutory Auditor in their reports on the Annual Financial Statement of the Company for the year under review.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s K. Arun & Co., Company Secretaries to conduct the Secretarial Audit of the Company for year ended March 31, 2023. The Report of the Secretarial Audit is annexed herewith as "Annexure – II". The said Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks and disclaimer.



J. G. Chemicals Limited

(AN ISO 9001, 14001 & 45001 CERTIFIED COMPANY)

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Email : info@jgchem.com, Web : www.jgchem.com

Mfg. of : "LUXMI" BRAND ZINC OXIDE

CIN: U24100WB2001PLC093380

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COST AUDIT

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, 2023. The said Cost Audit Report does not contain any qualifications, reservations, adverse remarks and disclaimer.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis as per the Company's Policy.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE ["POSH"]

The Company follows the provisions of POSH. Senior personnel have been assigned in each of the Units of the Company for compliance of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no incidence of sexual harassment reported during the year under review. No complaint had been received as on date.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts or arrangements entered into by the company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013. All such contracts or arrangements were in the ordinary course of business and on at arm's length basis. A statement on all related party transactions carried out during the year are provided in the note number 35 annexed to the Standalone Financial Statement as on 31st March, 2023. All the transactions are as per the policy of the Company and as approved by the Audit Committee and Board.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Annual Report on CSR activities of the Company as required under Section 134(3)(o) read with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules), is provided in "Annexure-III" to this Report. CSR expenditure made during the year were as per the policy of the Company and as approved by the CSR Committee.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule, 8 of the Companies (Accounts) Rules, 2014, is provided in "Annexure-IV" to this Report.



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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loan, Guarantees and Investments covered under Section 186 of the Companies Act 2013 form part of the Notes provided in the Financial Statement.

SECRETARIAL STANDARDS

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

INVESTOR EDUCATION AND PROTECTION FUND

The Company has not declared any dividend and hence no dividend has remained unclaimed. So, no amount is required to be transferred to the "INVESTOR EDUCATION AND PROTECTION FUND" for the Financial Year ended 31st March, 2023.

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:

- A. The Board of Directors of the Company approved its Initial Public Offer through Fresh Issue and Offer for Sale at its meeting held on September 27, 2022 and approved the issue size of up to ₹ 2,025.00 million from fresh issue of Equity Shares and an offer for sale of up to ₹ 5.7 million Equity Shares held by certain existing members (including promoters/promoter group). The draft red herring prospectus was filed with the Securities and Exchange Board on January 5, 2023 and the final approval from SEBI received on March 20, 2023.
- B. 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. However, Members attention is drawn to the probable financial Risk Statement forming part of the Financial Statements.
- C. No fraud has been reported by the Auditors to the Audit Committee or the Board.
- D. There has been no change in the nature of business of the Company.

ACKNOWLEDGEMENT


We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support. We thank the governments of our country where we have our operations. We thank the Government of India, particularly the Ministry of Labour and Employment, the Ministry of Environment, the Ministry of New and Renewable Energy, the Ministry of Commerce and Industry, the Ministry of Finance, the Ministry of Corporate Affairs, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, GST authorities, the Reserve Bank of India, various departments under the state governments and other government agencies for their support, and look forward to their continued support in the future.


The Board also wishes to place on record its appreciation for the assistance, cooperation and encouragement extended to the Company by the Company's customers, brands, employees, shareholders and all the stakeholders (direct/indirect) for their support and contribution. We look forward to their continued support in future.

Registered office:
34A, Metcalfe Street
Kolkata-700013

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

Date: 03/07/2023


Suresh Jhunjunwala
Executive Chairman
(DIN: 00234725)


Anirudh Jhunjunwala
Managing Director & CEO
(DIN: 00234879)



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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

(₹ in Million)

1.	Sl. No.	1	2
2.	Name of the subsidiary	BDJ Oxides Private Limited	BDJ Speciality Chemicals Private Limited
3.	The date since when subsidiary was acquired	14/05/2016	11/03/2020
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-
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	17.5
7.	Reserves & surplus	953.43	2.30
8.	Total assets	1782.16	20.02
9.	Total Liabilities	1782.16	20.02
10.	Investments	-	0.10
11.	Turnover	4624.06	0.00
12.	Profit before taxation	423.01	1.44
13.	Provision for taxation	108.25	0.49
14.	Profit after taxation	314.76	0.96
15.	Proposed Dividend	-	-
16.	Extent of shareholding (in percentage)	94.13%	99.43%

Other information:

- Names of subsidiaries which are yet to commence operations - Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

Registered office:
34A, Metcalfe Street
Kolkata-700013

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



Suresh Jhunjunwala
Executive Chairman
(DIN: 00234725)



Anirudh Jhunjunwala
Managing Director & CEO
(DIN: 00234879)

Date: 03/07/2023



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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:

- Names of associates or joint ventures which are yet to commence operations - Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

Registered office:
34A, Metcalfe Street
Kolkata-700013

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

Date: 03/07/202


Suresh Jhunjhunwala
Executive Chairman
(DIN: 00234725)


Anirudh Jhunjhunwala
Managing Director & CEO
(DIN: 00234879)



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Annexure-III

Annual Report on CSR Activities March 31, 2023

[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 2022-23 is given below, in compliance to the provisions of Section 135 of the Companies Act, 2013.

2. Composition of CSR Committee

SI 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. (₹ in Million)

SI 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	2022-23	0.036	0.002

6. Average net profit of the Company as per Section 135(5) of the Act:- ₹ 147.71 Million

7. a) Two % of average net profit of the Company as per Section 135(5) of the Act: - ₹ 2.954 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- ₹ 0.002 Million

d) Total CSR obligation for the financial year (7A+7B-7C)- ₹ 2.952 Million



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

(₹ in Million)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to unspent 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
2.952	NIL	-	-	NIL	-

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

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

(₹ in Million)

(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.	Rural Development	Rural Development	YES	West Bengal	Biparanpara	0.210	YES	DIRECT	
2.	Education	Running One teacher School -Ekal Vidyalaya	YES	Jharkhand	Simdega	1.342	NO	Friends of Tribal Society-CSR00001898	
3.	Animal Welfare	Contribution towards financial support for Animal Welfare	YES	West Bengal	Kolkata	0.500	NO	Calcutta Pinjrapole Society, Kolkata-CSR00007320	
4.	Animal Welfare	Protection of Cows and Animal Welfare	YES	West Bengal	Kolkata	0.900	NO	Rajasthan Gokalyan CSR Reg. No-CSR00007434	
TOTAL						2.952			



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- (d) Amount spent in Administrative Overheads: No amount was spent in administrative overheads.
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 2.952 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	2.954
(ii)	Total amount spent for the Financial Year*	2.954
(iii)	Amount set off for the financial year [(i)-(ii)]	0.00
(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)]	0.00

Note: *Including 0.002 Million set off from earlier years.

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

For and on behalf of the Board of Director of
J.G. Chemicals Limited

Suresh Jhunjunwala
Executive Chairman &
Chairman CSR Committee
(DIN: 00234725)

Anirudh Jhunjunwala
CEO & Managing Director and
Member CSR Committee
(DIN: 00234879)



Place : Kolkata
Dated : 03/07/2023

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Annexure-IV

Information as per Section 134(3)(m), read with the Rule 8(3) of Companies (Accounts) Rules, 2014 for the year ended 31 March 2023:

A. Conservation of energy

Sl. No.	Particulars	Description
1.	Steps taken or impact on conservation of energy	During the year, the Company has introduced 1) Installation of Variable Frequency Drives for production of Blowers. 2) Installation of Energy efficient lights across its operations. 3) Installation of Waste Heat Recovery and Recycle 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 LED Lights, Solar Panels etc., in its plants for conservation of energy.
3.	Capital investment on energy conservation equipment.	₹ 0.55 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. Finding alternate means to save energy and cost; 3. Development of new products and grades; 4. Re-cycling the waste and optimum utilization thereof; 5. Automation of material handling systems. 6. Imparting modernised training and guidance to Staff personnel at plant level through regular Research and Development for technology absorption.
2.	Benefits derived like product improvement, cost reduction, product development, import substitution	Maintenance of leading position in market; 1. Reduction in processing cost; 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



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C. Foreign Exchange Earnings and Outgo

Total foreign exchange used and earned during the year:

(In million)

Particulars	2022-23	2021-22
Total foreign exchange earned	680.23	538.83
Total foreign exchange outgo	1274.84	1487.78

For and on behalf of the Board of Director of
J.G. Chemicals Limited



Suresh Jhunjhunwala
Executive Chairman
DIN: 00234725



Anirudh Jhunjhunwala
CEO & Managing Director
DIN: 00234879



Place : Kolkata
Dated : 03/07/2023

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Independent Auditor's Report

**To the Members of J G Chemicals Limited
(Formerly known as 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 2023, 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 significant 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 2023, 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.

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

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

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



In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 Ind AS specified under section 133 of the Act, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Materiality is the magnitude of misstatements in the standalone financial statement 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.



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, we report, to the extent applicable, that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. on the basis of the written representations received from the directors as on 31st March, 2023 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting (IFCoFR) of the Company and the operating effectiveness of such controls refer to our separate report in Annexure 'B'.
- g. In accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 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 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-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31st March, 2023.

For S. JAYKISHAN
Chartered Accountants
FRN: 309005E



CA Vishal Agarwal
Partner
Membership No: 315490

Date: The 3rd day of July, 2023

Place: Kolkata

UDIN: 23315490BQ0EWL7127



Annexure A to the 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, 2023

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.

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

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have been confirmed by subsequent receipt of statement from the third parties.

(b) 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; the difference between the quarterly returns or statements filed by the company with the banks and the books of account of the Company is on account of explainable items and not material in nature.



- (iii) (a) The Company has provided loans or advances in the nature of loans, or guarantee, or security to a company. The details of the same are given below:

(Rs. In Millions)

Particulars	Guarantee	Security	Loan	Advance in nature of Loans
Aggregate amount during the year				
- Subsidiaries	-	-	804.50	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date				
- Subsidiaries	1068.10	-	166.50	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-

(b) The investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated. However, the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loan(s) or advance(s) in the nature of loan(s) repayable on demand and no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.

