INDEPENDENT AUDITOR'S REPORT

To the Members of M/s GBL CHEMICAL LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of **M/s GBL CHEMICAL LIMITED**, which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss and (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to financial statements including a summary of material accounting policies and other explanatory information. (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024. Total Comprehensive Income (comprising of profit and other comprehensive income), Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No.32 in the financial statement and as per explanations given to us, there were fraudulent transactions/ borrowing were done in the name of Company involving certain parties. We have been explained that these transactions are executed without power and knowledge of the Company and are fraudulent in the nature. On the basis of preliminary investigation, company suspects involvement of external parties including one of the directors. We are unable to ascertain the amount involved and possible impact of these transactions on the financial statement of the Company.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

H.O. : 4019, 4TH FLOOR, BHANDUP INDUSTRIAL ESTATE, CO-OP. SOCIETY LTD, PANNALAL SILK MILL COMPOUND, L.B.S. ROAD, BHANDUP (W), MUMBAI - 400 078.
B.O. : H-11, MADHUVAN ENCLAVE, ALKAPURI, CITY CENTRE, GWALIOR (M.P.) - 474011
TEL. : 022-41313380 / 91-8080633380
E-MAIL : VIJAYGARGANDCO@GMAIL.COM / INFO@VGNCA.COM WEBSITE : WWW.VGNCA.COM

Information other than the Financial Statements and auditors report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

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

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements asa whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We also:

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

VIJAY GARG & CO. ★ CHARTERED ACCOUNTANTS ★ FRN-141111W MUMBAI

Other Matter

We have determined that there are no other matters to communicate in our report.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the"Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

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

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

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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 financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report; expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

g) Based on our audit, we report that the Company has not paid any remuneration to its directors during the year, as required by section 197(16) of the Act Hence reporting as per section 197(16) is not required.

h) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (refer note 32 of the financial statements);
   II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
   III. There were no amounts which were required to be transferred to the Investor Educationand Protection Fund by the Company.
   IV. (a)The management has represented that, to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

VIJAY GARG & CO. ★ FRN-141111W MUMBAI CHARTERED ACCOUNTANTS ★

Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

V. Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.

VI. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. And the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Vijay Garg & Co.
Chartered Accountants
Firm Registration Number: 141111W

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

Ramkishore Somani
Partner
Membership No. 104927
UDIN: 24104927BKELRG5407

Place: Mumbai
Dated: 28th May, 2024

M/s GBL CHEMICAL LIMITED

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report that:

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

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

(i)(a)(B) The Company does not have any Intangible Assets during the year under audit. Therefore, the requirement to report on clause (i)(a)(B) of the Order is not applicable to the Company.

(i)(b) All fixed assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i)(c) The Company does not have any immovable properties during the year. Therefore, the requirement to report on clause (i)(c) of the Order is not applicable to the Company

(i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

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

(ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.

(ii)(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company and there was no requirement of filing of any quarterly returns/statements with such banks and financial institutions.

(iii)(a) During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security as specified under Section 186 of the Companies Act, 2013 ("the Act") and the Company has not provided any

VIJAY SARGO & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS security as specified under Section 186 of the Act. Therefore, the provisions of clause 3 (iv) of the said Order are not applicable to the company.

(v) The Company has neither accepted any deposits from the public nor accepted any amountswhich are deemed to be deposits within the meaning of sections 73, 74, 75 and 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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

(vii)(b) According to information and explanations given to us, no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income- tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other material statutory dues were in arrears as at March 31, 2024.

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

(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender except disputed transactions provided in note 32.

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

(ix)(c) The Company did not have any term loans outstanding during the year and hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix)(d) The Company did not raise any short-term funds which have been utilized for long term purposes during the year and hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(ix)(e) On an 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 associates.

(ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

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

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

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

(xi)(a) On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year except that as reported in note no.32 of the financial statements, on April 01, 2024, the company came to know regarding certain unauthorised and fraudulent transactions done in the name of the company, wherein the Holding Company is allegedly shown as a co-borrower/guarantor with the company in these unauthorized and fraudulent borrowings/transactions and the management of the Company has taken all legal steps against such unauthorised and fraudulent transactions.

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

(xi)(c) We have been informed by the Company that no whistle blower complaints received by the Company during the year. However, on April 1, 2024, one of the Director of the company reported a whistleblower complaint to the board of the company regarding certain unauthorised and fraudulent transactions in the company.

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

(xiii) In our opinion, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.

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

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

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

(xvi)(c) In our opinion, transactions the Company is not a Core Investment Company as defined in the regulations made byReserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

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

(xvii) The Company has incurred any cash losses in the current financial year. The

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

company has not incurred cash losses in the immediately preceding one year.

(xviii) During the financial year, the auditors' firm has changed due to a change in constitution of firm from a proprietorship firm to a partnership firm. However, the signing auditor remains the same.

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

(xx) According to the records of the company examined by us and as per the information and explanations given to us and as part of our opinion, the company is below the threshold limit prescribed under section 135(1) of Companies Act, 2013 and thus the company is not required to make any CSR expenditure and accordingly paragraph 3 (xx) of the Order is not applicable to the Company.

