



20 MICRONS NANO MINERALS LIMITED



ANNUAL REPORT

2022-23



## Corporate Information (as on 16.05.2023)

### Board of Directors

Mr. Atil C. Parikh	- Managing Director
Mr. Rajesh C. Parikh	- Non-Executive Director
Mr. Sudhir R. Parikh	- Non-Executive Director
Mr. Ramkisan A. Devidayal	- Independent Director
Mrs. Darsha R. Kikani	- Independent Director
Mr. Atul H. Patel	- Additional Director

(w.e.f. 16-05-2023)

### Audit Committee of Directors

Mr. Ramkisan A. Devidayal	- Chairman
Mr. Rajesh C. Parikh	- Member
Mrs. Darsha R. Kikani	- Member

### Chief Financial Officer

Mr. Narendra R. Patel

### Company Secretary

Aditya M. Tillu  
(w.e.f. 11-11-2022)

### Bankers

Bank of Baroda

### Statutory Auditors

M/s. N.C. Vaishnav & Co.,  
Chartered Accountants Vadodara.

### Registered Office & Head Office

9-10, GIDC Industrial Estate, Waghodia – 391 760.  
Dist.: Vadodara. Gujarat. India.  
Tel : +91 75 748 06350  
Fax : +91 2668 264003

### Registrar & Share Transfer Agents

#### Link Intime India Pvt. Ltd.

Shangrila Complex, 1st Floor, B Tower,  
102B & 103, Opp. HDFC Bank,  
Nr. Radhakrishna Char Rasta, Akota,  
Vadodara – 390 021.  
Tel. : 0265 – 2356 573 / 2356 794  
Fax : 0265 – 2356 791  
Email : vadodara@linkintime.co.in

Website : [www.20nano.com](http://www.20nano.com)

Email : [cs@20nano.com](mailto:cs@20nano.com)

CIN : U15543GJ1993PLC020540

ISIN : INE799W01013

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**Managing Director**

## From the Desk of the Managing Director

### Dear Shareholders,

The global economy suffered lots in the last couple of years as the impacts of the COVID-19 pandemic followed by the Ukraine – Russia war then new crisis, disrupting various sectors globally exacerbating food insecurity and malnutrition.

Further, high inflation continued to erode real incomes, triggering a global cost-of-living crisis that has pushed millions into poverty and economic hardship. At the same time, the climate crisis continued to take a heavy toll on many countries, with heat waves, wildfires, floods, and hurricanes inflicting massive humanitarian and economic damage.

The FY23 was stable as last year to stand at Rs. 88.05 crore. Profit After Tax stood and maintained at Rs. 5.00 crore.

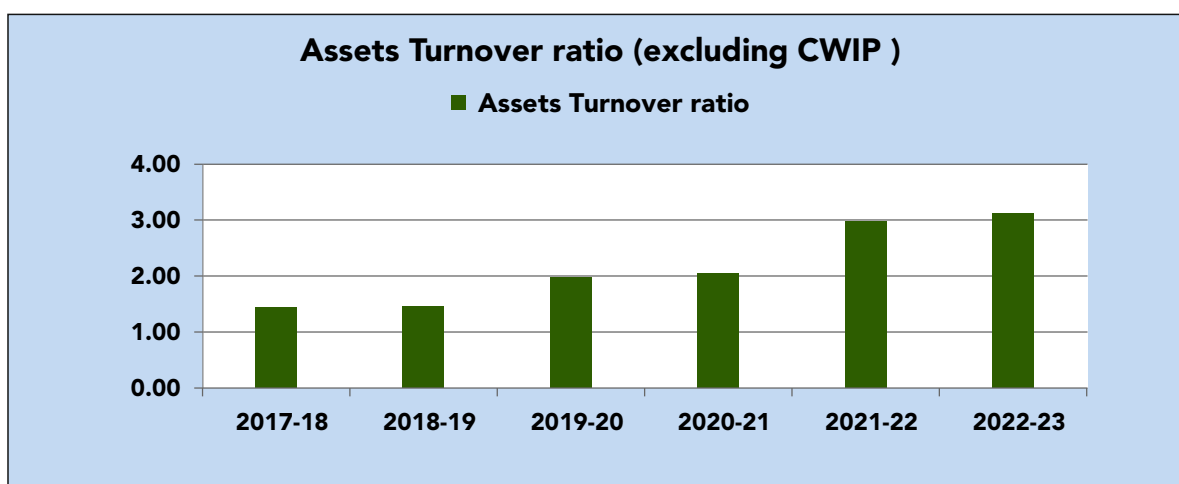
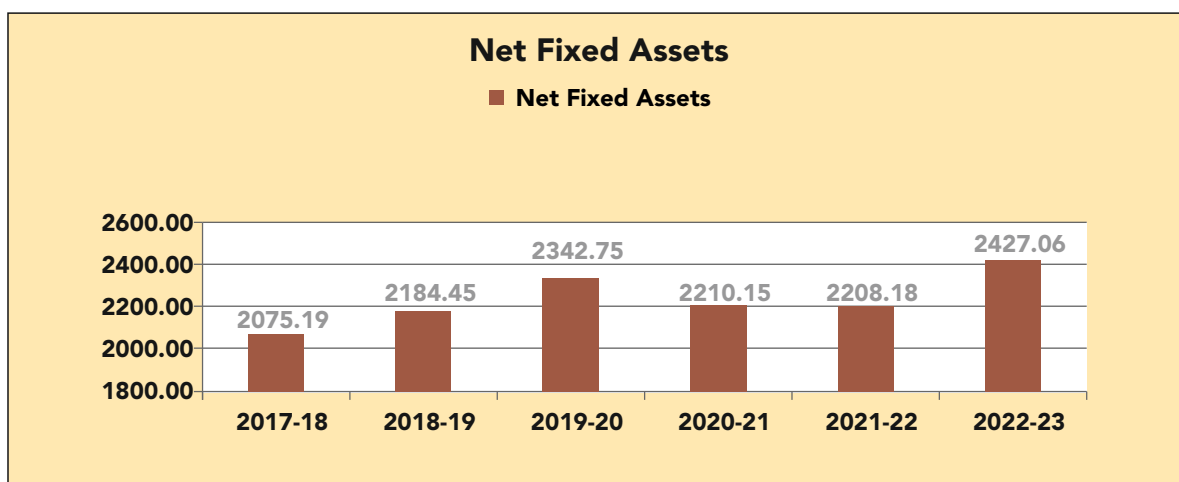
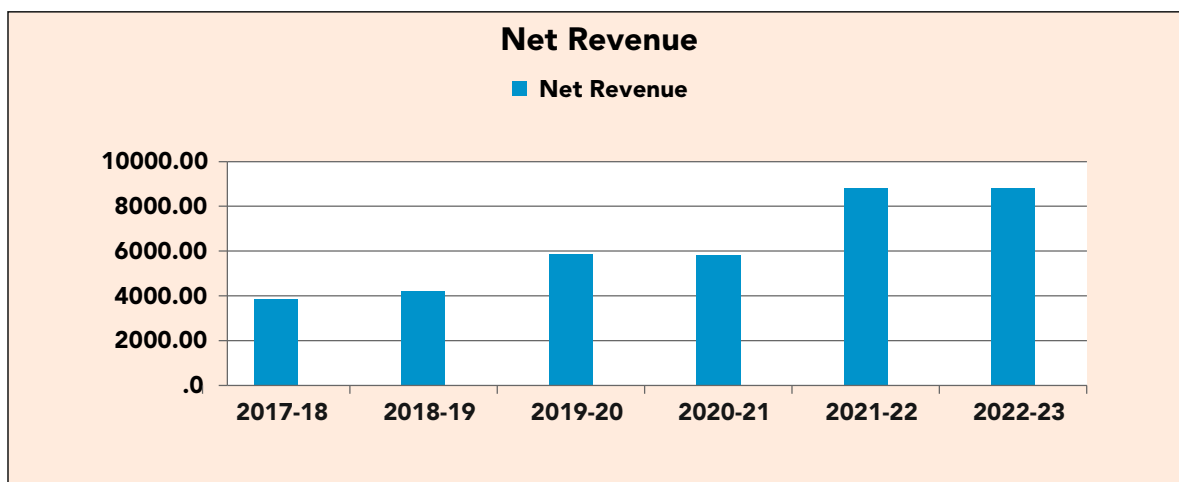
Our operations encompass the production of submicron to nano sized functional additives and specialty chemicals as well as more intricate and specialised processes. This gives us the flexibility to concentrate on creating products that have received a positive response from end markets, become important import substitutes and are priced competitively. We took advantage of this opportunity to operate our manufacturing units at the maximum capacity utilization to meet the rising demand.

We undertake initiatives like improving process efficiencies and dedicated research and development on an ongoing basis to drive operational excellence. Our manufacturing is supported by robust inbound and outbound logistics and distribution network that ensure supply reliability. Further, we are focused on enhanced usage of data and analytics to take real-time and focused decisions.