(f) 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)	166.50	-	166.50
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	166.50	-	166.50
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 loans, investments, guarantees and security, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products of the Company. We have broadly reviewed such accounts and records and are of the opinion that prima facie, the prescribed accounts & records have been made & maintained but no detailed examination of such records and accounts have been carried out by us.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted and accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding on the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, 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	Tax	1.87	2005-06	Appeal is pending before the West Bengal Commercial Taxes- appellate & Revisional Board
West Bengal Value Added Tax Act, 2003 and Central Sales Tax Act, 1956	Tax	11.37	2007-08	Appeal is pending before the West Bengal Commercial Taxes- appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	Tax	0.60	2008-09	Appeal is pending before the West Bengal Commercial Taxes- appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	Tax and Interest	2.77	2014-15	Appeal is heard before the West Bengal Commercial Taxes- appellate & Revisional Board, Modified Order is Pending
West Bengal Value Added Tax Act, 2003	Entry Tax	0.06	2013-14	Writ Petition is pending before the Hon'ble High Court



West Bengal Value Added Tax Act, 2003	Entry Tax	9.91	2014-15	Writ Petition is pending before the Hon'ble High Court
West Bengal Value Added Tax Act, 2003	Entry Tax	9.94	2015-16	Writ Petition is pending before the Hon'ble High Court
West Bengal Value Added Tax Act, 2003	Entry Tax	13.02	2016-17	Writ Petition is pending before the Hon'ble High Court
West Bengal Value Added Tax Act, 2003	Entry Tax	3.11	2017-18	Writ Petition is pending before the Hon'ble High Court

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, 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 audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the order is not applicable to the company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and overall examination of the financial statements of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.



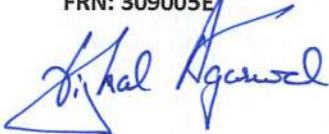
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for 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) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (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 under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) The previous statutory auditor of the Company resigned during the year. There were no issues, objections or concerns raised by the outgoing auditors.
- (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, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, paragraph 3(xx)(a) and (b) of the Order are not applicable.

For S. JAYKISHAN
Chartered Accountants
FRN: 309005E



CA Vishal Agarwal
Partner

Membership No: 315490

Date: The 3rd day of July, 2023

Place: Kolkata

UDIN: 23315490B90E W27127



Annexure B to the Auditor's Report

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

In conjunction with our audit of the financial statements of J G CHEMICALS LIMITED ("the Company") as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial controls over financial reporting issued by 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR 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 IFCoFR. 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 IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.



Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR 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 over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For S. JAYKISHAN

Chartered Accountants

FRN: 309005E



CA Vishal Agarwal

Partner

Membership No: 315490

Date: The 3rd day of July, 2023

Place: Kolkata

UDIN: 23315490BQVUW7127



J. G. CHEMICALS LIMITED (Formerly known as J. G. Chemicals Private Limited)

CIN: U24100WB2001PLC093380

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2023

(All amount in INR Millions unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	52.82	52.93
(b) Capital work-in-progress	4	4.54	0.23
(c) Intangible Assets	5	0.10	0.17
(d) Financial Assets:			
(i) Investments	6	57.77	113.10
(ii) Other Financial Assets	7	7.94	5.94
(e) Deferred Tax Assets (net)	8	-	0.75
(f) Non-Current Tax Assets	9	0.13	0.19
(g) Other Non-Current Assets	10	6.72	4.77
Total Non-current assets		130.01	178.09
(2) Current assets			
(a) Inventories	11	281.65	434.12
(b) Financial Assets:			
(i) Trade Receivables	12	502.79	400.83
(ii) Cash and Cash Equivalents	13	34.86	39.42
(iii) Bank Balances other than (ii) above	14	3.26	13.49
(iv) Loans	15	166.50	-
(v) Other Financial Assets	16	198.39	76.01
(c) Other Current Assets	17	53.03	92.15
Total current assets		1,240.47	1,056.02
TOTAL ASSETS		1,370.49	1,234.11
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	317.20	12.20
(b) Other Equity	19	870.45	922.75
Total Equity		1,187.65	934.95
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities:			
(i) Borrowings	20	-	0.40
(b) Deferred tax liabilities (net)	8	1.56	-
Total Non-current liabilities		1.56	0.40
(2) Current liabilities			
(a) Financial Liabilities:			
(i) Borrowings	21	132.42	241.29
(ii) Trade Payables	22	-	-
- Total outstanding dues of micro enterprises and small enterprises		3.56	4.87
- Total outstanding dues of creditors other than micro enterprises and small enterprises		28.86	26.62
(iii) Other Financial Liabilities	23	7.00	16.60
(b) Other Current Liabilities	24	2.09	3.56
(c) Provisions	25	5.45	5.63
(d) Current Tax Liabilities (net)	26	1.90	0.19
Total current liabilities		181.28	298.76
TOTAL EQUITY AND LIABILITIES		1,370.49	1,234.11
Significant accounting policies and notes to financial statements	1-49		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of
J.G. Chemicals Limited (Formerly J.G. Chemicals Pvt. Ltd.)

J. G. Chemicals Limited

J. G. Chemicals Limited

For S. Jaykishan
Chartered Accountants
Firm's Registration Number: 309005E



CA Vishal Agarwal
Partner
Membership No. 315490
Place : Kolkata
Date: The 3rd day of July, 2023

[Signature]

Suresh Jhunjunwala
Executive Chairman
DIN No. 00234725

J. G. Chemicals Limited

Anirudh Jhunjunwala
CEO & Managing Director
DIN No. 00234879

[Signature]

Anuj Jhunjunwala
Whole time Director & CFO
DIN No. 00234926

[Signature]

Swati Poddar
CS & Compliance Officer
Membership No. : A49212

J. G. CHEMICALS LIMITED (Formerly known as J. G. Chemicals Private Limited)

CIN: U24100WB2001PLC093380

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

(All amount in INR Millions unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I. Revenue from Operations	27	3,352.99	2,565.94
II. Other Income	28	77.60	91.81
III. Total Income (I+II)		3,430.59	2,657.75
IV. Expenses			
Cost of Materials Consumed	29	2,626.83	2,169.12
Purchases of Stock-in-Trade		46.36	47.01
Changes in Inventories of Finished Goods, Stock-in-Trade and Employee Benefits Expense	30	49.53	(83.93)
Finance Costs	31	67.37	72.01
Depreciation and Amortisation Expense	32	8.39	20.82
Other Expenses	33	6.83	6.97
Total Expenses (IV)		282.80	217.71
V. Profit/ (loss) before tax (III-IV)		3,088.10	2,449.72
VI. Tax expense:	34	342.49	208.02
(a) Current tax		87.97	50.70
(b) Deferred tax		2.15	(0.63)
(c) Income tax adjustment for the earlier years		0.16	-
VII. Profit/ (loss) for the period (V-VI)		252.21	157.95
VIII Other Comprehensive Income:			
(i) Items that will not be reclassified to profit or loss			
a. Remeasurements of the defined benefit plans		0.65	0.50
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.16	0.13
IX. Total Comprehensive Income for the period (VII+VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		0.49	0.38
X. Earning per equity share:			
Basic and Diluted (in ₹) (FV of ₹ 10 each)	38	7.95	4.98
Significant accounting policies and notes to financial statements	1-49		

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
Place : Kolkata
Date: The 3rd day of July, 2023



For and on behalf of the Board of Directors of
J.G.Chemicals Limited (Formerly J.G.Chemicals Pvt. Ltd.)

J. G. Chemicals Limited



Suresh Jhunjunwala
Executive Chairman
DIN No. 00234725

J. G. Chemicals Limited


Director
Anirudh Jhunjunwala
CEO & Managing Director
DIN No. 00234879

J. G. Chemicals Limited



Anuj Jhunjunwala
Director
Whole time Director & CFO
DIN No. 00234926



Swati Poddar
CS & Compliance Officer
Membership No. : A49212

J. G. CHEMICALS LIMITED (Formerly known as J. G. Chemicals Private Limited)
CIN: U24100WB2001PLC093380
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2023
(All amount in INR Millions unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities		
Profit before tax		
Adjustment for non cash/ non operating item to reconcile profit before tax to net cash flows	342.49	208.02
Depreciation and amortization	6.83	6.97
Loss/(profit) on sale of Plant, Property & Equipment	(0.13)	(2.00)
Dividend Income	(0.11)	(1.13)
Profit on sale of Investments measured at FVTPL	(9.00)	(10.74)
Net (Gain)/ Loss on Investments measured at fair value through P/L	17.30	(15.23)
Sundry Credit Balance Written off (net)	2.30	(0.25)
Interest Income	(14.51)	(16.19)
Finance cost	8.39	20.82
Operating profit before working capital changes	353.56	190.28
Movements in working capital :		
Decrease/(increase) in inventories	152.47	(241.70)
Increase/(decrease) in trade and other payables	(9.88)	(1.07)
Decrease/(increase) in trade receivables	(104.26)	(11.87)
Decrease/(increase) in loans and other financial assets and other assets	(244.45)	87.83
Cash generated from / (used in) operations	147.43	23.48
Direct taxes paid (net of refunds)	86.36	54.83
Net Cash flow from / (used in) operating activities (A)	61.07	(31.35)
Cash flow from investing activities		
Purchase of Property, Plant & Equipment, including intangible assets, CWIP	(11.04)	(7.24)
Proceeds from sale of Property, Plant & Equipment	0.23	2.85
Dividend Income	0.11	1.13
Interest Income	15.49	5.17
Proceeds from sale of investments	224.54	103.26
Payment for purchase of investments	(177.50)	(75.78)
Net Cash flow from / (used in) investing activities (B)	51.82	29.40
Cash flow from financing activities		
Repayment of long term borrowings	(0.40)	(0.64)
Proceeds/ (Repayment) of short-term borrowings (net)	(108.87)	19.53
Interest paid	(8.19)	(21.08)
Net Cash flow from / (used in) financing activities (C)	(117.46)	(2.19)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(4.56)	(4.15)
Cash and cash equivalents at the beginning of the period	39.42	43.58
Cash and cash equivalents at the end of the period	34.86	39.42
Cash and cash equivalents consist of the following:		
Balances with Banks		
In Current Accounts	0.26	0.27
In Overdraft Accounts	13.02	34.61
In EEFC accounts	20.77	3.62
Cash on hand	0.82	0.92
Total cash and cash equivalents	34.86	39.42
As per our report of even date		

For S. Jaykishan
Chartered Accountants
Firm's Registration Number: 309005E

Vishal Agarwal
Vishal Agarwal
Partner

CA Vishal Agarwal
Partner
Membership No. 315490
Place : Kolkata
Date: The 3rd day of July, 2023



For and on behalf of the Board of Directors of
J.G. Chemicals Limited (Formerly J.G. Chemicals Pvt. Ltd.)