For Vijay Garg & Co.
Chartered Accountants
Firm Registration Number: 141111W

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

Ramkishore Somani
Partner
Membership No. 104927
UDIN: 24104927BKELRG5407

Place: Mumbai
Dated: 28th May, 2024

GBL CHEMICAL LIMITED

ANNEXURE-B TO INDEPENDENT AUDITOR"S REPORT

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

We have audited internal financial controls over financial reporting of **GBL CHEMICAL LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting („the Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whetheradequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basisfor our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with the 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

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 thefinancial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vijay Garg & Co.
Chartered Accountants
Firm Registration Number: 141111W

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

Ramkishore Somani
Partner
Membership No. 104927
UDIN: 24104927BKELRG5407

Place: Mumbai
Dated: 28th May, 2024

Balance sheet as at 31st Mar 2024

(₹ in Million)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023
A ASSETS			
I Non-Current Assets			
(a) Property, plant and equipment (Tangible assets)	7	1.18	0.24
(b) Financial assets			
(i) Other financial assets	8	0.03	0.01
Total Non-Current Assets		**1.21**	**0.25**
II Current Assets			
(a) Inventories	9	131.29	124.00
(b) Financial assets			
(i) Trade receivables	10	124.18	86.61
(ii) Cash and cash equivalents	11	16.00	3.59
(iii) Loans	12	-	0.03
(c) Current tax asset (net)	13	4.15	-
(d) Other current assets	14	6.30	39.84
Total Current Assets		**281.92**	**254.07**
TOTAL ASSETS		283.13	254.32
B EQUITY AND LIABILITIES			
I Equity			
a) Equity share capital	15	0.10	0.10
b) Other equity	16	(21.53)	23.98
Total Equity		(21.43)	24.08
Liabilities			
II Non-Current Liabilities			
(a) Financial liabilities		-	-
(b) Deferred tax liabilities (Net)	17	0.79	-
Total Non-Current Liabilities		0.79	-
III Current Liabilities			
(a) Financial liabilities			
(i) Trade Payables	18	260.06	207.37
total outstanding dues of :			
(i) Micro and Small enterprises		24.64	18.63
(ii) Others than micro and small enterprises		235.43	188.74
(ii) Other financial liabilities	19	42.27	21.72
(b) Other current liabilities	20	1.44	1.15
Total Current Liabilities		303.77	230.24
TOTAL EQUITY AND LIABILITIES		283.13	254.32

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

For Vijay Garg & Co.
Chartered Accountants
Firm's Regn. No. 141111W

Ramkishore Somani
Partner
Membership no.: 104927
Place: Mumbai
Date: 28th May 2024
UDIN: 24104927BKELRG5407

For and on behalf of the Board of Directors

Rishi Pilani
Director
DIN : 00901627

Ramesh Pilani
Director
DIN : 00901506

Statement of Profit & Loss for the year ended 31st Mar 2024

(₹ in Million)

Particulars	Notes	Year ended 31st March 2024	Year ended 31st March 2023
I Revenue from operations	21	1,895.70	2,114.24
II Other Income	22	6.65	1.98
III Total Income (I + II)		**1,902.35**	**2,116.23**
IV Expenses:			
Cost of raw material and components consumed	23	1,374.86	1,545.74
Changes in inventories of finished goods, work-in-progress and stock -in- trade	24	5.64	(29.88)
Employment Benefit Expense	25	13.72	7.47
Finance Costs	26	7.56	1.14
Depreciation and Amortisation Expense	27	0.34	0.18
Other Expenses	28	544.95	567.99
Total Expenses		**1,947.07**	**2,092.64**
V Profit Before Exceptional Items and Tax (III-IV)		**(44.72)**	**23.59**
VI Exceptional items		-	-
VII Profit Before Tax (V-VI)		**(44.72)**	**23.59**
VIII Tax Expense			
(1) Current tax	29	-	6.54
(2) Deferred tax	17	0.79	-
IX Profit (Loss) for the Period (VII-VIII)		**(45.51)**	**17.05**
X Other Comprehensive Income			
Item that will not be reclassified to profit or loss			
(1) Remeasurement of defined benefit obligations		-	-
(2) Income tax relating to these items		-	-
Total Other Comprehensive Income		-	-
XI Earnings Per Equity Share	30		
(1) Basic		(455.13)	170.50
(2) Diluted		(455.13)	170.50

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

For Vijay Garg & Co.
Chartered Accountants
Firm's Regn. No. 141111W

Ramkishore Somani
Partner
Membership no.: 104927
Place: Mumbai
Date: 28th May 2024
UDIN: 24104927BKELRG5407

For and on behalf of the Board of Directors

Rishi Pilani
Director
DIN : 00901627

Ramesh Pilani
Director
DIN : 00901506

A. EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	No of Shares	Amount
As at 31st March 2022	1,00,000	0.10
Changes in equity share capital during the year	-	-
As at 31st March 2023	1,00,000	0.10
Changes in equity share capital during the year	-	-
As at 31st March 2024	1,00,000	0.10

B. OTHER EQUITY

(₹ in Million)

Particulars	Reserve & Surplus		
	Retained Earnings	Items of other comprehensive income	Total
As at March 31, 2022	6.93	-	6.93
Profit for the year	17.05	-	17.05
As at 31st March 2023	23.98	-	23.98
As at 1st April 2023	23.98	-	23.98
Profit / (Loss) for the year	(45.51)	-	(45.51)
As at 31st March 2024	(21.53)	-	(21.53)

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

For Vijay Garg & Co.
Chartered Accountants
Firm's Regn. No. 141111W

Ramkishore Somani
Partner
Membership no.: 104927
Place: Mumbai
Date: 28th May 2024
UDIN: 24104927BKELRG5407