Our continued and perpetual innovations drives our ability to fulfil our purpose. We are constantly striving to invest in emerging technologies that will enhance our rate of new product development, accelerate the implementation of new processes and expedite our digital transformation journey towards the digitization of our activities. Every year your company has allocated a substantial amount towards these initiatives, including the implementation of advanced sorting installations, automation of our packing line and various other projects. These endeavors are not only expected to generate cost savings but also yield incremental revenue and enhance profitability by the end of the FY26. Our dedicated R&D commanders innovates continuous cultivation of innovation, which enables us to identify promising opportunities and assess their potential for further investment.

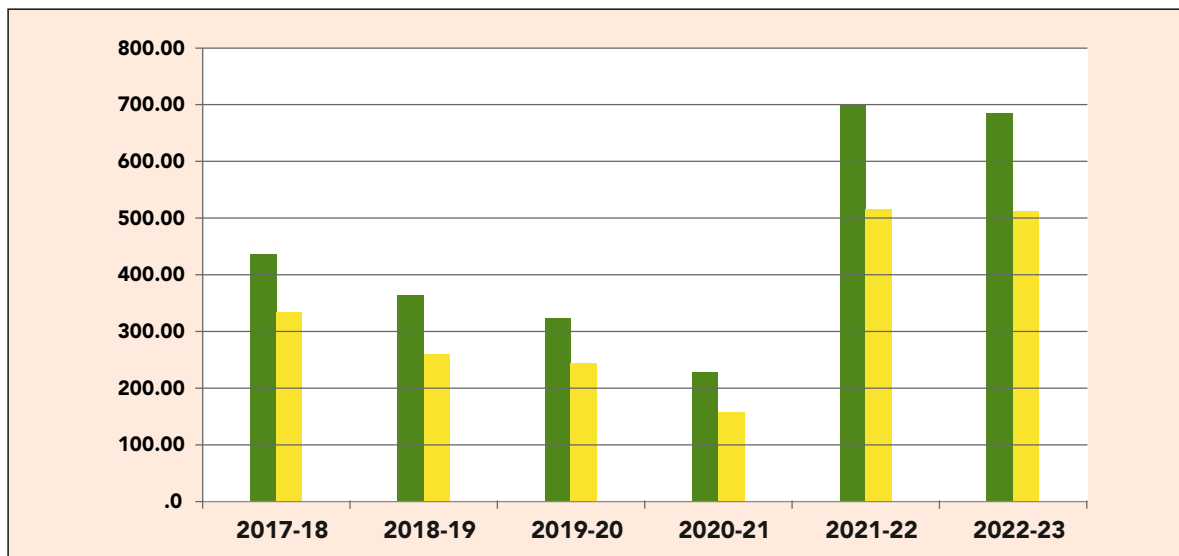
While summing up, I take this opportunity to extend my personal gratitude and appreciation to all our employees for their dedicated contribution towards building the brand of 20 Microns Nano Minerals Limited submicron to nano sized functional additives and speciality chemicals, as a trusted, respected and reliable organization. As we continue to transform and move forward, I look forward to their continued support and that of all our bankers, stakeholders, partners, vendors, influencers, distributors, and dealers, in our journey towards a sustainable future.

Thanks  
**Atil C. Parikh,**  
**Managing Director**



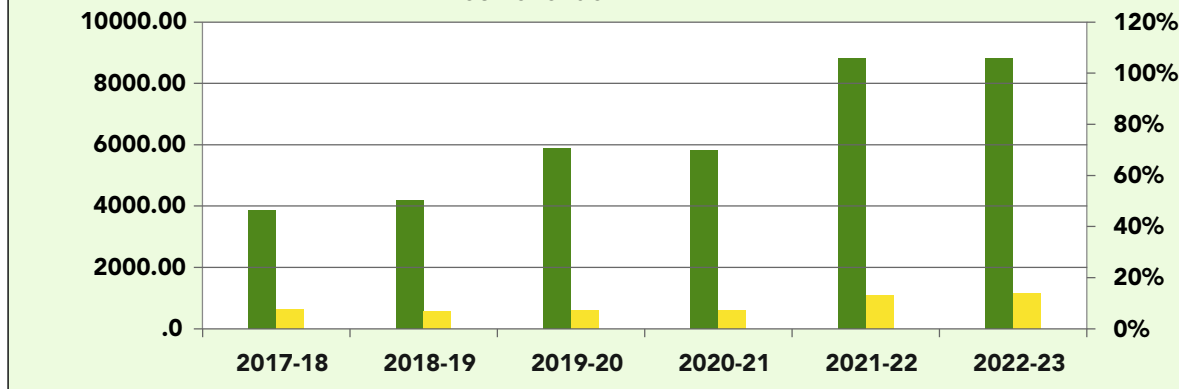
### Profit Before Tax & Profit After Tax

■ Profit Before Tax ■ Profit After Tax



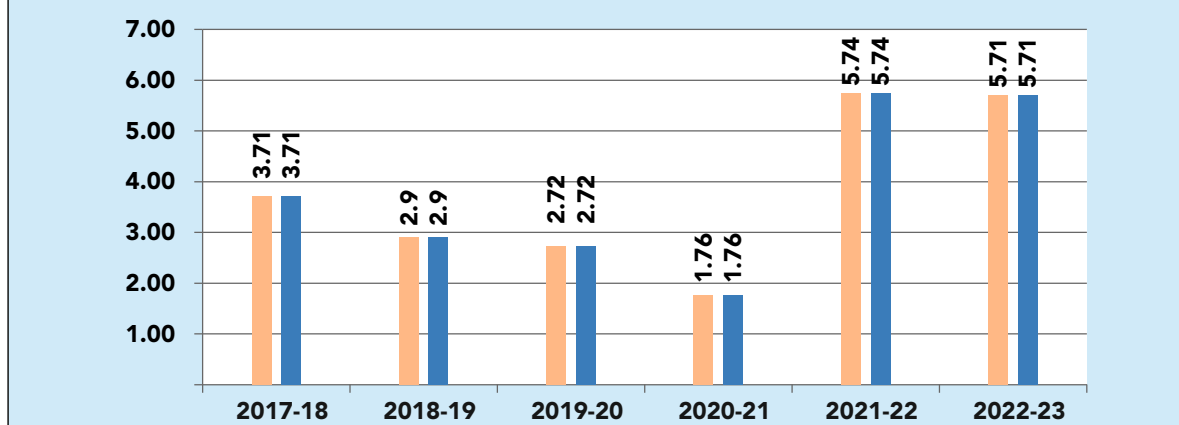
### Net Revenue : EBIDTA : Margins

■ Net Revenue ■ EBIDTA



### Earning Per Share (Rs.)

■ Basic ■ Diluted



## NOTICE FOR THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **30<sup>th</sup> ANNUAL GENERAL MEETING** of the Shareholders of **20 Microns Nano Minerals Limited** will be held on Thursday, 10<sup>th</sup> day of August, 2023 at 10.00 A.M. at the Registered Office of the Company situated at 9-10, GIDC Industrial Estate, Waghodia – 391 760, Dist. Vadodara, Gujarat to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2023 including statement of Profit and Loss and Cash flow Statement for the year ended 31<sup>st</sup> March, 2023, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Sudhir R Parikh [DIN: 00041649], who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. **To consider and approve appointment of Mr. Atul H. Patel as an Independent Director of the Company.**

To consider and if thought fit to pass, with or without modifications, the following resolutions as **Ordinary Resolution**.

**"RESOLVED THAT** Mr. Atul H. Patel (DIN: 00009587), who was appointed as an Additional Director, under Section 152 of the Companies Act, 2013 and as per the applicable provisions of the Articles of Association of the Company on 16.05.2023 and who shall hold office only upto the date of this Annual General Meeting and in respect of whom notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director not liable to retire by rotation, have been received, be and is hereby appointed as an Independent Director of the Company for a period of 5 [five] years from the conclusion of this 30<sup>th</sup> annual general meeting till the conclusion of the 35<sup>th</sup> annual general meeting of the Company."

4. **To consider and approve Circular of Unsecured Fixed Deposits Accepted by the Company from shareholders.**

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

**"RESOLVED THAT** in terms of the provisions of section 73(2) of the Companies Act, 2013 read with Companies [Acceptance of Deposits] Rules, 2014 as may be amended from time to time and the Fixed Deposit Schemes approved by the Shareholders of the Company in their extra-ordinary general meetings held on 22.05.2014, 25.05.2015, 22.09.2016, 21.09.2017 and 22.07.2022, consent of the members be and is hereby accorded to the Board of Directors of the Company to invite and accept fixed deposits from the members within limits prescribed in the Act and overall borrowing limits of the Company, as approved by the members from time to time and the draft of the Circular for inviting / accepting Deposits from the Members and the terms and conditions contained therein and as given in the Explanatory Statement annexed hereto, be and the same is hereby approved."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to amend the terms and conditions of the said scheme as and when required and to sign and execute deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution."