J. G. Chemicals Limited

J. G. Chemicals Limited

Suresh Jhunjunwala
Suresh Jhunjunwala
Executive Chairman
DIN No. 00234725

J. G. Chemicals Limited

Anirudh Jhunjunwala
Anirudh Jhunjunwala
CEO & Managing Director
DIN No. 00234879

Anuj Jhunjunwala
Anuj Jhunjunwala
Director
Whole time Director & CFO
DIN No. 00234926

Swati Poddar
Swati Poddar
CS & Compliance Officer
Membership No. : A49212

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023
(All amount in INR Millions unless otherwise stated)

A. Equity Share Capital

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2023
Balance at the beginning of the reporting period	12.20	12.20
Change in equity share capital during the current		
Balance at the end of the reporting period*	-	305.00
*Refer Note 18	12.20	317.20

B. OTHER EQUITY

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained Earnings	Remeasurement of Defined Benefit Plans	
Balance as at 31st March, 2021	37.80	725.90	0.72	764.42
Profit for the Year	-	157.95	-	157.95
Remeasurement Gain/(Loss)	-	-	0.37	0.37
Total Comprehensive Income For The Year	-	157.95	0.37	158.33
Balance as at 31st March, 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 Period	-	252.21	0.49	252.70
Balance as at 31st March, 2023	-	868.87	1.58	870.45

As per our report of even date

For S. Jaykishan
Chartered Accountants
Firm's Registration Number: 309005E



CA Vishal Agarwal
Partner
Membership No. 315490
Place : Kolkata
Date: The 3rd day of July, 2023



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Anirudh Jhunjunwala
Director
CEO & Managing Director
DIN No. 00234879



Swati Poddar
CS & Compliance Officer
Membership No. : A49212

NOTE-1 SIGNIFICANT ACCOUNTING POLICIES

1 COMPANY OVERVIEW

J.G. Chemicals Limited ('the Company') incorporated and registered in Kolkata, West Bengal, India, is a public unlisted company engaged in the business of manufacturing of Zinc Oxide.

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.

These financial statements have been approved by the Board of Directors of the Company on 3rd July, 2023 for issue to the shareholders for their adoption.

2 SIGNIFICANT 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) Basis of Preparation and Presentation of Standalone Ind AS Financial Statement

(i) Compliance with Ind AS

The standalone financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended, and other accounting principles generally accepted in India, as a going concern on accrual basis.

Accounting policies have been consistently applied 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.

(ii) Historical Cost Convention

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

- (i) Certain financial assets and financial liabilities measured at fair value;
- (ii) Employee's defined benefit plan as per actuarial valuation.

(iii) Use of Estimates

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

(iv) Fair value measurements

Fair value is the price that would be received on sale of an asset or paid on derecognition of a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurements.

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. available prices) or indirectly (i.e. derived from estimation).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is applicable to listed instruments where market is not liquid and for unlisted instruments.

The management considers the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements are at their approximate fair value as on March 31, 2023 and March 31, 2022.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.



(v) Functional and Presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash at banks and on hand, and fixed deposits which are subject to an insignificant risk of change in value.

(c) 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 for each jurisdiction 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.

(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 any accumulated depreciation and accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

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:



<u>Category</u>	<u>Useful Life</u>
Factory Shed & Building	30 Years
Plant & Machinery (Continuous Process Plant)	25 Years
Plant & Machinery (General)	15 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Computers & Devices	3 Years
Vehicles-Motor Car	8 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/deemed cost on transition date, 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 Cost of software including directly attributable cost, if any, acquired for internal use, is allocated / amortized over a period of 3-5 years (being estimated useful life thereof) on straight line method.

(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 fair value less costs to sell 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 consolidated 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 consolidated statement of profit and loss immediately.

(e) 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 expenses incidental to procurement of the same. Cost in respect of finished goods represents prime cost, and includes appropriate portion of overheads.

(f) 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

Revenue from Sale of goods is recognised at the point of time when control of the goods is transferred to customers depending on terms of sale, which generally coincides with delivery. Delivery occurs when the goods have been shipped to specific location.



(ii) **Interest Income**

Interest income is recognised using the effective interest rate.

(iii) **Dividend Income**

Dividend income is recognised when the right to receive payment is established.

(iv) **Export Benefits**

Export incentives are recognised as income as per terms of the scheme in respect of exports made. Export benefits in the nature of entitlement for duty free imports are not separately accounted for.

(v) **Income from investment**

Profit / (loss) earned from sale of securities is recognised on the trade date.

(vi) All other income is accounted for on accrual basis when right to receive is established unless otherwise specified.

(g) **Employee Benefits**

(i) **Short-Term Employee Benefits**

Short-term Employee Benefits are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

(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 Profit and Loss as past service cost.

Defined contribution plans

The Company recognises contribution payable to the provident fund scheme as an expense, 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.

(h) **Financial Instruments**

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.

(i) **Financial assets**

Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value and in the case of financial assets not recorded at fair value through profit or loss, at the transaction costs that are attributable to the acquisition of the financial asset.

Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in three categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL);

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



Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
-the asset is held within a business model whose objective is achieved by collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR)

Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:

-The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
-the asset's contractual cash flows represent solely payments of principal and interest..

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss.

Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments measured at FVTPL: All equity investments in scope of Ind AS – 109 are measured at fair value and are classified as at FVTPL.

Derecognition

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset substantially with all the risks and rewards of ownership of the asset to another entity.

Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

For trade receivables, the Company applies 'simplified approach' which requires expected credit losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables at every reporting date.

Write-off policy

The Company writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery.

(ii) Financial Liabilities

Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, at fair value through profit or loss - loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.



Offsetting financial instruments:

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

(iii) Derivatives Financial Instruments

The Company uses forwards & options derivative financial instruments commodity contracts to mitigate the risk of changes in commodity prices. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value.

Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Fair value hedge:

Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the statement of income. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively.

Cash flow hedge

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity in the cash flow hedging reserve to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of Profit and Loss.

Others

Changes in fair value of foreign currency derivative instruments not designated as hedges are recognized in the profit and loss account.

(i) Investment in subsidiaries

The Company accounts for its investments in subsidiaries at cost less accumulated impairment, if any.

(j) Insurance Claims

Insurance claims are accounted as and when admitted/settled.

(k) Borrowings Cost

Borrowing costs comprises interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying fixed assets which are capitalized. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

In respect of foreign currency borrowings, where the interest rate of the borrowing is less than the commercial interest rate prevailing in the local currency borrowing, the resultant exchange loss on account of Foreign Exchange is included in the borrowing cost to the extent it does not exceed the difference between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency.

(l) 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. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.



(m) Earning per Share

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(n) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are Companyed at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or Company of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(o) Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions involving substantial degree of estimation in measurement are recognized at discounted amount (other than current) when there is a legal or constructive obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company 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 or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

(p) 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.

(q) 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. The Company's leasing agreements (as lessee) in respect of lease for office accommodation, godown and guest house are on yearly renewal basis.

(r) Research and Development Expenses

Research and development expenses are charged to the Restated Consolidated Statement of Profit and Loss as expenses in the year in which they are incurred

(s) Critical estimates and judgements

The Company makes estimates and assumptions that affect the amounts recognised in the Standalone Ind AS financial statements, and the carrying amounts of assets and liabilities within the next financial year. 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 Ind AS 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) Depreciation and amortization

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. 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) Impairment loss on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance and credit-worthiness of the trade receivables. If the financial conditions of the trade receivable deteriorate, actual write-offs would be higher than estimated.



(iii) 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

(iv) Deferred Tax

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.

(v) Provisions and Contingencies

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the balance sheet date.

(vi) Employee Benefits

The present value of the defined benefit obligations and long-term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations. The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Company considers the interest rates of Government securities that have terms to maturity approximating the terms of the related defined benefit obligation. Other key assumptions for obligations are based in part on current market conditions.

(t) 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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as applicable from 1st April, 2023, as below:

Ind AS 12- Income Taxes- Deferred Tax related to Assets and Liabilities arising from a single transaction- Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying Ind AS 116 Leases at the commencement date of a lease. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The company does not expect the amendment to have any significant impact in its Financial Statements.

Ind AS 1- Presentation of Financial Statements- Disclosure of Accounting Policies- The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The supporting paragraph in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The company does not expect the amendment to have any significant impact in its Financial Statements.

Ind AS 8- Accounting Policies, Changes in Financial Accounting Estimates and Errors- Definition of Accounting Estimates- The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The company does not expect the amendment to have any significant impact in its Financial Statements.