For and on behalf of the Board of Directors

Rishi Pilani
Director
DIN : 00901627

Ramesh Pilani
Director
DIN : 00901506

GBL CHEMICAL LIMITED MUMBAI

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

Cash Flow Statement for the year ended 31st March 2024

(₹ in Million)

Particulars	Year ended 31st March 2024		Year ended 31st March 2023	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax		(44.72)		23.59
Adjusted for :-				
Depreciation/amortization expenses	0.34		0.18	
Finance Cost	7.56		1.14	
Allowance for bad & doutful debts	3.26	11.16		1.32
Operating Profit before Working Capital Changes		(33.56)		24.91
Movements in working capital :				
Decrease / (increase) in inventories	(7.29)		(44.38)	
Decrease / (increase) in trade receivables	(40.83)		55.38	
(Increase)/decrease in and other receivables	(0.02)		-	
Decrease / (increase) in other current assets	29.42		(3.33)	
Increase/ (decrease) in trade payables	52.69		(29.06)	
Increase/(decrease) in other payables	24.03		(10.06)	
Cash generated from /(used in) operations		58.00		(31.44)
Taxes paid (net of refunds)		(3.19)		0.03
Net cash flow from/ (used in) operating activities (A)		21.25		(6.50)
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets, including CWIP and capital advances	(1.28)		(0.23)	
Net cash flow from/ (used in) investing activities (B)		(1.28)		(0.23)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(7.56)		(1.14)	
Net cash flow from/ (used in) in financing activities (C)		(7.56)		(1.14)
Net increase/(decrease) in cash and cash equivalents (A + B + C)		12.41		(7.87)
Cash and cash equivalents at the beginning of the year		3.59		11.46
Cash and cash equivalents at the end of the year		16.00		3.59
Components of cash and cash equivalents				
Cash on hand		0.13		0.36
Balance in current account and deposits with banks		15.87		3.23
Cash and Cash Equivalents at the end of year (Refer note 11)		16.00		3.59

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

For Vijay Garg & Co.
Chartered Accountants
Firm's Regn. No. 141111W

Ramkishore Somani
Partner
Membership no.: 104927
Place: Mumbai
Date: 28th May 2024
UDIN: 24104927BKELRG5407

For and on behalf of the Board of Directors

GBL CHEMICAL LIMITED MUMBAI

Rishi Pilani
Director
DIN : 00901627

Ramesh Pilani
Director
DIN : 00901506

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

Notes to the Financial Statements for the year ended 31st Mar 2024

1. Corporate Information

GBL CHEMICAL LIMITED ("the Company"), was incorporated on October 23, 2018, CIN U24304MH2018PLC316126 . The Company is a public limited company (Unlisted company) (100% Subsidiary of M/s. Ganesh Benzoplast Limited) incorporated and domiciled in India and is having its registered office at C-1802, Lotus Corporate Park, off. Western Express Highway, Geetanjali Railway Colony, Laxmi Nagar, Goregaon East, Mumbai – 400063, Maharashtra, India.

The Company engages in the business of manufacture and trading (domestic and export) of premium range of specialty chemicals, food preservatives and Industrial lubricants.

2. Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

3. New and amended standards adopted by the company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12 The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

4. Basis of preparation of financial statements

The financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act") except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

- Expected to be realised within twelve months after the reporting period; or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is classified as current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively. The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

The Company has identified twelve months as its operating cycle.

5. Significant accounting judgements, estimates and assumptions

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The following are the critical estimates and judgements, that have the significant effect on the amounts recognized in the financial statements.

Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once in 3 years. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed. Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED
MUMBAI

Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

Impairment of trade receivables

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period.

6. Material accounting policies

A summary of the material accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

(a) Property, Plant and Equipment (PPE)

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably.

Depreciation & amortization

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight- line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation commences when the assets are ready for their intended use.

Plant and Equipment has been provided on the straight-line method over their estimated useful life, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, etc.

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED
MUMBAI

Estimated useful lives of such assets are as follows:-

Sr. No.	Asset Head	Useful life
1.	Computers	3-6 years
2.	Office equipment	7 years

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 the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

(b) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.
Financial assets except trade receivables and financial liabilities are initially measured at fair value. Trade receivables are initially measured at transaction value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities [other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)] are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Financial Asset

- **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets measured at fair value through profit or loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Gains or losses arising on re measurement are recognised in the Statement of Profit and Loss.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

- **Impairment of financial assets**

The Company recognizes loss allowances on a forward looking basis using the expected credit loss (ECL) model for the financial assets except for trade receivables. Loss allowance for all financial assets is measured at an amount equal to lifetime ECL. The Company recognizes impairment loss on trade receivables using expected credit loss model which involves use of a provision matrix constructed on the basis of historical credit loss experience and adjusted for forward-looking information as permitted under Ind AS 109. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the Statement of Profit and Loss.

- **De recognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and does not retain control of the asset. The Company continues to recognise the asset to the extent of Company's continuing involvement.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

Financial Liabilities and equity instruments

- **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

- **Financial liabilities**

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

- **De-recognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a new lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

(c) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets is substantially ready for their intended use. The Company considers a period of twelve months or more as a substantial period. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use.

Transaction costs in respect of long-term borrowings are amortised over the tenor of respective loans using effective interest method.

All other borrowing costs are expensed in the period in which they are incurred.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognised as income as per the terms of the scheme on receipt basis in respect of the exports made.