By Order of the Board of Directors

Place : Waghodia - Vadodara  
Date : 16.05. 2023

Aditya M. Tillu  
Company Secretary  
Membership # A-69312

### NOTES: -

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed not later than forty-eight hours before the commencement of the general meeting.
4. Members/Proxies should bring duly filled in and signed Attendance Slip sent herewith for attending the Meeting.
5. All documents referred to in the Notice and requiring Members' approval pursuant to Section 102(1) of the Companies Act, 2013, and such statutory records and registers, as are required to be kept open for inspection under the Companies Act, 2013, shall be available for inspection by the Members at the Registered Office of the Company during business hours till the date of AGM and shall be accessible to the person attending the meeting.
6. Corporate Members intending to send their authorised representative[s], to attend the AGM are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting to [cs@20nano.com](mailto:cs@20nano.com).

7. In line with the MCA General Circular dated May 5, 2020, and other Circulars as may be issued from time to time in this regard the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company. The Notice convening the 30<sup>th</sup> AGM has been uploaded on the website of the Company – [www.20nano.com](http://www.20nano.com).
8. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

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

### Item No. 3:

Mr. Atul H. Patel (DIN: 00009587) was appointed at the Meeting of the Board of Directors of the Company held on 16<sup>th</sup> May, 2023 as an Additional Director.

In terms of the provisions of the Companies Act, 2013, he holds the office as such up-to the conclusion of the ensuing 30<sup>th</sup> annual general meeting of the Company. The Company has received proposal from one of its shareholders proposing his candidature as the Director of the Company. The Brief profile of Mr. Atul H. Patel is as under;

**Mr. Atul H. Patel** (DIN: 00009587), the **Additional Director**, is Graduate in Textile Engineering from VJTI, Bombay. He is a Managing Director of Tarak Chemicals Limited, Vadodara engaged in the manufacturing of Oil Field Chemicals and other Specialty Chemicals. He has been deeply involved in the activities of Industrial Association and was closely associated with Federation of Gujarat Industries [FGI, a body looking after interests of the Industries]. He had been President of FGI for 1991 and 1992. He was the President of Vadodara Industrial Employers' Union for the period 1993-95 and also a Senate member of M.S. University of Baroda. He has also been attached with Charitable Organizations and Educational Institutions and is presently the Trustee of United Way of Baroda and the past Chairman of Baroda Citizen Council, a body activist in the development of Baroda City. Besides, he is the Trustee of Gyana Yagna Vidhya Mandir, Atladra – Vadodara and Nar Seva Samaj, Dist. Kheda and also the Director of the Baroda Citizen Community Co – Operative Credit Society Ltd., Vadodara.

The appointment of Mr. Atul H. Patel could be in the interest of the Company and hence, it is proposed to appoint him as an Independent Director of the Company.

Further in terms of the provisions of the Companies Act, 2013, an Independent Director could be appointed twice for a term of 5 [five] years hence, it is proposed to appoint Mr. Atul H. Patel as an Independent Director of the Company from the date of this 30<sup>th</sup> annual general meeting till the conclusion of the 35<sup>th</sup> annual general meeting.

The ordinary Resolution item no. 3 is recommended for approval of the shareholders as an Ordinary Resolution.

### Item No. 4:

The Company has availed necessary approval from shareholders in its meetings held on 22.05.2014, 25.05.2015, 22.09.2016, 21.09.2017 and 22.07.2022 for approval of scheme of unsecured fixed deposit accepted from shareholders of the Company in accordance with the provision of Section 73(2) of the Companies Act, 2013 and rules made there under as one of the modes to meet the ongoing fund requirements of the Company.

In terms of the provisions of the Companies Act, 2013 and Companies [Acceptance of Deposits] Rules, 2014 and the relevant Notifications/Circulars/Rules etc. the Company is required to obtain approval of its Shareholders to the above proposal for any change in the unsecured fixed deposits being accepted by the Company and therefore, the Ordinary Resolution at item No. 4 is recommended for your approval.

**The draft of the Circular for inviting / accepting Deposits from the Members is given hereunder:**

### CIRCULAR FOR ACCEPTANCE OF UNSECURED FIXED DEPOSIT FROM SHAREHOLDERS

[Pursuant to section 73 (2)(a) and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

#### 1. GENERAL INFORMATION

A.	Name of Company	20 Microns Nano Minerals Ltd. Registered office Address: 9-10 GIDC Industrial Estate Waghodia. Dist.: Vadodara. Gujarat- 391760, India Phone No. – 02668 264006 Fax No. – 02668 264003 Email ID – fd@20nano.com Website – <a href="http://www.20nano.com">www.20nano.com</a>
B.	Date of Incorporation	28 <sup>th</sup> October, 1993
C.	Business carried on by the Company	The Company is engaged in Manufacturing & Selling of Specialty Minerals
D.	Name of Subsidiaries	Silicate Minerals (I) Pvt. Ltd.
E.	Branches	Waghodia, Vadadala
F.	Brief particulars of Management of the Company	The Company is managed by the Board of Directors.



G. Name, Address, Occupation and DIN of the Directors-

Name of Directors	Address	Occupation	DIN
Mr. Atil C. Parikh Managing Director	B-201, Silver Springs CHSL, Lokhandwala Complex, Andheri [West], Mumbai - 400 053	Business	00041712
Mr. Rajesh C. Parikh Director	B-604, Bhadraklok Apartment, Near Tube Company, Old Padra Road, Vadodara - 390 0015	Business	00041610
Mr. Sudhir R. Parikh Director	55, Shivashray Society, Saiyed Vasana Road, Vadodara - 390015	Chartered Accountant	00041649
Mr. Ramkisan A. Devidayal Independent Director	Flat # 17, Sakseria Bldg., 74, Marine Drive, Mumbai.	Business	00238853
Mrs. Darsha R. Kikani Independent Director	10, Sanjay Park, Bh. Sundarvan, Satellite, Ahmedabad - 380 015	Professional	00155791
Mr. Atul H. Patel [w.e.f. 16.05.2023]	1-2, Akashwan Housing Complex, Gotri-Sevasi Road, Vadodara	Business	00009587

H. Management Perception of risk factors:-

The deposits accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

Sec. 78(2)(d) of the Companies Act, 2013 which narrates the Provision regarding Deposit Insurance has been omitted vide Companies (Amendment) Act, 2017 and the same has been notified by Ministry of Corporate Affairs on 09.02.2018.

The Company has not made any default in -

- a. repayment of Deposits or interest thereon
- b. payment of statutory dues
- c. repayment of debentures of interest thereon
- d. Loan from Bank or Financial Institution and interest thereon

**2. PARTICULARS OF DEPOSIT SCHEME**

A.	Date of Passing Board Resolution	10.04.2014, 25.04.2015, 23.05.2016, 25.05.2017, 21.04.2018, 28.05.2019, 08.06.2020, 28.06.2021, 21.01.2022 and 03.05.2022
B.	Date of Passing Resolution at General Meetings	22.05.2014, 25.05.2015, 22.09.2016, 21.09.2017 and 22.07.2022
C.	Type of Deposits	Unsecured
D.	Amount of Deposit the Company can raise by way of deposit as per the provisions of Companies Act, 2013 and Rules made thereunder	Deposits shall be accepted from the Shareholders/Members only upto 35% of aggregate of Paid Up share Capital, Free Reserves and share premium account of the Company

E. The aggregate of deposits actually held on the last date of immediately preceding Financial Year i.e. 31<sup>st</sup> March, 2023 & as on date of issue of this Circular as per Companies Act, 2013 & Rules made thereunder.