J. G. CHEMICALS LIMITED (Formerly known as J. G. Chemicals Private Limited)
CIN: U24100WB2001PLC093380

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

(All amount in INR Millions unless otherwise stated)

3. Property, Plant and Equipment:

Particulars	Freehold Land	Factory Shed & Building	Furniture and Fixtures	Vehicles	Plant, Machinery and Equipment	Office Equipments	Computers	Total
Gross Block								
As at April 1, 2022	11.25	15.07	5.52	6.25	24.21	3.75	1.95	67.99
Additions	-	1.27	0.85	-	3.05	1.14	0.43	6.73
Disposal	-	-	(0.00)	-	(0.63)	(0.08)	-	(0.71)
As at March 31, 2023	11.25	16.33	6.36	6.25	26.63	4.80	2.38	74.01
As at April 1, 2022	-	3.13	1.86	3.41	3.46	1.88	1.32	15.06
Charge for the period	-	1.06	0.99	0.80	2.55	0.93	0.41	6.75
Adjustments	-	-	(0.00)	-	(0.54)	(0.08)	-	(0.62)
As at March 31, 2023	-	4.19	2.85	4.21	5.47	2.73	1.73	21.19
Net carrying amount								
As at March 31, 2023	11.25	12.14	3.51	2.04	21.16	2.07	0.65	52.82

Particulars	Freehold land	Factory Shed & Building	Furniture and Fixtures	Vehicles	Plant and Equipment	Office Equipments	Computers	Total
Gross Block								
As at April 1, 2021	11.25	15.45	4.07	4.79	24.51	2.22	1.34	63.63
Additions	-	-	1.44	1.46	1.96	1.52	0.61	7.01
Disposal	-	(0.38)	-	-	(2.26)	-	-	(2.64)
As at March 31, 2022	11.25	15.07	5.52	6.25	24.21	3.75	1.95	67.99
Accumulated Depreciation								
As at April 1, 2021	-	2.15	1.04	2.52	2.38	1.12	0.74	9.95
Charge for the period	-	1.25	0.83	0.89	2.58	0.76	0.58	6.90
Disposal	-	(0.28)	-	-	(1.51)	-	-	(1.78)
As at March 31, 2022	-	3.13	1.86	3.41	3.46	1.88	1.32	15.06
Net carrying amount								
As at March 31, 2022	11.25	11.94	3.65	2.84	20.76	1.87	0.63	52.93



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2023

(All amount in INR Millions unless otherwise stated)

4 Capital-Work-in-Progress (CWIP):

CWIP	Amount in CWIP as at 31st March, 2023				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Project in progress	4.54	-	-	-	4.54
Project temporarily suspended	-	-	-	-	-
CWIP	Amount in CWIP as at 31st March, 2022				
	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Project in progress	0.23	-	-	-	0.23
Project temporarily suspended	-	-	-	-	-

5 Intangible Assets

Particulars	Gross Block As at	Additions	Gross Block as at	Accumulated	Charge for the	Cumulative	Net carrying	Net carrying
	April 1, 2022		March, 2023					
Computer Softwares	0.43	-	0.43	0.26	0.08	0.33	0.10	0.17
Particulars	Gross Block As at	Additions	Gross Block as at	Accumulated	Charge for the	Cumulative	Net carrying	Net carrying
	April 1, 2021		March 31, 2022	Depreciation As at	period	Depreciation as at	amount As at	amount As at 31st
Computer Softwares	0.43	-	0.43	0.18	0.08	0.26	0.17	0.25



6. Investments

Particulars	As on 31st March, 2023		As on 31st March, 2022	
	Quantity/ Units	Amount	Quantity/ Units	Amount
(A) Investment in Equity Instrument				
Quoted (fully paid-up)- At Fair Value through P&L				
Balkrishna Industries Ltd (FV ₹ 2)	1,250	2.44	1,250	2.67
Bharat Heavy Electricals Ltd. (FV ₹ 2)	-	-	20,000	0.99
Borosil Ltd. (FV ₹1)	-	-	10,500	3.47
Borosil Renewables Ltd (FV ₹ 1)	-	-	6,300	3.66
BSE Ltd (FV ₹ 2)	-	-	1,500	1.42
Century Enka Ltd. (FV. ₹ 10)	-	-	2,125	1.18
CG Power & Industrial Solutions Ltd. (FV. ₹ 2)	-	-	9,750	1.85
Chambal Fertilisers & Chemicals Ltd. (FV. ₹ 10)	-	-	6,203	2.62
CIPLA Ltd. (FV ₹ 2)	-	-	840	0.86
Dwarikesh Sugar Industries Ltd. (FV ₹1)	-	-	7,000	0.88
Electrosteel Casting Ltd. (FV ₹ 1)	-	-	68,000	2.68
Gravita India Ltd. (FV ₹ 2)	-	-	1,250	0.40
Gujarat Mineral Development Corporation Ltd. (FV ₹ 2)	-	-	13,630	2.59
Hindustan Aeronautics Ltd. (FV ₹ 10)	-	-	350	0.52
HSIL Ltd. (FV ₹ 2)	-	-	3,500	1.04
JK LAKSHMI Cement Ltd. (FV ₹ 5)	1,500	1.19	1,500	0.71
JSW Steel Ltd. (FV ₹ 1)	-	-	665	0.49
Kotak Mahindra Bank Ltd. (FV ₹5)	413	0.72	413	0.72
La Opala RG Ltd. (FV ₹ 2)	-	-	16,500	5.73
Lakshmi Machines Works Ltd. (FV ₹ 10)	-	-	110	1.06
Maithan Alloys Ltd. (FV ₹ 10)	-	-	2,785	3.70
Narayana Hrudayalaya Ltd. (FV ₹ 10)	-	-	1,000	0.75
National Aluminium Ltd. (FV ₹ 5)	-	-	69,500	8.47
NOCIL Ltd. (FV ₹10)	12,360	2.55	14,860	3.70
Pokrana Ltd. (FV ₹ 2)	-	-	2,750	2.05
Sicra Paints India Ltd. (FV ₹ 10)	-	-	1,000	0.46
SRF Ltd. (FV ₹ 10)	-	-	460	1.23
United Spirits Ltd. (FV ₹ 2)	-	-	2,000	1.78
Tata Steel Ltd. (FV ₹10)	-	-	299	0.39
Tata Consultancy Services Ltd. (FV ₹ 1)	-	-	88	0.33
The Indian Hotel Co. Ltd. (FV ₹ 1)	-	-	10,000	2.39
Thirumala Chemicals Ltd. (FV ₹ 1)	-	-	8,500	2.26
West Coast Paper Mills Ltd. (FV ₹ 2)	-	-	2,000	0.67
Sub - Total (i)		6.90		63.68
(B) Unquoted (Fully Paid)				
Subsidiary - At Deemed Cost				
BDJ Speciality Chemicals Pvt Ltd - (FV ₹ 10)	*17,40,000	17.40	17,40,000	17.40
BDJ Oxides Pvt Ltd - (FV ₹ 10)	2,50,000	10.93	2,50,000	10.93
Sub-total (ii)		28.33		28.33
*includes 5 shares held by nominee shareholders of the Company				
(C) Investment in Mutual Funds				
Unquoted				
At Fair Value through P&L				
HDFC Small Cap Fund - Direct Growth Plan	53,693	4.76	53,693	4.21
ICICI Prudential Liquid Fund - (G)	48,586	16.07	48,586	15.21
Mirae Assets Hang Seng Tech ETF FOR-DIR-Growth	2,18,903	1.72	2,18,903	1.68
Sub-total (iii)		22.55		21.10



6. Investments

Particulars	As on 31st March, 2023		As on 31st March, 2022	
	Quantity/ Units	Amount	Quantity/ Units	Amount
TOTAL INVESTMENTS		57.77		113.10
Total Investment at Deemed Cost		28.33		28.33
Total Investment at FVTPL		29.45		84.78
		57.77		113.10
Aggregate amount of Quoted Investments and Market Value		29.45		84.78
Aggregate amount of Unquoted Investments		28.33		28.33
		57.77		113.10

7 Other Non-Current Financial Assets

	As at	As at
	March 31, 2023	March 31, 2022
Unsecured, considered good		
(a) Security Deposit	3.74	1.89
(b) Fixed Deposits with Banks with more than 12 months maturity*	4.03	3.79
(c) Interest accrued on fixed deposits	0.17	0.25
	7.94	5.94

*Under Lien with bank against Cash Credit & Bank Guarantees.

8 Deferred Tax Assets/(Liabilities) (Net)

	As at	As at
	March 31, 2023	March 31, 2022
Deferred Tax Assets		
Timing Difference on account of Property, Plant & Equipment	0.55	0.52
Timing Difference on account of Provision for employees benefits	0.27	0.53
Derivative instruments designated at fair value through P&L	-	2.11
	0.82	3.16
Deferred Tax Liability		
Financial Assets at Fair Value Through Profit and Loss	0.87	2.41
Derivative instruments designated at fair value through P&L	1.51	-
	2.38	2.41
Deferred Tax Assets/(Liabilities) (Net)	(1.56)	0.75

Movement In Deferred tax assets and liabilities during the year ended 31st March 2023 and 31st March 2022.

Particulars	Opening Balance	Recognised in statement of P&L	Recognised in OCI	Closing Balance
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 benefit	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 Profit and Loss	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)



(All amount in INR Millions unless otherwise stated)

As at 31st March 2022

Deferred Tax Assets

Timing Difference on account of Property, Plant & Equipment	0.94	(0.30)	(0.13)	0.52
Timing Difference on account of Provision for employees bene	0.53	0.00	-	0.53
	1.47	(0.30)	(0.13)	1.05

Deferred Tax Liabilities

Financial Assets at Fair Value Through Profit and Loss	0.90	(1.51)	-	2.41
Derivative instruments designated at fair value through P&L	0.33	2.44	-	(2.11)
	1.23	0.93	-	0.30
	0.25	0.63	(0.13)	0.75

9 Non-Current Tax Assets

	As at March 31, 2023	As at March 31, 2022
Advance Tax and TDS (Net of Provisions)	0.13	0.19
	0.13	0.19

10 Other Non-Current Assets

	As at March 31, 2023	As at March 31, 2022
Balance with statutory authorities	4.13	4.13
Advances for capital goods	2.15	0.53
Miscellaneous Expenditure not written off	-	-
Prepaid Expenses.	0.44	0.11
	6.72	4.77

11 Inventories

	As at March 31, 2023	As at March 31, 2022
Raw Materials	204.32	304.81
Finished Goods*	69.62	119.15
Stores and Consumables	4.72	3.09
Consignment Stock	-	-
Power & Fuel	3.00	7.07
	281.65	434.12

Stock lying with third-party

* includes stock in transit/(31.3.22.-stock lying with third party)

22.90 0.21



12 Trade Receivables

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	502.79	400.83
	502.79	400.83

Trade Receivables ageing schedule:

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	
For the year ended 31st March 2023						
(i) Undisputed - Considered Good	502.56	0.11	0.09	0.03	-	502.79
For the year ended 31st March 2022						
(i) Undisputed - Considered Good	394.06	4.39	0.03	-	2.35	400.83

13 Cash and Cash Equivalents

	As at March 31, 2023	As at March 31, 2022
(a) Balances with Banks:		
- In Current Accounts	0.26	0.27
- In Cash Credit/ Overdraft Accounts*	13.02	34.61
- In EEFC Accounts	20.77	3.62
(b) Cash on hand	0.82	0.92
	34.86	39.42

*represents debit balances in Cash Credit/ Overdraft accounts with the Banks

14 Bank Balances other than Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balance with Banks in Deposit	3.26	13.49
	3.26	13.49
	3.26	13.49

*under Lien with Bank against Stand By Letter of Credit facility.