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

(e) Other Income Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

(f) Income Taxes Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(g) Foreign currency transactions Functional and presentation currency

Items included in the financial statements of the Company are measured in Indian Rupee which is functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currency at the year end exchange rate are generally recognised in profit or loss. Non- monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

In case of consideration paid or received in advance for foreign currency denominated contracts, the related expense or income is recognised using the rate on the date of transaction on initial recognition of a related asset or liability.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

(h) Provisions and Contingent Liabilities/Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the management's 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.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised, measured and disclosed as provisions in standalone financial statements. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

(i) Earnings per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account;

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs includes, expenses incurred in bringing each product to its present location and condition and are accounted for as follows:

Raw materials, Consumables Stores

Raw materials/Consumables Stores are valued at cost after providing for cost of obsolescence / depletion. Cost is determined on first in, first out basis.

Finished goods and work in progress

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than three months. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances includes balances and deposits with banks that are restricted for withdrawal and usage.

(l) Exceptional Items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material Items are disclosed separately as exceptional items.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

Note 7: Property, plant and equipment (Tangible Assets)

(₹ in Million)

PARTICULARS	Office Equipments	Computers	Total Assets
Cost			
As at March 31, 2022	**-**	**0.21**	**0.21**
Additions	-	0.23	0.23
Disposals	-	-	-
As at March 31, 2023	**-**	**0.44**	**0.44**
Additions	0.08	1.20	1.28
Disposals	-	-	-
As at March 31, 2024	**0.08**	**1.64**	**1.72**
Depreciation			-
As at March 31, 2022	**-**	**0.02**	**0.02**
Depreciation charge for the year	-	0.18	0.18
Disposals	-	-	-
As at March 31, 2023	**-**	**0.20**	**0.20**
Depreciation charge for the year	0.02	0.32	0.34
Disposals	-	-	-
As at March 31, 2024	**0.02**	**0.51**	**0.54**
Net book value			-
As at March 31, 2024	**0.06**	**1.12**	**1.18**
As at March 31, 2023	**-**	**0.24**	**0.24**

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 8 : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Deposits Given	0.03	0.01
Total	**0.03**	**0.01**

NOTE 9 : INVENTORIES

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Inventories (at cost or net realisable value whichever is lower)		
Raw materials and components	82.40	69.99
Work-in-progress	25.55	27.84
Stores & spares, Packing material & fuel	5.10	4.59
Finished goods	18.24	21.58
Total	**131.29**	**124.00**

NOTE 10 : TRADE RECEIVABLES

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
i. Unsecured and considered good	**127.44**	**86.61**
From Related parties	78.09	14.50
From Others	49.35	72.11
ii. Having significant increase in credit risk	-	-
iii. Credit impaired	-	-
Less : Allowance for bad and doubtful receivables (expected credit loss allowance)	3.26	-
Total	**124.18**	**86.61**

a) In determining the allowances for credit losses of Trade Receivables, the Company has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.
b) Since the Company calculates impairment under the simplified approach for Trade Receivables, it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the discolsure for all such Trade Receivables is made as shown above.
c) Trade receivables does not include any receivables from directors and officers of the company.
d) Receivable from related parties is Rs.78.09 Million (As at March 31,2023 Rs. 14.50 Million).

Movement in the allowance for bad and doubtful receivables (expected credit loss allowance) :

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	-	-
Add: Created during the year	3.26	-
Less: Released during the year	-	-
Balance at the end of the year	**3.26**	**-**

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

Trade receivables ageing:

(₹ in Million)

Particulars	Outstanding from following periods from due date of payment as on 31st March 2024					
	Less than 6 Months	6 Months To 1Year	1 Year To 2 Years	2 Year To 3 Years	More than 3 Year	Total
Considered Good – Unsecured						
Undisputed	47.71	35.32	23.62	20.80	-	127.44
Disputed	-	-	-	-	-	-
Credit Impaired						
Undisputed	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
Less:- Allowance for credit loss						3.26
Total						124.18

(₹ in Million)

Particulars	Outstanding from following periods from due date of payment as on 31st March 2023					
	Less than 6 Months	6 Months To 1Year	1 Year To 2 Years	2 Year To 3 Years	More than 3 Year	Total
Considered Good – Unsecured						
Undisputed	44.05	20.92	21.64	-	-	86.61
Disputed	-	-	-	-	-	-
Credit Impaired						
Undisputed	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
Less:- Allowance for credit loss	-	-	-	-	-	-
Total	44.05	20.92	21.64	-	-	86.61

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 11 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Balances with banks in current accounts	15.87	3.23
Cash on hand	0.13	0.36
Total	**16.00**	**3.59**

NOTE 12 : LOANS

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Unsecured, considered good		
Loans & Advances		
To employees	-	0.03
Total	**-**	**0.03**

NOTE 13 : CURRENT TAX ASSETS (NET)

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Income tax payments less provisions	4.15	-
Total	**4.15**	**-**

NOTE 14 : OTHER CURRENT ASSETS

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Advances to suppliers	6.00	39.65
GST receivables	0.30	0.19
Total	**6.30**	**39.84**

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 15 : EQUITY SHARE CAPITAL

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	(₹ in Million)	No. of shares	(₹ in Million)
Authorised				
Equity Shares				
Equity Shares of Rs. 1/- each	10,00,000	1.00	10,00,000	1.00
Issued Subscribed & Paid Up Capital :				
Equity Shares of Rs. 1/- each full paid	1,00,000	0.10	1,00,000	0.10
Total	1,00,000	0.10	1,00,000	0.10