(₹ In Lakhs)

	Deposits held as on 31.03.2023	Deposits held as on 31.03.2022
From Shareholders	5,13,20,000	5,63,40,000
<b>TOTAL</b>	<b>5,13,20,000</b>	<b>5,63,40,000</b>

<b>The amount which the company can raise under the Companies Act, 2013 and Companies (Acceptance of Deposit) Rules, 2014</b>	<b>From Shareholders ONLY (632.87) Lakhs</b>
Amount of Deposit repayable during FY 2022-23	₹ 388.20 Lakhs (01.04.2022 to 31.03.2023)

#### F. Terms of Raising of Deposits:-

SCHEME					
Cumulative Deposit Plan - Interest payable on Maturity					
Period	Minimum	ROI (P.A) %	Yield	ROI (P.A) % (SC)	Yield (SC)
Months	Deposit ₹				
12	1,00,000	7.25	7.38	7.50	7.64
24	1,00,000	7.75	8.21	8.00	8.49
36	1,00,000	8.25	9.15	8.50	9.46

(SC) = Senior Citizens

- **THE COMPANY WILL ACCEPT UNSECURED FIXED DEPOSITS FROM ITS SHAREHOLDERS ONLY.**
- No tax will be deducted at source on interest payment up to ₹ 5000/-in aggregate per annum.
- Outstation depositors may send demand drafts/cheques payable at VADODARA only
- Interest will be paid at par at selected centers across the country.
- Senior citizens are required to submit any documents like (i) PAN card (ii) Driving License (iii) Passport copy (iv) Voter Card along with their application for unsecured deposits.
- **Unsecured Deposit of Minimum amount stipulated in above Scheme held continuously for a period of 12, 24 or 36 Months can be renewed on maturity on receipt of duly signed prescribed request letter from shareholder within a time period of 30 days. In case no request is received from shareholder for the renewal of deposit within the timeline then the same will be repaid after a period of 30 days in their respective Bank Account registered with the company.**
- **If any request is being received after a period of 30 days for the renewal of deposit, then it is upon the discretion of Management on case to case basis to process the said request or not.**
- The First named Depositor will be regarded as the beneficial owner of the unsecured deposit and will be treated as the payee for the purpose of deduction of tax under Section 194A of the Income Tax Act, 1961.
- Deposits will not be accepted in cash and Unsecured Fixed Deposit Account cannot be opened out of/utilizing any kind of borrowed funds & Depositors will have to give a declaration that the deposits is not made out of the borrowed funds from any source.
- Application Forms containing terms and conditions are subject to which application will be accepted are available at the Fixed Deposit Dept. of the company or approved brokers of the Company only.

#### **PRINCIPLE TERMS AND CONDITIONS GOVERNED BY UNSECURED FIXED DEPOSIT SCHEME OF THE COMPANY APPLICATION**

1. **APPLICATION FOR UNSECURED DEPOSITS FROM SHAREHOLDERS ONLY.** It will be accepted in the prescribed form, duly completed, at the Fixed Deposit Department of the Company or at the offices of the brokers of the Fixed Deposit Schemes.
2. Deposit should be made by an "A/c Payee" cheque/bank draft payable at Vadodara and drawn in favor of "**20 Microns Nano Minerals Limited FD Principal and Interest Repayment.**"
3. Signature should be in English or in any of the Indian languages. Thumb impression must be attested by a Magistrate/Notary Public under his/her Official seal.
4. Unsecured Deposits will be accepted from resident, non-resident individuals, overseas corporate bodies (subject to RBI approval), either in single name or in joint names, registered association of persons, trusts, societies and institutions, domestic companies, minor through their guardians and HUF, who are shareholders of the Company.

Unsecured Deposits will not be accepted from partnership firm. Application for unsecured deposit from registered association of persons, trusts, societies, institutions and domestic companies should be supported by additional documentary evidence showing authority to make such deposits.

#### **PERIOD OF DEPOSITS AND INTEREST**

5. Unsecured Fixed Deposits are accepted for a period of 12, 24 and 36 months.
6. Unsecured Deposits will be accepted subject to minimum amount of ₹ 1,00,000/-
7. Interest : \* On maturity, interest will be paid along with principle Amount.

8. The period of unsecured deposit and calculation of interest will commence from the date of realization of cheque / draft by the Company and will cease to accrue from the maturity of deposit unless the deposits are renewed.
9. Payment of interest along with Principal Amount will be made by NEFT / RTGS only from Company's bankers.
10. Notification to the Company regarding change in address etc. must be lodged at least 45 days before the date of maturity.
11. Excess interest paid, if any, under any circumstances, will be recovered or from the principal amount.
12. Each form should be accompanying with the cancel cheque by the respective FD-holder.

#### **INCOME TAX**

13. Income Tax, wherever applicable, will be deducted at source in accordance with the provisions of section 194A of Income Tax Act, 1961 as amended from time to time. At present, Income tax is not deductible if the aggregate amount of interest paid or payable to resident individual during financial year does not exceed ₹ 5,000/- In other cases, tax will not be deducted if the necessary statement / declaration in the prescribed form (15H/15G) is lodged with the Company, in duplicate at the beginning of each Financial Year. Tax deducted due to noncompliance with this condition will not be refunded under any circumstances.

#### **JOINT DEPOSITS**

14. Unsecured Deposits will be accepted in joint name not exceeding THREE. The First named depositors will be regarded as the beneficial owner of the deposits and will be treated as the payee for the purpose of deducting tax U/S. 194A of the Income Tax Act, 1961.
15. All correspondence in such deposits will be addressed to the person whose name appears first on the unsecured deposit receipt. All cheques / warrants for payment of principal amount will be drawn in favour of the person(s) opted in the application form. Any discharge given by such persons for payment of interest and the principal amount shall be valid and binding on all the joint depositors. No subsequent change in the order of names of depositor/s or replacement of the joint depositor/s will be accepted.
16. In the event of the death of the first named depositor, the repayment of the deposit and payment of interest will be made to the person first in order of the survivor(s) on production of a Death Certificate without reference to either the other survivor or to the heirs and / legal representatives of the deceased.
17. In case of instructions on any matters (except re-payment as opted in the application for overleaf), relating to this fixed deposit are to be given, application in that behalf should be signed by all the joint holders and not by any one of them. The Company shall not act upon instruction of any one of them and they shall not be binding to the Company.

#### **UNSECURED FIXED DEPOSIT RECEIPTS**

18. Unsecured Fixed Deposit Receipts will be forwarded by post at the address given in the application form, within 21 days of realization of cheques / demand draft.
19. In the event of loss or destruction or mutilation of a Deposit Receipt, the Company may in its sole discretion, issue a duplicate receipt upon receiving the undertaking or indemnity and surety from the depositor(s).
20. Deposit Receipts are neither transferable nor negotiable. Request for the addition of the name of deposit holder will not be entertained.

#### **RENEWAL / REPAYMENT OF DEPOSITS :**

21. The shareholder whose deposit is getting matured and is equal to ₹ 1,00,000/- (Rupees One Lakh Only) will be repaid by the Company. Further the deposit over and above ₹ 100,000/- (Rupees One Lakh Only) will be renewed for a further period of 12, 24 or 36 months as requested by deposit holders within a period of 30 days from the date of maturity. In case no request is received from the shareholder within the timeline then the same will be repaid after a period of 30 days in their respective bank account registered with the company. Fixed Deposit will be repaid only on maturity, however, the Company at the request of depositor may refund Deposit before maturity subject to the provisions of the Companies (Acceptance of Deposit) Rules, 2014, and other Rules and Regulations as may be applicable.
22. The Unsecured Fixed Deposit Receipt, duly discharged on revenue stamp, should be sent to the office of the Company, 30 days before the date of maturity, to enable the Company to refund deposit on due date. In case of renewal of Deposit, application form for renewal duly filled in should be sent to the Company to its administrative address as stated above or through the brokers.
23. Where the date of repayment falls on a Sunday, a public or a Bank holiday or any other day on which the office of the Company is closed, repayment will be made to the depositor on the next working day.

#### **GENERAL**

24. In the event of death of the sole depositor fixed deposit amount together with the interest thereon, will be paid to the nominee of the depositor upon production of death certificate and in absence of nomination to the legal heirs of the deceased on submission of death certificate of the depositor and such other documents viz., probate of the will, succession certificate and letter of administration granted by a court of competent jurisdiction, as the case may be.

## 25. Nomination Facility

- (a) Individual Depositors, singly or jointly, can nominate under this facility. Non - individuals including societies, trusts, bodies corporate, partnership firms, Kartas of Hindu Undivided Families and holders of power of attorney cannot nominate. The nominee shall have the right to receive the amount due in respect of deposits on death of all the depositors.
- (b) The nomination stands automatically rescinded upon repayment/renewal of deposits made.

26. The company will not recognize any lien on or assignment of unsecured fixed Deposits and/or interest thereon.

27. The Company reserves the right, subject to the provisions of the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

- (a) To accept deposit only for such period as it may decide from time to time
- (b) To reject any application for a fresh deposit or for renewal without assigning any reason.
- (c) To repay deposits prematurely before the due date.

28. Deposits will be subject to the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time and any other regulation prescribed by the Central Government, the Reserve Bank of India, or any other statutory authority.

29. In case of Deposit is made under Power of Attorney; the relevant Power of Attorney must be lodged with the Company at the time of Application.

30. All the correspondence for change of name, address, loss of Fixed Deposit Receipt/Interest Warrant etc., should be addressed to:

Fixed Deposit Deptt.

20 Microns Nano Minerals Ltd.

9-10, GIDC Industrial Estate,

Waghodia – 391 760 Dist. Vadodara, Gujarat, India.

Monday to Friday 9.30 AM to 01.00 PM and 2.00 PM to 5.30 PM

(Except on Bank/Public Holidays)

**Unsecured Fixed Deposits accepted are subject to Vadodara Jurisdiction.**

## G. Proposed Schedule

This Scheme was applicable on the date on which the shareholders of the Company had approved the same. The Circular issued under this scheme is valid until expiry of the six months from the date of closure of Financial Year in which it is issued or until the date on which the financial statement is laid before the company in annual general meeting or, where the annual general meeting for any year has not been held, the latest day on which that meeting should have been held in accordance with the provisions of the Act, whichever is earlier.