15 Loans

	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loans & Advances to Subsidiary- BDJ Oxides Pvt. Ltd. (for general corporate purpose)	166.50	-
	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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Related Parties (Subsidiary Company)	166.50	-	100%	-

16 Other Financial Assets

	As at March 31, 2023	As at March 31, 2022
(a) Margin money/ Balances with broker	61.44	71.46
(b) Payments against Investments in Mutual Funds - pending execution of Orders (executed on 3/4/23)	100.00	-
(c) Earnest Money deposit	1.37	1.42
(d) Advances to employees	1.39	1.47
(e) Interest Receivables	-	0.98
(f) Rent Receivables	0.07	0.07
(g) Derivative Assets at fair value through profit and loss (net)	6.01	-
(h) Share Issue Expenses (refer Note below)	28.09	-
(i) Others receivables*	0.02	0.60
	198.39	76.01



*Other receivables includes dividend receivable and amount receivable from LIC on account of Gratuity to employees.

Share issue expenses incurred by the Company relate to the proposed public offer of equity shares. The Company filed the Draft Red Herring Prospectus ("DRHP") on 5th January, 2023 and has received SEBI's approval vide letter dated 20th March, 2023. The SEBI's approval is valid for a period of one year i.e. upto 20th March, 2024. The amount shall be adjusted against securities premium to the extent permissible under section 52 of the Companies Act 2013 and also as per the Offer Agreement of Initial Public offer ("IPO"). Further as per the Companies Act 2013 and the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company will recover the expenses incurred in connection with the Issue on completion of IPO. The total amount has been carried forward and disclosed under the head "Other Current Financial Assets" as "Share Issue Expenses" (to the extent of not written off or adjusted) as the Company expects the IPO to happen within 1 year. The amount receivable from the selling shareholder will be computed on the completion of the book building process.

17 Other current assets

	As at March 31, 2023	As at March 31, 2022
(a) Balance with statutory/ government authorities	29.32	85.42
(b) Advances for goods and services	20.11	5.06
(c) Prepaid expenses	3.59	1.67
	53.03	92.15

18 Equity Share Capital

	As at March 31, 2023	As at March 31, 2022
(a) Authorised: 3,70,00,000 Equity Shares of ₹ 10/- each (15,00,000 Equity Shares as on 31/03/2022)	370.00	15.00
	370.00	15.00
(b) Issued, Subscribed and Fully Paid Up: 3,17,20,000 Equity Shares of ₹ 10/- each (12,20,000 Equity Shares as on 31/03/2022)	317.20	12.20
	317.20	12.20
(c) Share Capital Reconciliation:		

Equity Share Capital:	As at 31st March 2023		As at 31st March 2022	
	Nos.	Amount	Nos.	Amount
Opening balance	12,20,000	12.20	12,20,000	12.20
Issued during the year*	3,05,00,000	305.00	-	-
Closing Balance	3,17,20,000	317.20	12,20,000	12.20

*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 31st March 2023		As at 31st March 2022	
	Nos	% holding	Nos	% holding
Alka Jhunjhunwala	41,60,000	13.11%	1,60,000	13.11%
Anirudh Jhunjhunwala	41,60,000	13.11%	1,60,000	13.11%
Anuj Jhunjhunwala	39,00,000	12.30%	1,50,000	12.30%
Suresh Jhunjhunwala	39,00,000	12.30%	1,50,000	12.30%
Vision Projects & Finvest Pvt. Ltd.	36,40,000	11.48%	1,40,000	11.48%
Jayanti Commercial Ltd.	31,85,000	10.04%	1,22,500	10.04%
Eeshwar Fiscal Services Pvt. Ltd.	29,25,000	9.22%	1,12,500	9.22%
Alkan Fiscal Services Pvt. Ltd.	26,00,000	8.20%	1,00,000	8.20%

(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 Company declares and pays dividends in Indian Rupees. 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.



(g) Details of shares issued for consideration other than cash/ bonus shares / bought back

During the current year, 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. Accordingly, as required by Ind AS-33 Earnings per share, the EPS of current (Year ended 31st March, 2023) and previous period (Year ended 31st March, 2022) have been restated.

(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 31st March 2023			No. of Shares	As at 31st March 2022	
	No. of Shares	% of total shares	% Change during the year		% of total shares	% Change during the year
Anirudh	41,60,000	13.11%	-	1,60,000	13.11%	-
Anuj Jhunjunwala	39,00,000	12.30%	-	1,50,000	12.30%	-
Suresh Jhunjunwala	39,00,000	12.30%	-	1,50,000	12.30%	-

19 Other Equity

	As at March 31, 2023	As at March 31, 2022
(a) Securities Premium	-	37.80
(b) Retained Earnings	868.87	883.86
(c) Other Comprehensive Income	1.58	1.09
	870.45	922.75

Securities Premium

Securities Premium represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

Retained Earnings

Retained Earnings generally represent the undistributed profits /amount of accumulated earnings of the Company.

Items that will not be reclassified to profit and loss.

The actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions have been recognised in OCI.

20 Non - Current Borrowings

	As at March 31, 2023	As at March 31, 2022
From Banks (Secured):		
Vehicle Loan	-	1.05
Less: Current maturities of long-term borrowings (Refer Note 20B)	-	0.64
	-	0.40

A Repayment terms & Security details - Vehicle Loans

Particulars	Amount Outstanding (including Current maturity)	Number of instalment due on Balance Sheet date	Amount of instalment	Rate of interest	Security Details
From Yes Bank					
31st March, 2023	Nil	Nil	Nil	Nil	Vehicle loan is secured by hypothecation of respective specific vehicles being financed by them.
31st March, 2022	1.05	19 Monthly	0.06	9.50%	

B Current maturities of long-term borrowings consists of:

Particulars	As at March 31, 2023	As at March 31, 2022
From Banks (Secured):		
Vehicle Loan	-	0.64
	-	0.64



21 Current Borrowings

	As at March 31, 2023	As at March 31, 2022
(a) Secured Loan		
From Banks		
- Cash Credit	97.69	140.64
- Packing Credit	34.73	-
- Working Capital Demand Loan (WC DL)	-	100.00
(b) Current maturities of long term debt	-	0.64
	132.42	241.29

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 interest at the rate of 9.35% p.a. at present. The balance outstanding as on 31st March, 2023 with respect to Cash credit is ₹ 97.69 millions (Previous Year- ₹ 140.64 millions) which is 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 upto Rs 200 millions).
- Entire Fixed Assets of the Company except Land & Building as above. (First Pari Passu Charge with Citi Bank, NA).
- Lien on FDR bearing No 00290300007726 in the name of the company.

- (b) The company has Cash credit facility with Citi Bank with a sub-limit of Working Capital Demand Loan (WC DL), Packing Credit, Pre and Post Shipment - Under LCs/ PO and Sight/ Usance Letter of credit, carrying interest at the rate of 7.95% p.a. at present. The balance outstanding as on 31st March, 2023 with respect to Cash credit is ₹ 12.95 millions (Dr) (Previous Year- ₹ 34.18 millions (Dr.)) (Refer Note No. 13), Packing credit is ₹ 34.73 millions (Previous Year- Nil) and Working Capital Term Loan (WC DL) is Nil (Previous year- ₹ 100.00 millions) which 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 Land along with Boundary Wall at Jalan Industrial Complex, Domjur, District, 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 three Promoter directors.

22 Trade Payables

	As at March 31, 2023	As at March 31, 2022
- dues of micro enterprises and small enterprises	3.56	4.87
- dues to creditors other than micro enterprises and small enterprises	28.86	26.62
	32.42	31.49

Trade Payables ageing schedule :

For the year ended 31st March ,2023

Particulars	Outstanding for following periods from the date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
For the year ended 31st March,2023					
(i) MSME - undisputed	3.56	-	-	-	3.56
(ii) Others - undisputed	28.45	0.31	-	0.10	28.86
For the year ended 31st March, 2022					
(i) MSME - undisputed	4.87	-	-	-	4.87
(ii) Others - undisputed	25.95	0.00	0.03	0.63	26.62



Disclosure of the amount due to the Micro, Small and Medium Enterprises (on the basis of the information and records available with the

Particulars	March 31, 2023	March 31, 2022
(a) The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
- Principal amount	3.56	4.87
- Interest amount	-	-
(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 period until such date when the interest dues as above are actually paid to the Small / Micro Enterprises.	-	-

23 Other Financial Liabilities

	As at March 31, 2023	As at March 31, 2022
(a) Interest accrued but not due on borrowings	0.27	0.07
(b) Sundry Creditors for capitals goods	0.61	0.30
(c) Derivative Liability at fair value through profit and loss (net)	-	8.39
(d) Others Payables (year end liability for expenses)	6.12	7.84
	7.00	16.60

24 Other Current Liabilities

	As at March 31, 2023	As at March 31, 2022
(a) Advance from customers	0.12	0.06
(b) Statutory Dues	1.97	3.50
	2.09	3.56