(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the period

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of shares	(₹ in Million)	No. of shares	(₹ in Million)
Equity Shares				
At the beginning of the period	1,00,000	0.10	1,00,000	0.10
Change during the year	-	-		
Outstanding at the end of the period	1,00,000	0.10	1,00,000	0.10

(b) Terms/Rights attached to Equity shares

The company has only one class of equity shares having a par value of Rs.1/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March 2024		As at 31st March 2023	
	No. of shares held having face value of Rs.1/- each	(₹ in Million)	No. of shares held having face value of Rs.1/- each	(₹ in Million)
Ganesh Benzoplast Limited #	1,00,000	0.10	1,00,000	0.10

Including sharholding of nominee shareholders (6 shares)

(d) The details of Promoter's sharholding are as under :-

Name of the shareholder	As at 31st March 2024		As at 31st March 2023	
	No. of shares held having face value of Rs.1/- each	(₹ in Million)	No. of shares held having face value of Rs.1/- each	(₹ in Million)
Ganesh Benzoplast Limited #	1,00,000	0.10	1,00,000	0.10

Including sharholding of nominee shareholders (6 shares)

(e) Shares alloted as fully paid-up pursuant to contracts without payment being received in cash during the year of five years immediately preceding the date of the balance sheet are as under :- NIL

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 16 : OTHER EQUITY

(₹ in Million)

Particulars	Reserve & Surplus		
	Retained Earnings	Items of other comprehensive income	Total
As at March 31, 2022	6.93	-	6.93
Profit for the year	17.05	-	17.05
As at 31st March 2023	23.98	-	23.98
As at 1st April 2023	23.98	-	23.98
Profit for the year	(45.51)	-	(45.51)
As at 31st March 2024	(21.53)	-	(21.53)

Retained Earnings: Retained Earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to shareholders. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.

NOTE 17 : DEFERRED TAX LIABILITIES (NET)

Significant components of deferred tax liabilities (net) as at March 31, 2024 are as follows :- (₹ in Million)

Deferred tax (liabilities) / assets recognised in relation to	Opening Balance (As at April 1, 2023)	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income (OCI)	Closing Balance (As at March 31, 2024)
Property, Plant and Equipment	-	(0.03)	-	(0.03)
Allowance for doubtful advances/ debts	-	0.82	-	0.82
Deferred Tax (liabilities) / assets (Net)	-	0.79	-	0.79

Significant components of deferred tax liabilities (net) as at March 31, 2023 are as follows :- (₹ in Million)

Deferred tax (liabilities) / assets recognised in relation to	Opening Balance (As at April 1, 2022)	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income (OCI)	Closing Balance (As at March 31, 2023)
Property, Plant and Equipment	-	-	-	-
Allowance for doubtful advances/ debts	-	-	-	-
Deferred Tax (liabilities) / assets (Net)	-	-	-	-

NOTE 18 : TRADE PAYABLES

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Trade payables		
total outstanding dues of micro and small enterprise	24.64	18.63
micro and small enterprises and related party	235.43	188.74
Total	260.06	207.37

i) Disclosure with respect to related party transaction is given in note 33.

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

ii) Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
The principal amount remaining unpaid to supplier as at the end of accounting year	24.64	18.63
The interest due thereon remaining unpaid to supplier as at the end of accounting year	0.14	0.11
The amount of interest paid in term of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interrest specified under this act.	-	-
The amount of interest accurued during the year and remaining unpaid at the end of the accounting year	0.14	0.11
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises, for the purpose of disallowance as a deductible expenditure	0.14	0.11

iii) Aging for Trade Payable outstanding as at March 31, 2024 :- (₹ in Million)

Particular	Outstanding from following periods from due date of payment as on 31st March 2024					
	Not Due	Less than 1 year	1 Year To 2 Years	2 Year To 3 Years	More than 3 Year	Total
Unsecured and consider goods						
(a) MSME	-	24.64	-	-	-	24.64
(b) Others	201.28	32.24	0.48	-	-	235.43
(c) Disputed dues - MSME						
(d) Disputed dues - Others						
Total	201.28	56.88	0.48	-	-	260.06

iv) Aging for Trade Payable outstanding as at March 31, 2023 :- (₹ in Million)

Particular	Outstanding from following periods from due date of payment as on 31st March 2023					
	Not Due	Less than 1 year	1 Year To 2 Years	2 Year To 3 Years	More than 3 Year	Total
Trade payables						
(a) MSME	12.22	6.41	-	-	-	18.63
(b) Others	161.53	21.64	5.56	-	-	188.74
(c) Disputed dues - MSME						
(d) Disputed dues - Others						
Total	173.76	28.05	5.56	-	-	207.37

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 19 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Audit Fees Payable	0.16	0.16
Advance from Customers	4.90	20.27
Other advances *	35.00	-
Outstanding Liabilities	2.21	1.29
Total	42.27	21.72

* Rs. 35 million erroneously received from one of the party.