## H. Object of raising the deposits:

To meet fund requirement for running the business of the Company.

## I. Extent of Deposit Insurance:

Sec. 78(2)(d) of the Companies Act, 2013 which narrates the Provision regarding Deposit Insurance has been omitted vide Companies (Amendment) Act, 2017 and the same has been notified by Ministry of Corporate Affairs on 09.02.2018.

**J. Credit Rating-** the Company is not falling under the category of other than eligible company. Therefore the Company has not obtained any Credit Rating for accepting deposits from the Shareholders.

**K.** The terms and conditions including rate of interest decided by the company for the acceptance of deposits, applicable to all other depositors are also applicable to Directors, Promoters or Key Managerial Personnel. No special financial or other material benefits are provided to them.

## 3. DETAILS OF OUTSTANDING DEPOSITS

The details of aggregate amount of unsecured deposits accepted by the Company upto 31<sup>st</sup> March, 2023 and interest thereon, as per the then scheme of the Company, pursuant to Companies Act, 2013 is as under –

(₹ in Lakhs)

		As On	Number of Depositors	Deposit	Interest
(a)	From Share Holders	31.03.2023	349	5,13,20,000	74,65,899
		31.03.2022	385	5,63,40,000	90,66,404
	<b>TOTAL</b>		<b>734</b>	<b>10,76,60,000</b>	<b>1,65,32,303</b>

The Company has not made any default in repayment of deposits and payment of Interest thereon. No depositor has waived any interest accrued on the deposits.

#### 4. FINANCIAL POSITION OF THE COMPANY

##### A. Profit of the Company before and after making provision for tax

(₹ In Lakhs)

FINANCIAL HIGHLIGHTS	2022-23	2021-22	2020-21
Total Income	9035.96	8851.70	5975.87
Profit Before Tax	684.53	701.62	228.49
Profit After Tax	512.07	515.65	156.16
Fixed Assets (Net)	2427.06	2208.19	2210.15
Shareholders' Fund	4186.90	3675.70	3164.38

##### B. Dividend declared by the Company in the last three Financial Year

F & G Profit & Dividends (₹ In Lakhs)

Year Ended	Profit BeforeTax	Profit AfterTax	Dividend On Equity Shares	Interest Coverage Ratio
31.03.2021	323.47	244.39	-	3.53
31.03.2022	228.49	157.87	-	3.27
31.03.2023	701.62	514.45	-	4.92

##### C. Summarised Financial Position of the Company as appearing in the three latest audited Balance Sheet

(₹ in Lakhs)

Particulars	As At 31st March 2021	As At 31st March 2022	As At 31st March 2023
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	2047.98	2101.40	2003.46
Capital work in progress	60.00	30.41	40.70
Right of Use Assets	94.28	71.12	380.30
Intangible assets	7.89	5.25	2.60
Intangible assets under development	-	-	-
Financial assets	-	-	-
Investments	651.25	651.25	651.25
Other financial assets	10.00	58.45	158.85
Tax Assets (Net)	59.25	75.99	78.19
Other non-current assets	0.57	0.00	0.00
<b>Total Non-Current Assets</b>	<b>2931.23</b>	<b>2993.88</b>	<b>3315.36</b>
<b>2 Current assets</b>			
Inventories	2244.11	3909.62	2857.37
Financial Assets			
Investments	-		
Trade receivables	848.67	1089.44	952.42
Cash and cash equivalents	11.98	32.64	45.37
Bank balances other than (ii)	94.47	87.72	793.46
Loans	61.27	4.87	5.79
Other current assets	179.78	372.22	231.92
<b>Total Current Assets</b>	<b>3440.28</b>	<b>5496.52</b>	<b>4886.33</b>
<b>TOTAL ASSETS</b>	<b>6371.51</b>	<b>8490.40</b>	<b>8201.69</b>

<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity share capital	897.00	897.00	897.00
Other Equity	2265.67	2779.91	3289.89
<b>Total equity</b>	<b>3162.67</b>	<b>3676.91</b>	<b>4186.90</b>
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>	-	-	
Financial Liabilities			
Borrowings	189.68	106.51	59.58
Other financial liabilities	48.28	23.46	274.79
Provisions	-	-	
Deferred tax liabilities (Net)	261.39	275.67	217.84
<b>Total Non-Current Liabilities</b>	<b>499.35</b>	<b>405.63</b>	<b>552.21</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	989.75	1093.53	1680.62
Trade payables	-	-	
Total outstanding dues of micro enterprises and small enterprises.	47.64	34.67	50.34
Total outstanding dues of creditors other than micro enterprises and small enterprises.	1366.23	2677.13	1054.55
Other financial liabilities	168.05	52.55	98.48
Other current liabilities	116.38	510.59	505.43
Provisions	21.44	39.39	73.16
Current Tax Liabilities (Net)	-	-	
<b>Total Current Liabilities</b>	<b>2709.50</b>	<b>4407.86</b>	<b>3462.58</b>
<b>Total Liabilities</b>	<b>3208.85</b>	<b>4082.54</b>	<b>4739.11</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6371.51</b>	<b>8490.40</b>	<b>8201.69</b>

**D. Audited Cash Flow Statement for the last Three Financial Year [₹ in Lakhs]**

Particulars	For the Year ended 31st March 2021	For the Year ended 31st March 2022	For the Year ended 31st March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before Tax	228.49	701.62	684.53
<b>Adjustments for:</b>			
Depreciation and amortisation	183.77	156.40	197.66
Profit on sale/disposal of Property, plant and equipment	(3.74)	(4.14)	(160.19)
Unrealised Foreign Exchange Loss/Gain	-	-	
Liability/Provision no longer required written back	(13.63)	(8.00)	(6.58)
Remission of Debit Balances	1.53	0.0	0.0
Bad Debts Written Off	0.28	-	4.03
Provision for Doubtful Debts (Trade Receivables)	15.86	(0.24)	0.11
Interest Income	(36.72)	(8.98)	23.39
Interest Paid	181.64	219.13	264.77

<b>Operating Profit before Working Capital Changes</b>	<b>557.47</b>	<b>1055.79</b>	<b>960.94</b>
<b>Adjustments for changes in Working Capital</b>	<b>-</b>	<b>-</b>	
(Increase)/Decrease in Trade Receivables	32.80	(240.53)	132.88
(Increase)/Decrease in Other - Non Current Assets	0.57	0.57	0.00
(Increase)/Decrease in Other financial assets- Non-current	656.77	10.00	(100.40)
(Increase)/Decrease in Short Terms Loans and Advances	123.70	3.56	(0.92)
(Increase)/Decrease in Other Current Assets	(82.36)	(192.44)	140.30
(Increase)/Decrease in Other financial assets- Current	(55.02)	1.14	(705.74)
(Increase)/Decrease in Inventories	(411.35)	(1665.51)	1052.26
<b>Changes in Trade and Other Receivables</b>	<b>264.16</b>	<b>(2083.22)</b>	<b>518.37</b>
Increase/(Decrease) in Trade Payables	(404.43)	1305.93	(1600.33)
Increase/(Decrease) in Other financial liability except current maturity of long term debt	32.13	(2.88)	(4.55)
Increase/(Decrease) in Other current Liabilities	14.48	28.18	31.23
Increase/(Decrease) in Short-term provisions	8.40	(11.24)	31.77
Increase/(Decrease) in Other financial liabilities -Non- Cur	(27.92)	43.96	428.13
<b>Changes in Trade and Other Payables</b>	<b>(377.33)</b>	<b>1363.94</b>	<b>(1113.75)</b>
<b>Cash Generated from Operations</b>	<b>444.29</b>	<b>336.51</b>	<b>365.56</b>
Income tax paid (Net of refunds)	(97.35)	(188.27)	(232.57)
<b>Net Cash from Operating Activities</b>	<b>346.94</b>	<b>148.25</b>	<b>132.99</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of Assets	115.45	65.80	696.51
Purchase of Assets	(162.88)	(216.09)	(957.55)
Advance for Capital Assets	-		
Investments In Equity Shares	(649.77)	(0.0)	0.0
Interest Received	36.72	8.98	23.39
<b>Net Cash used in Investing Activities</b>	<b>(660.48)</b>	<b>(141.31)</b>	<b>(237.65)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from /(Repayment of) Long-term borrowings (Net)	(67.30)	(198.57)	(78.77)
Proceeds from Short-term borrowings	529.18	103.77	587.09
Repayment of Short-term borrowings (Secured and Unsecured)	20.02	0.00	0.00
Share issue expense	0.00	0.00	0.00
Interest Paid	(181.64)	(219.13)	(264.77)
Dividend Paid (including tax thereon)	0.00	0.00	0.00
<b>Net Cash from Financing Activities</b>	<b>300.25</b>	<b>83.22</b>	<b>243.55</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(13.29)</b>	<b>20.66</b>	<b>12.73</b>

Cash and Cash Equivalents at the beginning of the year	25.27	11.98	32.64
Cash and Cash Equivalents at the end of the year	11.98	32.64	45.37
<b>Closing Cash and Cash Equivalents comprise:</b>			
Cash in hand	0.05	0.00 -	0.00
Balances with Scheduled Banks			
Balance in Current and Savings Account	11.93	32.64	45.37
<b>Total</b>	<b>11.98</b>	<b>32.64</b>	<b>45.37</b>

E. The Company has not changed its accounting policies during the last three years.

## 5. DECLARATIONS

The Directors hereby declares that:

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest on such deposits and where a default had occurred, the company made good the default and period of five years had lapsed since the date of making good the default; - No Default has been occurred in repayment of deposits, ever.
- the board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
- the company has complied with the provisions of the Act and the rules made thereunder;
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- the deposits accepted by the company before the commencement of the Act have been repaid with interest there on.
- In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty; - Not applicable
- the deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement;
- the deposits accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

The Board of Directors of the Company at its Meeting held on 16.05.2023 approved this Circular.