25 Provisions

	As at March 31, 2023	As at March 31, 2022
Provision for Employee Benefits :		
(a) Gratuity Liability	1.07	1.66
(b) Other Employee benefit obligation	4.38	3.97
	5.45	5.63

26 Current Tax Liabilities (Net)

	As at March 31, 2023	As at March 31, 2022
Current Tax Liabilities (net of Payments)	1.90	0.19
	1.90	0.19

27 Revenue from Operations

	Year Ended March 31, 2023	Year Ended March 31, 2022
Sale of Finished Goods	3,302.87	2,518.52
Other Operating Revenue:		
Sale of Traded Goods	46.66	42.49
Sale of Raw Materials	3.21	-
Sale of MEIS Licenses	-	2.04
Exports Benefits	0.25	2.88
	3,352.99	2,565.94



28 Other Income

	Year Ended March 31, 2023	Year Ended March 31, 2022
(a) Interest Income from loans measured at amortised cost	14.51	16.19
(b) Profit on Sale of Plant, Property & Equipment	0.13	2.00
(c) Net gain/(loss) on foreign exchange fluctuation	26.48	19.64
(d) Net gain/(loss) on Derivative Instruments at FVTPL*	42.26	15.77
(e) Profit on sale of Investments measured at FVTPL	9.00	10.74
(f) Net Gain/ (Loss) on Investments measured at FVTPL	(17.30)	15.23
(g) Dividend Income from investment measured at FVTPL	0.11	1.13
(h) Insurance Claim received	1.08	10.30
(i) Miscellaneous Income	1.27	0.81
(j) Rent Received	0.06	-
	77.60	91.81

* includes gain/ (loss) on Fair Value of Derivatives as at year end

29 Cost of Materials Consumed

Raw material consumed*

Inventory at the beginning of the year
Add: Purchases
Less: Inventory at the end of the year

	Year Ended March 31, 2023	Year Ended March 31, 2022
	304.81	151.62
	2,526.33	2,322.31
	204.32	304.81
	2,626.83	2,169.12
	2.75	-

* includes cost of materials sold

30 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(i) Inventories at the end of the year
Finished Goods

(ii) Inventories at the beginning of the year
-Finished Goods

	Year Ended March 31, 2023	Year Ended March 31, 2022
	69.62	119.15
	69.62	119.15
	119.15	35.21
	119.15	35.21
	49.53	(83.93)

31 Employee Benefits Expense

(a) Salaries, Wages and Allowances*
(b) Contribution to Provident and Other Funds
(c) Staff welfare expenses

*Net of Shared Services Allocation to Subsidiary Company

	Year Ended March 31, 2023	Year Ended March 31, 2022
	60.47	66.79
	5.21	3.36
	1.69	1.86
	67.37	72.01
	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 are charged off for the year (included in Statement of Profit & Loss) as under:

Particulars

	Year Ended March 31, 2023	Year Ended March 31, 2022
Employer's Contribution to Provident & Pension Fund	3.43	2.32
Employer's Contribution to ESI	0.25	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:

	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Liability at the beginning of the year		
Interest Cost	8.08	7.89
Current Service Cost	0.57	0.40
Benefits paid	1.29	0.85
Remeasurements - Due to Financial Assumptions	(0.43)	(0.52)
Remeasurements - Due to Experience Adjustments	(0.22)	(0.19)
Remeasurements - Due to Experience Adjustments	(0.50)	(0.36)
Liability at the end of the year	8.78	8.08

(b) Changes in the Fair Value of Plan Asset representing reconciliation of opening and closing balances thereof are as follows

	As at	
	March 31, 2023	March 31, 2022
Opening Fair value of Plan Assets at the beginning of the year		
Interest Income	6.42	6.52
Contributions by the Company	0.47	0.46
Benefits paid	1.33	-
Remeasurements - Return on Assets	(0.43)	(0.52)
Remeasurements - Return on Assets	(0.07)	(0.04)
Fair value of Plan Assets at the end of the year	7.71	6.42

(c) Amount Recognized in Balance Sheet

	As at	
	March 31, 2023	March 31, 2022
Liability at the end of the year		
Fair value of Plan Assets at the end of the year	8.78	8.08
Amount Recognized in the Balance	7.71	6.42
	1.07	1.66

(d) Expenses Recognized in the Income Statement

	Year Ended	
	March 31, 2023	March 31, 2022
Current Service Cost	1.29	0.85
Interest Cost	0.57	0.40
Expected return on plan assets	(0.47)	(0.46)
Expenses Recognized in Profit & Loss Account	1.39	0.80

(e) Remeasurements Recognized in Other Comprehensive Income

	Year Ended	
	March 31, 2023	March 31, 2022
Remeasurements - Due to Financial Assumptions	(0.22)	(0.19)
Remeasurements - Due to Experience Adjustments	(0.50)	(0.36)
Remeasurements- Return on Assets	0.07	0.04
Remeasurements Recognized in Other Comprehensive Income	(0.65)	(0.50)

(f) Balance Sheet Reconciliation

	As at	
	March 31, 2023	March 31, 2022
Opening Net Liability		
Defined Benefit Cost included in Profit and Loss	1.66	1.37
Remeasurements recognised in OCI	1.39	0.80
Employers Contribution	(0.65)	(0.50)
Amount Recognized in Balance Sheet	(1.33)	-
	1.07	1.66

(g) The Principal actuarial assumptions used for estimating defined benefit obligations are set out as below:

Summary of Financial Assumptions	Year Ended	
	March 31, 2023	March 31, 2022
Discount Rate	7.25%	7.00%
Salary Escalation	7.00%	7.00%
Expected Return on Plan Assets	7.25%	7.00%



(All amount in INR Millions unless otherwise stated)

Summary of Demographic Assumptions

Mortality Rate [as % of IALM 2012-2014 UNLIMITED]

Disability Table (as % of above mortality rate)

Withdrawal Rate

Retirement Age

Average Future Service

1%	1%
1%	1%
60 years	60 years
19 years	18 years

Sensitivity Analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined

Particulars	Change in Assumption	Gratuity As at March 31, 2023	Gratuity As at March 31, 2022
Changes in Defined Benefit Obligations			
Salary Escalation	0.5%	9.27	6.30
Salary Escalation	-0.5%	8.34	5.65
Attrition Rate	0.5%	8.78	5.96
Attrition Rate	-0.5%	8.78	5.96
Discount Rates	0.5%	8.24	5.61
Discount Rates	-0.5%	9.38	6.51

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:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Year 1	2.90	0.78
Year 2	0.06	0.06
Year 3	0.11	0.19
Year 4	0.46	0.06
Year 5	0.07	0.36
Remaining Subsequent Years	19.50	15.90

32 Finance Costs

	Year Ended March 31, 2023	Year Ended March 31, 2022
(a) Interest Expense	7.00	19.13
(b) Other Borrowing Cost	1.38	1.69
	8.39	20.82

33 Other Expenses

	Year Ended March 31, 2023	Year Ended March 31, 2022
(a) Consumption of Stores & Spares	9.01	8.16
(b) Packing Materials	21.76	19.00
(c) Power & Fuel	107.64	85.48
(d) Material Handling, Machinery Hire & Other Charges	1.56	1.48
(e) Repairs and Maintenance		
- for Building	2.33	4.24
- for Plant and Machinery	4.63	6.67
- for others	1.62	0.97
(f) Auditors Remuneration		
- for Statutory audit	0.60	0.30
- for Tax audit	0.10	0.05
- for Other Matters	0.06	-
(g) Carriage Outward	54.54	35.06
(h) Discount & Commission	5.34	6.97
(i) Rent	5.90	2.84
(j) Insurance Charges	1.72	3.09
(k) Legal & Professional Fees	10.87	7.94
(l) Sundry Balance Written off (net)	2.30	(0.25)
(m) Miscellaneous Expenses	3.31	1.34
(n) Postage, Telephone & Stationery	2.93	2.84
(o) Bank Charges	2.56	2.91
(p) Waste Disposal Charges	1.31	0.85
(q) Fees & Subscription	5.31	2.09
(r) Processing Charges	7.56	8.92
(s) Rates & Taxes	0.96	0.91
(t) Sales Promotion Expenses	4.44	2.33
(u) Security Expenses	3.19	3.19
(v) Charity & Donation	0.06	0.07
(w) CSR Expenses	2.95	2.89
(x) Travelling & Conveyance	15.60	5.34
(y) Vehicle Expenses	2.02	2.03
(z) Directors Sitting Fees	0.61	-
	282.80	217.71



34 Tax Expenses

Amount recognised in Profit & Loss

Current Tax

Current Tax for the Period

Income tax adjustment for the earlier years

Total Current Tax Expense

Deferred Tax

Deferred Tax for the Year

Total Deferred Tax Expense

Amount recognised in Other Comprehensive Income

Deferred Tax

Deferred Tax for the Year

Total Deferred Tax Expense

Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of profit and loss

	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit before Taxes	342.49	208.02
Indian Statutory Income tax Rate	25.17%	25.17%
Estimated Income tax expenses	86.20	52.36
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense :		
Expenses that are not deductible in determining taxable profit	1.51	0.84
Additional Deduction under Income Tax Act,1961	-	(0.44)
Tax payable at different rate	1.78	(1.26)
Income tax adjustment for the earlier years	0.16	-
Others	0.63	(1.42)
Income Tax expense in the Statement of Profit and Loss	90.28	50.07

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 exists 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 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
C Entities where KMP or their close members have significant influence or control	Alkan Fiscal Services Pvt. Ltd. BDJ Chemicals Pvt. Ltd. BDJ Impex Pvt. Ltd.