NOTE 20 : OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at 31st March 2024	As at 31st March 2023
Statutory Dues Payable (TDS , TCS, PT, GST etc.)	1.44	1.15
Total	1.44	1.15

NOTE 21 : REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Revenue from Operations		
Sale Unit I		
Deemed Export	0.91	2.08
Export	100.53	107.28
Local and OMS	997.69	1,227.01
Sale Unit II		
Deemed Export	0.41	0.08
Export	1.33	8.00
Local and OMS	794.83	769.79
Total	1,895.70	2,114.24

NOTE 22 : OTHER INCOME

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Export duty draw back	1.27	1.35
Foreign exchange fluctuation income (net)	0.89	0.61
Interest on income tax refund	0.04	0.00
Misc receipt including sundry balanced written back	4.45	0.03
Total	6.65	1.98

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

GBL CHEMICAL LTD MUMBAI

NOTE 23 : COST OF RAW MATERIAL AND COMPONENTS CONSUMED

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Inventory at the beginning of the year	69.99	54.56
Add: Purchases	1,387.27	1,561.17
	1,457.27	1,615.73
Less: Inventory at the end of the year	82.40	69.99
Total	1,374.86	1,545.74

NOTE 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Work in Progress - Opening	27.84	3.25
Work in Progress - Closing	25.55	27.84
	2.30	(24.59)
Finished Goods (Mfg.) - Opening	21.58	16.29
Finished Goods (Mfg.) - Closing	18.24	21.58
	3.34	(5.29)
Total	5.64	(29.88)

NOTE 25 : EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Salaries, wages and bonus	12.90	6.90
Staff welfare expenses	0.82	0.57
Total	13.72	7.47

NOTE 26 : FINANCE COSTS

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Interest expenses	7.19	0.79
Bank charges	0.37	0.35
Total	7.56	1.14

NOTE 27 : DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Depreciation of property, plant and equipment	0.34	0.18
Total	0.34	0.18

VIJAY GARG & CO. ★ FRN-141111W ★ MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 28 : OTHER EXPENSES

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Advertisement Expenses	5.62	1.88
Auditors remuneration (Refer note 28.1)	0.19	0.18
Brokerage & commission	3.33	7.10
Packing Material	63.85	72.24
Director Remuneration	-	0.01
Discount given	1.57	2.28
Foreign exchange Fluctuation Loss (Net)	-	-1.09
Insurance	0.14	0.06
Job work charges,Freight,Warehousing and Handling charges etc.	372.52	377.54
Legal and Professional Fees	5.02	5.55
Licenses & Application fees	0.35	0.33
Membership,Subscription & Periodicals	0.40	-
Office Expenses	1.28	3.27
Postage and Telephone	0.28	0.45
Power and fuel	67.41	78.19
Printing and Stationery	1.63	1.06
Provision for bad and doubtful debt	3.26	-
Rent Paid	0.00	0.54
Repairs and Maintenance - Others Repais & Maintenance	0.17	2.63
Selling & Distribution Exp	13.99	14.36
Travelling & Conveyance Expenses	3.93	1.42
Total	**544.95**	**567.99**

NOTE 28.1 : PAYMENT TO AUDITOR

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Statutory audit fees including limited review	0.18	0.18
Other certification charges	0.01	-
Total	**0.19**	**0.18**

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED
MUMBAI

NOTE 29 : INCOME TAX EXPENSE

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current Tax		
In respect of current year	-	6.54
Deffered Tax		
In respect of current year	0.79	-
Total income tax expense recognised in the statement of Profit & Loss	**0.79**	**6.54**

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Profit before tax	(44.72)	23.59
Enacted tax rate in India	0.25	0.25
Expected income tax expense at statutory tax rate	-	6.00
Expenses not deductible in determining taxable profit	-	0.15
Tax expense for the year	-	**6.15**
Effective income tax rate	-	**0.26**

NOTE 30 : EARNING PER SHARE (EPS)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Face Value of Equity Share	**Rs. 1**	**Rs. 1**
Profit attributable to equity shareholders (A) (₹ in Million)	(45.51)	17.05
Weighted average number of equity shares for basic EPS (B)	1,00,000	1,00,000
Effect of dilution :		
Total weighted average potential equity shares	-	-
Weighted average number of equity shares adjusted for the effect of dillution (c)	1,00,000	1,00,000
Basic EPS (amount in Rs.) (A/B)	(455.13)	170.50
Diluted EPS (amount in Rs.) (A/C)	(455.13)	170.50

Note 31 :- SEGMENT REPORTING

The Company engages in the manufacture and trading (domestic and export) of a premium range of specialty chemicals, food preservatives, and industrial lubricants. The management, evaluates the chemical business as a single segment, making decisions based on demand and supply conditions within this sector. Accordingly, in line with Ind AS 108, the Company's activities are classified under one primary segment.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:-

(a) During the year ended March 31, 2024 and March 31, 2023, revenue arising from any single customer in India is not contributing to more than 10% of the Company's revenue

(b) All non-current assets of the Company are located in India.

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

NOTE 32 : CONTINGENT LIABILITIES AND LEGAL CASES

(₹ in Million)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Claims by certain parties under fraudulent transactions / Borrowings done in GBL Chemical Limited (refer note a)	450.00	
Total	**450.00**	-

On April 2, 2024, the Company discovered the opening of an unauthorized bank account in its name, at State Bank of India (SBI), Backbay Reclamation Branch, Mumbai, with account number 41010899634 ("the fraudulent account"). This account was associated with unauthorized transactions/borrowings on behalf of the Company and wherein the Holding Company, was also falsely listed as a co-borrower/guarantor along with the company. A Letter was issued to SBI Backbay Reclamation Branch, Mumbai, that account was opened fraudulently and requested to immediately freeze the account. A public notice was also issued in leading newspapers to inform the public about the fraudulent transactions, which were conducted without the knowledge or authorization of the company and its Holding company.