**For and on behalf of the Board  
20 Microns Nano Minerals Ltd.**

**Place : Waghodia  
Date : 16.05.2023**

**Rajesh C. Parikh  
Director  
DIN : 000041610**



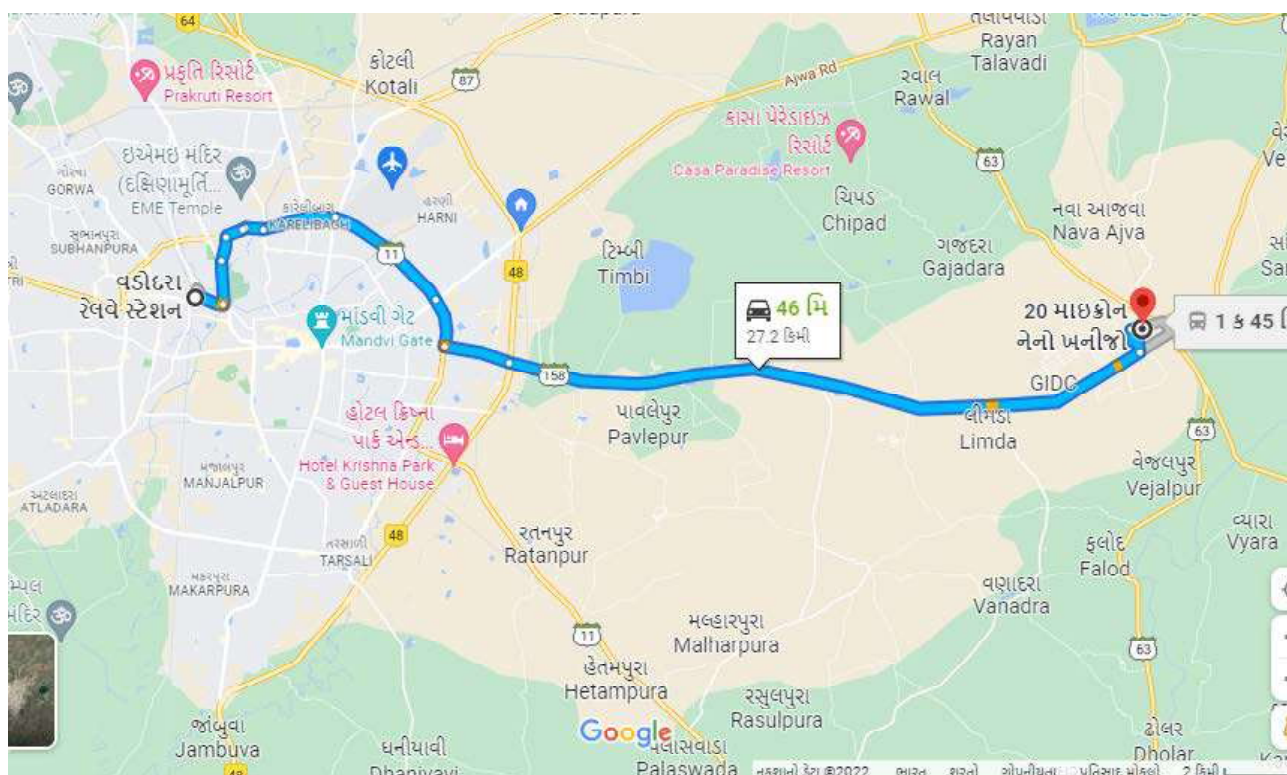
### ANNEXURE TO ITEMS 2 & 3:

Details of Director seeking re-appointment at the forthcoming Annual General Meeting [in pursuance of Secretarial Standards issued by the Institute of Company Secretaries of India] :—

Name of the Director	Mr. Sudhir R. Parikh	Mr. Atul H. Patel
Director Identification Number (DIN)	00041649	00009587
Date of Birth	22.09.1953	20.12.2050
Nationality	Indian	Indian
Date of appointment on the Board	10.04.2000	16.05.2023
Qualification	Chartered Accountant	Graduate from Textiles Engineering
Expertise in specific functional area	Finance and Accounts	Operations; Purchase; Sales; Finance; Administration
No of shares held in the company	10	—
Relation inter-se	No Inter-se Relation	No Inter-se Relation
List of directorships held in other companies	None	1. Enviro Infrastructure Company Limited 2. Indo Nippon Chemical Company Limited 3. Infinity Consultants Limited 4. Protel Chemicals Private Limited 5. Tarak Chemicals Limited 6. 20 Microns Limited 7. Paushak Limited
Chairman/ Member in the Committees of the Board of listed companies in which he/she is a Director *	Nil	1. 20 Microns Limited - Audit Committee - Member 2. 20 Microns Limited - Shareholders Relationship & Share Transfer Committee - Member

\* Audit Committee and Stakeholder Relationship Committee considered

### Route Map to the AGM Venue



## BOARD'S REPORT

### To the Members,

Your Directors have pleasure in presenting 30<sup>th</sup> Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2023.

### FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Total Income	9035.96	8851.70	9045.63	8814.72
Profit before Depreciation, Interest and Tax (PBDITA)	1146.96	1077.15	1146.13	1073.99
Interest for the year	264.77	219.13	264.79	219.78
Depreciation for the year	197.66	156.40	197.66	156.40
Profit/(Loss) before tax and Exceptional item	684.53	701.62	683.68	697.81
Exceptional items	-	-	-	-
Profit/(Loss) for the year	684.53	701.62	683.68	697.81
<b>LESS: Tax liability :-</b>				
Current Tax	215.89	171.66	215.89	171.66
Deferred Tax	(57.90)	14.31	(57.90)	14.31
Prior period Tax	14.47	-	14.47	-
<b>Net Profit/(Loss) for the year</b>	<b>512.07</b>	<b>515.65</b>	<b>511.22</b>	<b>511.84</b>
LESS: Other Comprehensive Income (after tax)	(1.50)	(1.17)	(1.50)	(1.17)
<b>Total Comprehensive Income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the Period)</b>	<b>510.57</b>	<b>514.48</b>	<b>509.72</b>	<b>510.67</b>

### REVIEW OF FINANCIAL PERFORMANCE

The Gross Revenue achieved during the year from Sale of Products is ₹ 8805.16 Lakhs (Previous year ₹ 8814.12 Lakhs) and Net Profit after tax earned for the year is ₹ 512.07 Lakhs (Previous year Net Profit after tax of ₹ 515.65 Lakhs).

### DIVIDEND AND TRANSFER TO RESERVE:

In order to conserve the resources, no Dividend is recommended by the Board for the current financial year.

Further no amount was transferred to any reserve during the year under review.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

No Unclaimed Dividend has been transferred to Investor Education and Protection Fund.

**REVIEW OF BUSINESS OPERATIONS** Your Directors wish to present the details of Business operations done during the year under review:

#### Manufacturing:

During the year, your company has achieved production of finished goods of 7191.872 MTS as against 8549.481 MTS of previous year.

#### Outsource Material:

During the year, your company has outsourced 103 MTS as against 176.026 MTS of previous year.

#### Mining Material:

During the year, your company has excavated 82,867 MTS of minerals as against 83,745 MTS of previous year.

#### Sales & Marketing:

During the year, Sales Volume was 90,383 MTS as against 91,914 MTS of previous year.

On marketing front, your Company is taking various strategic steps to introduce new products for various applications and the company expects to generate higher sales volumes.

**MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND ON THE DATE OF THE REPORT**

During the financial year under report, no significant or material orders have been passed by any of the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in future.