D Nature of Transaction	Related party transactions:					
	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, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Interest Received on Loan						
BDJ Oxides Pvt. Ltd.	14.01	15.08	-	-	-	-
Interest Paid on Loan						
BDJ Chemicals Pvt. Ltd.	-	-	-	0.15	-	-
Alkan Fiscal Services Pvt. Ltd.	-	-	-	0.05	-	-
Purchase of Goods						
BDJ Oxides Pvt. Ltd.	104.73	91.03	-	-	-	-
BDJ Impex Pvt. Ltd.	-	-	-	4.99	-	-
Sale of Goods						
BDJ Oxides Pvt. Ltd.	26.56	5.75	-	-	-	-
Sale of Fixed Assets						
BDJ Oxides Pvt. Ltd.	0.09	-	-	-	-	-
Miscellaneous Income						
BDJ Oxides Pvt. Ltd.	0.21	-	-	-	-	-
Supply of Goods and Services (Rent Received)						
BDJ Impex Pvt. Ltd.	-	-	0.06	0.02	-	-
Shared Services Allocation						
BDJ Oxides Pvt. Ltd.	20.77	-	-	-	-	-
Salaries & Allowances						
Anirudh Jhunjunwala	-	-	-	-	15.49	13.24
Suresh Jhunjunwala	-	-	-	-	16.26	16.09
Anuj Jhunjunwala	-	-	-	-	12.93	-
Swati Poddar	-	-	-	-	0.58	-
Rent paid						
Alka Jhunjunwala	-	-	-	-	-	-
BDJ Impex Pvt. Ltd.	-	-	4.86	2.33	0.18	0.18
BDJ Chemicals Pvt. Ltd.	-	-	0.18	-	-	-
Loan Given						
BDJ Oxides Pvt. Ltd.	804.50	346.50	-	-	-	-
Loan Taken						
BDJ Chemicals Pvt. Ltd.	-	-	-	7.90	-	-
Alkan Fiscal Services Pvt. Ltd.	-	-	-	7.33	-	-
Loan Received back						
BDJ Oxides Pvt. Ltd.	638.00	416.50	-	-	-	-
Loan Repayment						
BDJ Chemicals Pvt. Ltd.	-	-	-	7.90	-	-
Alkan Fiscal Services Pvt. Ltd.	-	-	-	7.33	-	-
Security Deposit -Taken						
BDJ Impex Pvt. Ltd.	-	-	-	0.02	-	-
Security Deposit -Given						
BDJ Impex Pvt. Ltd.	-	-	-	0.95	-	-
Balance Outstanding						
Loan given						
BDJ Oxides Pvt. Ltd.	166.50	-	-	-	-	-
Salary Payable						
Anirudh Jhunjunwala	-	-	-	-	-	0.56
Suresh Jhunjunwala	-	-	-	-	-	0.39
Security Deposit						
BDJ Impex Pvt. Ltd.	-	-	0.02	0.02	-	-
Investment						
BDJ Oxides Pvt. Ltd.	10.93	10.93	-	-	-	-
BDJ Speciality Chemicals Pvt. Ltd.	17.40	17.40	-	-	-	-



E 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	Year ended
	March 31, 2023	March 31, 2022
Employee benefits Expense	45.26	29.32
Post-employment benefits	0.35	-

36 COMMITMENTS AND CONTINGENCIES

i. Capital commitments

	As at	As at
	March 31, 2023	March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:	2.77	0.69
	2.77	0.69

ii. Contingent Liabilities not provided for in respect of:

	As at	As at
	March 31, 2023	March 31, 2022
Disputed amount of Sales Tax / VAT	16.61	7.63
Entry Tax	36.04	36.04
	52.65	43.67

Corporate Guarantee given on behalf of BDJ Oxides Pvt Ltd against credit facilities for ₹ 358.1 millions (Previous Year. 358.1 millions) in Bank of Baroda & ₹ 710 millions (Previous Year ₹ 710 millions) in Citibank.

37 Segment information

Operating segments have been identified on the basis of nature of products, risk and returns associated therewith and other quantitative criteria specified in Ind AS 108 "Operating Segments". The company operates mainly in one business segment viz., Manufacturing and selling of Zinc Oxide and all other activities revolve around the main activity. The Company is operating in two geographical segments i.e., in India and Outside. The details required as per the standard are as follows:

Particulars	Within India		Outside India	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Segment Revenue	2,649.21	2,025.42	703.78	540.51
Segment Assets	1,226.53	1,182.48	143.95	51.63
Capital Expenditure	11.04	7.24	-	-

38 EARNING PER SHARE:

Reconciliation of Net profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit/(loss) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted: Diluted earnings per share is calculated adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares.

	As at	As at
	March 31, 2023	March 31, 2022
Net Profit attributable to the Equity holders of the Company as per Statement of Profit and Loss.		
Net profit for Basic and Diluted earnings per share	252.21	157.95
Weighted average number of equity shares for calculation of basic and diluted earnings per share*	252.21	157.95
(restated for earlier year for issue of Bonus Shares made on 21/6/2022)	3,17,20,000	3,17,20,000
Face value of Equity Shares (₹)	10.00	10.00
Basic EPS (₹)	7.95	4.98
Diluted EPS (₹)	7.95	4.98

*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.

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. Consequential adjustments 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 which are on periodic renewal basis. Expenditure incurred on account of rent during the period and recognized in the Statement of Profit & Loss amounts to ₹ 5.90 millions (Year ended 31st March, 2022 ₹ 2.84 millions.)



41 Corporate Social Responsibility

A CSR committee has been formed by the company as per provisions of Section 135 of the Companies Act, 2013. The areas of CSR activities are as prescribed under Schedule VII of the Companies Act, 2013.

	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
(a) Gross amount required to be spent by the Group during the year	2.95	2.90
(b) Amount of expenditure incurred	2.95**	2.89*
(c) Provision of unspent CSR - movement during the year		
Opening Provision	-	-
Movement during the year	-	-
Amount yet to be incurred	-	-
Utilised during the year	-	-
Closing Provision	-	-
(d) Nature of CSR activities	Education, Health care, Disaster Relief, Animal welfare, Rural Development	

**This has been adjusted against the excess CSR expenditure carried over by the Company.

*The excess c/f of earlier year is adjusted during the shortfall of ₹ 0.01 millions of FY 2021-22.

42 Ratios disclosed as per requirement of Schedule III to the Act

Particulars	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
(i) Current Ratio: (Current Assets / Current Liabilities)		
Current Assets	1,240.47	1,056.02
Current Liabilities	181.28	298.76
Current Ratio (times)	6.84	3.53
% of changes as compared to the preceding period	93.60%	25.31%
	Refer Note (i)	Refer Note (ix)
(ii) Debt-Equity Ratio: (Total Debt/ Shareholder's equity)		
Total debt	132.42	241.69
Shareholder's equity	1,187.65	934.95
Debt-Equity Ratio (times)	0.11	0.26
% of changes as compared to the preceding year	-56.87%	-9.89%
	Refer Note (ii)	
(iii) Debt Service Coverage Ratio: (EBIDTA/ Interest + Principal repayments of debt)		
EBIDTA	357.71	235.82
Interest + Principal repayments of debt	10.08	21.77
Debt Service Coverage Ratio (times)	35.48	10.83
% of changes as compared to the preceding year	227.51%	43.76%
	Refer note (iii)	Refer Note (x)
(iv) Return on Equity Ratio: (Profit after tax / Shareholder's equity)		
Profit after tax	252.21	157.95
Average shareholder's equity	1,061.30	855.78
Return on Equity Ratio (%)	23.76%	18.46%
% of changes as compared to the preceding year	28.75%	98.38%
	Refer note (iv)	Refer Note (xi)
(v) Inventory turnover ratio: (Sales/ Average Inventory)		
Sales	3,352.75	2,561.01
Average Inventory	357.89	313.27
Inventory turnover ratio (times)	9.37	8.18
% of changes as compared to the preceding year	14.59%	-5.36%
(vi) Trade Receivables turnover ratio: (Sales / Average Trade Receivables)		
Sales	3,352.75	2,561.01
Average trade receivables	451.81	394.89
Trade Receivables turnover ratio (times)	7.42	6.49
% of changes as compared to the preceding year	14.42%	16.36%
(vii) Trade payables turnover ratio: (Purchase of raw material and stock in trade / Average trade payables)		
Purchase of raw material and stock in trade	2,572.69	2,369.32
Average trade payables	7.23	10.14
Trade payables turnover ratio (times)	355.80	233.76
% of changes as compared to the preceding year	52.21%	38.35%
	Refer note (v)	Refer note (xii)



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

(All amount in INR Millions unless otherwise stated)

(viii)	Net capital turnover ratio: (Sales / Working capital)		
	Sales	3,352.75	2,561.01
	Working capital	1,059.20	757.26
	Net capital turnover ratio (times)	3.17	3.38
	% of changes as compared to the preceding year	-6.40%	-4.43%
(ix)	Net profit ratio: (Profit after tax/Sales)		
	Profit after tax	252.21	157.95
	Sales	3,352.75	2,561.01
	Net profit ratio (%)	7.52%	6.17%
	% of changes as compared to the preceding year	21.97%	67.17%
		Refer note (vi)	Refer note (xiii)
(x)	Return on Capital employed: (EBIT / Capital employed)		
	Earning before interest and tax (EBIT)	350.88	228.85
	Capital Employed (Equity + Debt + Accrued Interest)	1,320.34	1,176.71
	Return on Capital employed (%)	26.57%	19.45%
	% of changes as compared to the preceding year	36.64%	46.89%
		Refer note (vii)	Refer note (xiv)
(xi)	Return on investment: (Income Generated from Investments / Average Investments)		
	Income Generated from Investments	(8.19)	27.11
	Average Investments	57.11	85.53
	Return on investment (%)	-14.35%	31.70%
	% of changes as compared to the preceding year	-145.26%	-9.16%
		Refer note (viii)	

Notes:

Year Ended March 31, 2023

- (i) Increase in current ratio is because of increase in operating profit before working capital changes and due to improved cash flow.
- (ii) Debt Equity Ratio Variation is due to reduction in short term borrowings due to improved cash flows and higher operating profit.
- (iii) Debt Service Coverage Ratio variation is primarily due to higher profit and reduced debt.
- (iv) Return on Equity Ratio variation is primarily due to higher profitability.
- (v) Trade payables turnover ratio variation is due to reduced Average Trade Payables.
- (vi) Net Profit ratio is Increased due to higher profitability.
- (vii) Return on Capital employed variation is primarily due to higher profitability.
- (viii) Return on Investment variation is due to measurement of Investments at Fair Value through P & L.