To ensure a fair investigation and uphold good governance practices, Mr. Ramakant Pilani, who was director of the company offered his resignation w.e.f April 02, 2024 and the Board accepted his resignation.

Upon reviewing the account statements provided by SBI, it was found that all transactions conducted in the fraudulent account, primarily under the name of the company, were unauthorized and executed in a fraudulent manner. The preliminary investigation by the Company suggests that Mr. Manish Chaturvedi, in collaboration with Mr. Ramakant Pilani, orchestrated and facilitated these fraudulent transactions. It was further revealed that the signatures of Mr. Ramesh Pilani, Mr. Rishi Pilani, and Mr. Raunak Pilani were forged on the lending documents and other related documents.

In response to these findings, the Company along with the Holding Company initiated several actions, including:

A) Filing police complaints against the involved parties. Additionally, Mr. Rishi Pilani and Mr. Ramesh Pilani have also filed personal complaints for the forgery of their signatures by Mr. Ramakant Pilani. B) Initiating legal proceedings to set aside and cancel the documents executed with the involved parties related to the fraudulent transactions. C) Issuing a letter to the Chief Vigilance Officer of SBI on April 18, 2024, informing them about the fraudulent account. D) Registering an FIR (number 103/2024) on May 2, 2024, at Cuffe Parade Police Station in Mumbai against Mr. Ramakant Pilani and other accused individuals. E) Sending a letter to the Reserve Bank of India on May 13, 2024, requesting an investigation into the fraudulent account opened by SBI. E) Proposing the appointment of KPMG Assurance and Consulting Services LLP by the Company to provide an expert witness report on the fraudulent transactions.

Given that these transactions were conducted without valid authorization and without the express consent of the Company's Board or shareholders, expert legal opinion suggests that neither the Company nor its Holding company, should be required to fulfil any obligations arising from these fraudulent transactions. Consequently, no financial liability should fall on the Company and its Holding company. However, the Company has disclosed the approximate amount of these unauthorized borrowings, totalling Rs. 450 million, under contingent liabilities.

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED
MUMBAI

NOTE 33 : RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 "RELATED PARTY DISCLOSURE" ARE GIVEN BELOW

a) Name of related Parties where controls exists

Key Management Personnel (KMP)
Mr. Rishi Pilani (Director)
Ms. Ramesh Pilani (Director)
Mr. Ramakant Pilani (Director) (resigned w.e.f. April 2, 2024)

b) Entities where control / significant influence by KMPs and their relatives exists and with whom transaction have taken place :-

Agarwal Bulkactives Private Limited
Holding Company
Ganesh Benzoplast Limited

(₹ in Million)

Name of related party/Nature of Transaction	2023-2024	2022-2023
Details of transactions with related parties		
Ganesh Benzoplast Limited / Purchase of goods	8.66	0.05
Ganesh Benzoplast Limited / Sale of goods	71.81	64.92
Ganesh Benzoplast Limited / Service Obtained	360.00	360.00
Ganesh Benzoplast Limited / Assets Sale	-	1.23
Ganesh Benzoplast Limited / Loan Taken	14.00	5.00
Ganesh Benzoplast Limited / Loan Repaid to party	14.00	5.00
Ganesh Benzoplast Limited / Interest Paid	0.22	0.31
Agarwal Bulkactives Private Limited / Purchase of goods	37.72	23.83
Agarwal Bulkactives Private Limited / Sale of goods	6.09	27.49

Outstanding balance at the end of the year

Ganesh Benzoplast Limited (payable)	43.11	14.50
Agarwal Bulkactives Private Limited (receivable)	78.09	32.97

VIJAY GARG & CO.
FRN-141111W
MUMBAI
CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED
MUMBAI

NOTE 34 :- RATION ANALYSIS

Ratios	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	% Variance	Reason for Variance Variance
Current Ratio	Current assets	Current liabilities	0.93	1.10	-16%	
Debt-equity ratio	Total Borrowings	Total Equity	NA	NA	-	
Debt service coverage ratio	Profit before Tax,Exceptional Items,Depreciation , Interest cost	Interest Cost + Long Term Borrowings scheduled 'principal repayments (excluding prepayments / refinancing) 'during the year)	NA	NA	-	
Return on equity Ratio %	Net Profits after taxes	Average Shareholder's Equity	-3,443.01	70.81	-4962%	Reduced on account of increase in losses.
Inventory turnover Ratio (in days)	Average Inventory	Revenue from operations	24.58	22.04	12%	
Trade receivables turnover ratio (in days)	Average Accounts Receivable	Revenue from operations	20.29	12.11	68%	Variation is on account delayed collection from customers.
Trade payables turnover ratio (in days)	Average Trade Payables	Net Credit Purchases (incl. other expenses)	44.30	36.32	22%	Variation is on account delayed payment to vendors.
Net capital turnover ratio	Revenue from operations	Working Capital	-86.75	88.74	-198%	Variation is on account of better working capital management.
Net profit ratio %	Net Profit	Revenue from operations	-2.40	0.81	-398%	Reduced on account of increase in losses.
Return on capital employed %	Earning before interest and taxes	Tangible Net Worth (Net worth-Intangible Asset) + Total Debt + Deferred Tax Liability	180.03	102.70	75%	Variation is on account of increase of operational losses
Return on investment %	Net gain/(loss) on sale & fair value changes of current investments	Average investment in current investments	NA	NA	-	