During the report under review, as directed by Hon'ble National Company Law Tribunal, Ahmedabad, Meetings of the Shareholders; Secured Creditors & Unsecured Creditors were convened and held on 20.07.2022 and the Special Resolution approving the Scheme of Amalgamation of the Company's subsidiary viz. Silicate Minerals [I] Private Limited and thereafter the Petition praying to approve the said Scheme was also filed and NCLT has passed the merger order of Silicate Minerals (I) Pvt Ltd with the Company.

**Management Discussions and Analysis**

As you are aware the Company has implemented some provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, although the same are not applicable to the company.

**BUSINESS OPPORTUNITIES AHEAD**

FY 2023 was not out from the impact continued since last 2 - 3 years of COVID-19 followed by Ukraine - Russia war, hitting economy of the Globe as a whole. As has always been, we focus our targets and efforts by fetching in efficiencies and cost discipline in functioning in an environmental safety of our people in a totality.

We could maintain FY23 Revenues stabled at ₹ 88.05 Crores compared to FY22 of ₹ 88.14 Crore besides maintained PAT at ₹ 5.00 Crore in FY23 too, having the resultant effects of the new products developed seems to be penetrated in coming years. Factors like the key products gain, our innovations in the industrial mineral and specialty chemicals segment helped us to stay maintained FY22 parameters in FY23.

The strategic evolution could maintained the achievement of the on-going future growth, would need to build on the organizational capabilities Our ever positive growth sentiments in our end-users clients helped us putting us on a comparatively maintained level in all respects globally.

We remained always optimistic about our prospects. The synergies we have steadfastly infused into the organization are expected to make us future-ready. They are likely to fortify us to harness the emerging opportunities in the short as well as long term. Move with balanced and maintained speed, yet take enough time to reflect on the Opportunities. Realizing that it is a marathon, we focused on setting small milestones as walk towards our set targets gradually. A positive outcome of our learnings can be validated by our focus on maintaining cost efficiencies blended with our measures to tighten our control on receivables and bolster recoveries to keep and maintained our performance on track.

**RESEARCH & DEVELOPMENT:**

"There is a big difference between making a simple product & making a product simple"

**By Des Traynor**

As the Concept of Blinkered Research and development is forgotten, where New Product development or improving the quality of existing products is characterized by basic, applied, or experimental development. Our R & D teams run with new strategies that begin with idea generation and last up to product entry in the market. Critical steps include Idea generation, screening, Concept development, Business analysis, Product development, Product launch, and Product market entry. From the recent market survey global annual investment in research and Development has been growing at approximately 4 percent per year over the past decade compared to investment by different organizations around the world which spend \$ 2.3 trillion on R&D, roughly 2 percent of global GDP. On account of this astonishing fact, Our New Research and development strategies avail us to stand tall against the cut-throat product market and be true to customer expectations.

Our R&D strategies are attentively equipped for today's fast-moving world as we are more focused on generating new products that own their origin to proven science and serve as a company's innovation engine.

Through the year we promisingly expanded our ingenious product service as follow :-

Sr. No	Grade Name (20 MICRONS NANO MINERALS LIMITED)	Sr. No	Grade Name (20 MICRONS NANO MINERALS LIMITED)	Sr. No	Grade Name (20 MICRON NANO MINERALS LIMITED)
1	ALOX FR 1	11	FUSYL T 74	21	LITHOMER EX
2	ALOX FR 3	12	FLOWSTAB HFM	22	MISIL 175 G
3	ALOX FR 5	13	FMSIL BLOK	23	RAINBOWSIL
4	ALOX FR 8	14	HYPERTHERM UT	24	SYNSYL SM 408
5	AMORPHLOS S	15	K STOFF R	25	TEKI TEX
6	BASOFIX TPT	16	K STOFF S	26	VAPOROXOL ZS
7	DELAM 802	17	K STOFF F1	27	ZINKOMER GX
8	DELAM 802 C	18	LC 340 PIGMENT	28	ZINKOMER SX
9	FUSIL B2	19	LC 450 PIGMENT	29	ZINKOMER LX
10	FUSIL T 72	20	LC 460 Pigment	30	MICRONLITE KN

## OUR DILIGENCE IN QUALITY

“Quality begins with the intent, “which is fixed by management.”

By Edwards Deming

As a consequence of the industrial revolution and emanate of mass production attains more importance for Defining products and controlling their qualities. The concept of quality control begins to ensure the final product met all predefined product engineering requirements. As the complexity of the manufacturing process escalated to meet the market demands for new products with distinctive properties, comprehending to this Quality Controlling process needs a firm hand to confront a consistent supply of products to customers.

Astounding, 20 Microns Nano Minerals Limited the company's vantage to see product quality and customer satisfaction as a unit to measure the attitude of our corporate image and everlasting fatten. The foremost practice is to go quality control and assurance of the same runs collectively and more focused on all detriments of all possible mistakes during the entire manufacturing process and even after that. This united quality control and assurance approach continue for exertion related to product design, development, manufacturing, and delivery processes. A stringent approach to quality also helps to safeguard raw material quality, components, production assemblies, and finished products. Aptly our diligent approach averts issues arising during manufacturing.

## MINING

The Company is possessing mining lease(s) for the following natural resources:

Reserves in Mining Leases:

Status as on 31.03.2023

Sr.No.	Details of Mines	Approx.Reserves (in Lakhs Tons)	Approx. Value of the Reserves # (₹ In Lakhs)
1.	Dolomite Mines, Anantapur, Andhra Pradesh, Area - 4.289 Hector	16.692	3340.63
2.	Nadappa China Clay Mine, Nr. Village Nadappa, Taluka Bhuj, Dist. Kutch, Gujarat. Area – 7.30 Hector.	7.579**	3069.62
	<b>TOTAL</b>	<b>24.271</b>	<b>6410.25</b>

# - the estimated net value addition available to the Company of the mineral reserves is not accounted for in the books as per the Accounting practice prevailing in India

\*\* - Figure as per UNFC code.

List of Mines:—

Sr.No.	Details of Mines	Mines Validity	Owned/Lessee
1.	Dolomite Mines, Anantapur, Andhra Pradesh, Area - 4.289 Hector	22/08/2038	Lessee
2.	Nadappa China Clay Mine, Near Village Nadappa, Taluka Bhuj, Dist. Kutch, Gujarat. Area – 7.30 Hector.	24/05/2032	Lessee

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to Section 129(3) of the Companies Act, 2013 (“Act”), the consolidated financial statements of the Company and its subsidiary, prepared in accordance with the relevant Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of this Annual Report. Pursuant to the provisions of the said section, a statement containing the salient features of the financial statements of the Company's subsidiary, in Form AOC-1 is given in **Annexure A**. Further, pursuant to the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements of the Company along with other relevant documents, in respect of subsidiaries, are available on the website of the Company, <https://20nano.com/subsidiaries-annual-report/>

The details of the companies that became subsidiary and ceased to be subsidiary of the company - Nil

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure B** and is attached to this report.

## INTERNAL FINANCE CONTROL SYSTEM ADEQUACY

The Company has established proper and adequate system of internal control to ensure that all resources are put to optimum use and are well protected against loss and all transactions are authorized, recorded and reported correctly and there is proper adherence to policies and guidelines, processes in terms of efficiencies and effectiveness. The Company's internal control systems are supplemented by an extensive program of internal audit by an independent firm.

All the transactions are conducted using the IT interface and the business processes are further audited by internal auditors.

The Company's internal control systems are also periodically tested and certified by the internal auditors. The Audit Committee constituted by the Board constantly reviews the internal control systems.

## **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company reviews the risk involved in various operations and take corrective actions from time to time to mitigate the same. The Company has formulated the Risk Management Policy and the same is designed to safeguard the organization from various risks through adequate and timely actions.

In the opinion of the Board there has been no identification of element of Risk that may threaten the existence of the Company.

## **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of Section 135 of the Companies Act, 2013 in respect of Corporate Social Responsibilities becomes applicable to the Company from the year 2022-23, The Company has framed relevant policy and the same is available on Company's website [www.20nano.com](http://www.20nano.com). The details of applicability and implementation of the CSR is given in **Annexure – C**.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of Loans given, guarantees and investments made and securities given as covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

## **PARTICULARS OF EMPLOYEES**

During the year under review, there are no employees in the Company who are drawing remuneration of ₹ 1.02 Crore or more when employed for the whole Financial Year and ₹ 8.50 lakhs or more per month.

## **ANNUAL EVALUATION**

As per provisions of Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of Companies (Accounts) Rules, 2014 Annual Evaluation of the performance of the Board, its committees and of individual directors is applicable to public company having paid up share capital of ₹ 25 Crore or more at the end of preceding Financial year. The criteria are not applicable to the Company and accordingly annual evaluation is not required.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The particulars of all the material Contracts or Arrangements made with related parties referred to in Section 188 of the Companies Act, 2013 as provided in Form AOC-2 are furnished in **Annexure D** attached to this report.