Year Ended March 31, 2022

- (ix) Increase in current ratio is because of increase in operating profit before working capital changes and due to improved cash flow.
- (x) Debt Service Coverage Ratio Variation is due to higher operating profit.
- (xi) Return on Equity Ratio variation is primarily due to higher profitability
- (xii) Trade Payable Turnover Ratio variation is because the situation improved on cease of covid pandemic resulting in increase of operations.
- (xiii) Net Profit Ratio is Increased due to profitability because of end of Covid-19 Pandemic
- (xiv) Return on Capital Employed Variation is due to improved performance due to better realisations and higher sales aided by improved plant capacity utilisation.

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, 2023				
Quarter ended 31st March, 2023	Inventory	273.93	273.74	-0.19
	Debtors	502.79	502.79	0.00
Quarter ended 31st December, 2022	Inventory	254.54	254.53	-0.01
	Debtors	439.35	439.35	-0.00
Quarter ended 30th September, 2022*	Inventory	208.38	234.12	25.74
	Debtors	508.49	510.80	2.31
Quarter ended 30th June, 2022*	Inventory	217.57	239.00	21.43
	Debtors	642.50	642.50	-
For the year ended March 31, 2022				
Quarter ended 31st March, 2022*	Inventory	423.96	477.10	53.14
	Debtors	400.80	400.80	-
Quarter ended 31st December, 2021*	Inventory	364.80	416.20	51.40
	Debtors	372.40	372.40	-
Quarter ended 30th September, 2021*	Inventory	324.00	368.70	44.70
	Debtors	381.70	381.70	-
Quarter ended 30th June, 2021*	Inventory	341.00	393.60	52.60
	Debtors	341.40	340.90	-0.50

Note:

* The above stated difference is primarily due to the amount of GST included on cost of materials purchased.



*(All amount in INR Millions unless otherwise stated)***44 Financial Instrument and Related Disclosures.****A. Carrying value and Fair Value of Financial Assets and Financial Liabilities with Fair Value Hierarchy**

Financial assets and financial liabilities at fair value	Level 1	Level 2	Level 3	Amortised Cost	Total
As at 31st March, 2023					
Financial assets					
Financial assets at FVTPL					
- Investments	29.45	-	-	-	29.45
Financial assets at Amortised cost					
- Investments	-	-	-	28.33	28.33
- Loans	-	-	-	166.50	166.50
- Other Financial Assets	-	-	-	206.32	206.32
- Trade Receivables	-	-	-	502.79	502.79
- Cash and Cash Equivalents	-	-	-	34.86	34.86
- Other bank balances	-	-	-	3.26	3.26
Total Financial Assets	29.45	-	-	942.06	971.50
Financial Liabilities					
Financial Liabilities at Amortised Cost					
- 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
As at 31st March, 2022					
Financial assets					
Financial assets at FVTPL					
- Investments	84.78	-	-	-	84.78
Financial assets at Amortised cost					
- Investments	-	-	-	28.33	28.33
- Other Financial Assets	-	-	-	81.95	81.95
- Trade Receivables	-	-	-	400.83	400.83
- Cash and Cash Equivalents	-	-	-	39.42	39.42
- Other bank balances	-	-	-	13.49	13.49
Total Financial Assets	84.78	-	-	564.01	648.79
Financial Liabilities					
Financial Liabilities at Amortised Cost					
- Borrowings	-	-	-	241.69	241.69
- Trade payables	-	-	-	31.49	31.49
- Other Financial Liabilities	-	-	-	16.60	16.60
Total Financial Liabilities	-	-	-	289.78	289.78

B. 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.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

(All amount in INR Millions unless otherwise stated)

Foreign currency risk

The company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company functional currency exposure.

Exposure to currency Risk	Currency	March 31, 2023	March 31, 2022
Trade receivables (unhedged)	USD	1.09	0.68
Trade receivables (unhedged)	Euro	0.44	-
Trade payables (unhedged)	USD	0.07	0.02
Other financial assets	USD	0.18	-
Other financial liabilities	USD	-	0.07
SBLC	USD	0.26	1.44

As at March 31, 2023, 5% increase/(decrease) in the exchange rate of Indian Rupee with foreign currencies would result in approximately ₹ 5.83 millions (decrease) / increase in the fair value of the Company's foreign currency dollar denominated instruments (As at March 31, 2022, ₹ -3.22 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 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 period are as follows:

Particulars	March 31, 2023	March 31, 2022
Fixed rate Instrument		
Financial assets	173.78	17.28
Financial liabilities	-	-
Variable rate Instrument		
Financial assets	-	-
Financial liabilities	132.42	241.69

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitivity
As at March 31, 2023, 100 basis points (1%) increase/(decrease) in the interest rate at Indian currency borrowings would result in approximately ₹ 1.32 millions in the finance cost of the Company's Indian currency borrowings (As at March 31, 2022, ₹ 2.42 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 31st March, 2023 is ₹ 29.45 million (As at March 31, 2022 ₹ 84.78 millions).

Increase/(decrease) of 5% would result in an impact increase/(decrease) by ₹ 1.47 millions and ₹ 4.24 millions on total profit for the year ended 31st March 2023 and 31st March 2022.

(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.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting

Particulars	Carrying value	On Demand	Less than 1 year	Beyond 1 year	Total
As at 31st March, 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



As at 31st March, 2022

- Borrowings	241.69	240.65	0.64	0.40	241.69
- Trade payables	31.49	-	31.49	-	31.49
- Other Financial Liabilities	16.60	-	16.60	-	16.60
	289.78	240.65	48.73	0.40	289.78

(iii) Credit Risk

Credit risk is the risk of financial loss arising from counter-party to a financial instrument fail 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 in mutual funds and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk except some loans made by the company and against which sufficient provision for expected credit loss has been made.

In respect of trade and other receivables, the company is not exposed to any significant credit risk exposure to any single counterparty. Trade receivables consist of a good number of customer. 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.

(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 31st March, 2023, the Company has only one class of equity shares.

(v) Hedging activity and derivatives**Fair value hedge of Zinc oxide price risk in inventory**

The company is exposed to fluctuations in zinc oxide price arising on purchase, manufacturing and sale of zinc oxide and inventory of zinc oxide lying with the company. To manage the variability in fair value, the company enters into derivative financial instruments to manage the risk associated with zinc oxide price fluctuations relating to the highly probable forecasted transactions. Such derivative financial instruments are primarily in the nature of future commodity contracts.

The company designates certain derivatives as hedging instruments in respect of commodity price risk in cash flow hedges and fair value hedges. As the value of the derivative instrument 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 2023		As at March 2022	
		No. of deals (Lots)	Amount in foreign currency	No. of deals (Lots)	Amount in foreign currency
Buy forward	USD	-	-	3	0.30
Sale forward	USD	7	0.59	15	1.45



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023
(All amount in INR Millions unless otherwise stated)

45 Disclosure of any significant dependence on single or few customer:

Company majorly sell its product to various organisation. Following are the breakup of top 10 Customers:

Particular	Year Ended	Year Ended
	March 31, 2023	March 31, 2022
Top 10 customers	2,229.15	1,718.55
% age of total Revenue from operations	66.48%	66.98%

46 The Indian Parliament has approved the Code on Social Security, 2020 ('the Code') which, inter alia, deals with employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognized post notification of the relevant provisions.

47 Other Regulatory Information :

- The Company does not have any Benami property and no proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with struck off Companies.
- 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.
- 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:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - 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.
- 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.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- There are no charges or satisfaction yet to be registered with ROC beyond the statutory year.

48 All the figures in these notes are in millions in Indian Rupees except otherwise stated.

49 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 period are included as an integral part of the current period financial Statements and are to be read in relation to the amounts and other disclosures relating to the

As per our report of even date

For S. Jaykishan
Chartered Accountants
Firm's Registration Number: 309005E



CA Vishal Agarwal
Partner
Membership No. 315490
Place : Kolkata
Date: The 3rd day of July, 2023



J. G. Chemicals Limited



Director
Suresh Jhunjhunwala
Executive Chairman
DIN.No. 00234725


J. G. Chemicals Limited


Director
Anirudh Jhunjhunwala
CEO & Managing Director
DIN No. 00234879

For and on behalf of the Board of Directors of
J.G. Chemicals Limited (Formerly J.G. Chemicals Pvt. Ltd.)



Director
Anuj Jhunjhunwala
Whole time Director & CFO
DIN No. 00234926



Swati Poddar
CS & Compliance Officer
Membership No. : A49212

Form No. MGT-11

Proxy form

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)
of the Companies (Management and Administration) Rules, 2014]*

CIN: U24100WB2001PLC093380

Name of the company: J.G.Chemicals Limited

Registered office: 34A, Metcalfe Street, 3rd Floor, Room No. 3F, Kolkata-700013

Name of the member (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member (s) of shares of the above named
company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:....., or failing him

2. Name:
Address:
E-mail Id:
Signature:....., or failing him

3. Name:
Address:
E-mail Id:
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the company, to be held on Friday, the 29th September, 2023 at 11:00 A.M. at 34A, Metcalfe Street, 3rd Floor, Room No. 3F, Kolkata-700013 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1.....
- 2.....
- 3.....

Signed this..... day of..... 2023

Signature of shareholder

Affix Revenue Stamp

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

22nd Annual General Meeting of M/s. J.G.Chemicals Limited will be held at the Registered Office of the Company at 34A, Metcalfe Street, 3rd Floor, Room No. 3F, Kolkata-700013 on Friday, the 29th September, 2023 at 11:00 A.M.

Regd. Folio No._____/DP ID_____/Client ID/Ben. A/C_____/No. of shares held_____

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 22nd Annual General Meeting of the Company on Friday, the 29th September, 2023 at 11:00 A.M. at 34A, Metcalfe Street, 3rd Floor, Room No. 3F, Kolkata-700013

Member's/Proxy's name in Block Letters
Signature

Member's/Proxy's

Note: Please fill this attendance slip and hand it over at the entrance of the hall.