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

GBL CHEMICAL LIMITED MUMBAI

Note 35- Financial instruments - Fair value and Risk management

i. **Fair value Measurement**

A. Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that ore reasonable approximations of fair values:

Particulars	Measured at	As at March 31 2024		As at March 31 2023	
		Carrying value	Fair Value	Carrying value	Fair Value
Financial Assets					
Trade receivables	Amortized cost	124.18	124.18	86.61	86.61
Cash & Cash equivalents	Amortized cost	16.00	16.00	3.59	3.59
Loans	Amortized cost	-	-	0.03	0.03
Financial Liabilities					
Trade payables	Amortized cost	260.07	260.07	207.37	207.37
Other financial liabilities	Amortized cost	42.27	42.27	21.72	21.72

The management assessed that cash and cash equivalents, trade receivables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount al which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

B. **Fair value hierarchy**

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:-

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (I.e. as prices) or Indirectly (i.e. derived from prices) observable market inputs, other than Level I inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs), Fair value determined in whole or In part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

BL CHEMICALS LIMITED MUMBAI

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

ii. Financial Risk Management Framework

The Company's Corporate Commercial function provides services to the business, co-ordinates access to domestic and international financial markets. monitors and manages the financial risks relating to the operations of the Company to minimize potential adverse effects of all the risk on its financial performance.
These risks include market risk (including currency risk. interest rate risk and commodity price risk). credit risk and liquidity risk.

a. **Market risk**
Market risk is the risk of fluctuations in the fair value or future cash flows of financial instruments due to market changes, including interest rate shifts. This risk affects all market-sensitive financial instruments, such as payables and borrowings. The Company's commercial function manages market risk by overseeing cash resources, borrowing strategies, and ensuring compliance with risk limits and policies, while recommending appropriate risk management objectives and strategies.

b. **Interest rate risk**
Interest rate risk arises from fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates. The Company faces this risk from borrowings at both fixed and floating rates, primarily in rupees. It manages this risk by balancing fixed and floating rate borrowings.

The Company is not exposed to interest rate risk because the Company borrows funds at both fixed interest rates as on March 31, 2024.

c. **Credit risk management**
Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with credit worthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.
Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables
Trade receivables are unsecured and arise from customer revenue. The Company centrally manages customer credit risk through established policies, procedures, and controls. Credit quality is assessed using a credit rating scorecard, with individual credit limits set accordingly. Receivables come from a wide range of customers across diverse industries and regions, with no significant concentration of risk. Outstanding receivables are regularly

BL CHEMICAL LIMITED MUMBAI

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

monitored, and overdue accounts are promptly addressed. Based on past experience, no significant loss is expected, so no provision for expected credit loss (ECL) is necessary. The Company uses a lifetime ECL model to assess and manage impairment.

The amount of Trade receivable outstanding is as follows:

Particulars	Less than 6 months	6 Months to 1 year	1 year to 2 year	2 year to 3 year	More than 3 Year	Total
March 31, 2024	47.71	35.32	23.62	20.80	-	127.44
March 31, 2023	44.05	20.92	21.64	-	-	86.61

Cash and cash equivalents

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. The Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit- ratings assigned by credit-rating agencies and hence the risk is reduced.

Liquidity risk management

Liquidity risk refers to the possibility that the Company may not meet its obligations on time or at a reasonable cost. To mitigate this risk, the Company ensures sufficient cash, marketable securities, and committed credit facilities are in place, while maintaining funding flexibility through credit lines. Liquidity and cash flow forecasts are regularly monitored, with a low concentration of debt risk.

The following tables outline the contractual maturity of the Company's non-derivative financial liabilities, showing undiscounted cash flows for interest and principal payments, based on the earliest potential payment date, including floating rate interest derived from interest rate curves at the reporting period's end.

OBL CHEMICAL LIMITED MUMBAI

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

Liquidity exposure as at March 31, 2024

Particulars	<1year	1-5years	>5years	Total
Financial Labilities				
Trade Payables	259.58	0.48	-	260.06
Other Financial Liabilities	42.27	-	-	42.27

Liquidity exposure as at March 31, 2023

Particulars	<1year	1-5years	>5years	Total
Financial Labilities				
Trade Payables	201.81	5.56	-	207.37
Other Financial Liabilities	21.72	-	-	21.72

BL CHEMICALS LIMITED MUMBAI

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

NOTE 36 : OTHER STATUTORY INFORMATION

(1) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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

(3) The Company does not have any transactions with struck-off companies.

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

(5) The Company has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

(6) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income.

(7) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(8) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

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

(i) 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

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

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

(i) 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

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

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

(12) Value of imports calculated on C.I.F basis by the company during the financial year.
- There were no imports during FY 2023-24

(13) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters
-There were no expenditure in foreign currency during FY 2023-24

(14) Earnings in foreign exchange classified under the following heads :-
-There were no earnings in foreign currency during FY 2023-24

NOTE 37 : Previous period figures have been regrouped / recasted / reclassified wherever necessary.

NOTE 38 : The Company has approved its financial statements in its board meeting dated May 28, 2024

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

For Vijay Garg & Co.
Chartered Accountants
Firm's Regn. No. 141111W

GBL CHEMICAL LIMITED MUMBAI

Ramkishore Somani
Partner
Membership no.: 104927
Place: Mumbai
Date: 28th May 2024
UDIN: 24104927BKELRG5407

VIJAY GARG & CO. FRN-141111W MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Rishi Pilani
Director
DIN : 00901627

Ramesh Pilani
Director
DIN : 00901506