## **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There is no qualification, reservation or adverse remarks made by the Statutory Auditors or Secretarial Auditors in their report. Except Secretarial Auditor has qualified one non-compliance The Company has not filed adjudication application for non-filing of Board Resolution under Form MGT-14 in FY 2020-21 for approval of Board's Report under section 179 of the Act.

## **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Board of Directors has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining credentials, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The said policy is available on [https://20nano.com/wp-content/uploads/2017/11/Nano\\_Remuneration-Policy\\_20-Nano-13.10.17.pdf](https://20nano.com/wp-content/uploads/2017/11/Nano_Remuneration-Policy_20-Nano-13.10.17.pdf)

## **DISCLOSURE IN RESPECT OF SECRETARIAL STANDARD**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## **AUDITORS**

### **Statutory Auditors**

The Company's Auditors, M/s. N. C. Vaishnav & Co., Chartered Accountants, have been appointed for a period of 5 [five] years from the 27<sup>th</sup> AGM till the 32<sup>nd</sup> AGM. The Statutory Auditors' Report for FY 2022-23 on the financial statement of the Company forms part of this Annual Report. The Statutory Auditors' report on the financial statements for FY 2022-23 does not contain any qualifications, reservations or adverse remarks or disclaimer.

### **Secretarial Auditor**

The provisions relating to submission of Secretarial Audit Report is not applicable to Company but during the Financial Year company has adopted the same voluntarily.

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Parikh Dave & Associates, Practicing Company Secretary (Certificate of Practice Number:2413) to undertake the Secretarial Audit of the Company for the year 2023-24.

The Company has annexed to the Report an **Annexure-E**, the Secretarial Audit Report given by the Secretarial Auditor for the FY 2022-23. The remarks made by the Secretarial Auditor were [i] the Company has not filed adjudication application for non filing of



Board Resolution and Form MGT-14 in FY2020-21 for approval of Board's Report under Section 179 of the Act. [ii] There was delay in filing Form MGT-14 for Board Resolution passed dtd. 11.11.2022 for appointment of Company Secretary. The same have been done due to oversight and in future, the Company will be more cautious towards the aforesaid compliances.

### Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

### Annual Return

Pursuant to Section 92 of the Act read with the applicable Rules, the Annual Return for the year ended 31st March 2023 can be accessed on the Company's website at the following link: [https://20nano.com/wp-content/uploads/2023/05/20M-Nano-Draft\\_Form-MGT-7-Annual-Return-2022-23.pdf](https://20nano.com/wp-content/uploads/2023/05/20M-Nano-Draft_Form-MGT-7-Annual-Return-2022-23.pdf)

### Number of Board Meetings conducted during the year:

The Company had conducted Six (06) Board Meetings during the financial year under review. These were held on 03.05.2022; 28.05.2022; 22.07.2022; 11.11.2022; 25.01.2023 & 31.03.2023:

Sr. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at Last AGM
1	Mr. Atil Parikh	Managing Director	6	YES
2	Mr. Rajesh Parikh	Non-Executive Director	6	YES
3	Mr. Sudhir Parikh	Non-Executive Director	6	NO
4	Mr. Ramkisan Devidayal	Non-Executive, Independent Director	6	YES
5	Mrs. Darsha Kikani	Non-Executive, Independent Director	6	NO

### DIRECTORS RESPONSIBILITY STATEMENT

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

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- adequate systems and processes, commensurate with the size of the Company and the nature of its business, have been put in place by the Company, to ensure compliance with the provisions of all applicable laws as per the Company's Global Statutory Compliance Policy and that such systems and processes are operating effectively.

### GOVERNANCE

#### A. Corporate Governance:

Your Company has a rich legacy of ethical governance practices many of which were implemented by the Company, even before they were mandated by law. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. As stated hereto provisions of Listing Requirements are not applicable to your company, the Report on Corporate Governance is annexed to this report as a good governance practice and transparent to the stakeholders.

## **B. Vigil Mechanism**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, employee was not denied access to the Audit Committee. The policy of vigil mechanism may be accessed on the Company's website [www.20nano.com](http://www.20nano.com).

## **C. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year under review No sexual Harassment Complaint has been received by the Company. The policy of Sexual Harassment at workplace may be accessed on the Company's website [www.20nano.com](http://www.20nano.com).

## **DEPOSITS**

The Company has started accepting the deposits only from the shareholders of the company pursuant to the provisions of Companies Act, 2013 and Rules made thereunder. The said Scheme was approved by you at your Extra-ordinary General Meeting held on 22nd May, 2014 and subsequently approved by you from time to time.

As on 31.03.2023, outstanding Unsecured Fixed Deposits from Shareholders was ₹ 563.40 Lakhs. Deposits amounting to ₹ 388.20 Lakhs are due for repayment on or before 31.03.2023.

The Company has not made any default in repayment of deposits or interest due thereon.

Details		
Amount of deposit accepted and renewed during the year		₹ 38,50,000
Remained unpaid / unclaimed as at the end of the year		Nil
Whether there is any default in repayment, if yes then provide details as below:		There is no default in repayment of deposits or interest due thereon during the year under review.
Particulars	Amount	
At the beginning of the year	0.00	
Maximum during the year	0.00	
At the end of the year	0.00	

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Shri Sudhir R. Parikh (DIN: 00041649) will retire by rotation at the ensuing annual general meeting and being eligible offers himself for reappointment.

Mr. Atul H. Patel (DIN: 00009587) was appointed at the Meeting of the Board of Directors of the Company held on 16th May, 2023 as an Additional Director with immediate effect.

In terms of the provisions of the Companies Act, 2013, he holds the office as such up-to the conclusion of the ensuing 30th annual general meeting of the Company. The Company has received proposal from one of its shareholders proposing his candidature as the Director of the Company.

The appointment of Mr. Atul H. Patel could be in the interest of the Company and hence, it is proposed to appoint him as an Independent Director of the Company.

Further in terms of the provisions of the Companies Act, 2013, an Independent Director could be appointed twice for a term of 5 [five] years hence, it is proposed to appoint Mr. Atul H. Patel as an Independent Director of the Company from the conclusion of this 30th annual general meeting till the conclusion of the 35th annual general meeting of the Company.

Mr. Aditya Tillu [Membership # A-69312] was appointed at the Board Meeting held on 11.11.2022, as the Company Secretary in the Whole-time employment of the Company.

The Board recommends the appointment of above Directors.

## **DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

#### **DISCLOSURE OF COMPOSITION OF COMMITTEES:**

The Company has constituted/reconstituted Audit Committee consisting of the Board of Directors and the same has been narrated in the Corporate Governance Report which forms the part of this Annual Report.

#### **DISCLOSURE ABOUT THE APPLICATION AS MADE OR ANY PROCEEDING IS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE (IBC), 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

During the year under review no application has been made or any proceeding is pending under the Insolvency and Bankruptcy Code (IBC), 2016.

#### **DISCLOSURE ABOUT THE DIFFERENCE BETWEEN THE AMOUNTS OF VALUATION EXECUTED AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTION ALONG WITH THE REASON THEREOF.**

During the year under review no valuation has been executed with Bank for one time settlement although Company has changed its banker from State Bank of India to Bank of Baroda.

#### **SHARES**

##### **a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

##### **b. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

##### **c. BONUS SHARES**

No Bonus Shares were issued during the year under review.

##### **d. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

#### **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, Employees and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on behalf of the Board of Directors**

Place : Waghodia, Vadodara  
Date : 16.05.2023

**Atil C. Parikh**  
Managing Director  
DIN : 00041712

**Rajesh C Parikh**  
Director  
DIN: 00041610



Annexure A

**PART A - Statement containing the salient features of the financial statements of subsidiaries**

[pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

**AOC-1**

(₹ In lakhs)

Sr. No.	Name of Subsidiary	Date since when the subsidiary was acquired.	Financial Period Ended	Reporting currency and Exchange Rate	Share capital	Reserves and Surplus	Total Assets	Total Liabilities (excluding Share capital and Reserves and Surplus)	Invest ments	Turnover	Profit/ (Loss) before taxation	Provisions for taxation	Profit/ (Loss) after taxation	Proposed dividend	% of share holding
1	Silicate Minerals (I) Pvt. Ltd.	24.05.2018	31.03.2023	N.A	33.75	532.84	567.06	0.47	-	9.67	(0.84)	-	(0.84)	—	100

**Note:**

- The Company has not liquidated or sold any of its subsidiary companies during FY 2022-23

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

The Company is not having any Associate Company or Joint Venture Company as on March 31, 2023.

For and on behalf of the Board of Directors

**Atil C. Parikh**  
Managing Director  
DIN : 00041712

**Rajesh C Parikh**  
Director  
DIN: 00041610

Place : Waghodia, Vadodara  
Date : 16.05.2023

## Annexure B

### Conservation of Energy, technology absorption, foreign exchange earnings and outgo

Particulars pursuant to the Companies (Accounts) Rules, 2014

#### (A) Conservation of Energy-

- (i) the steps taken or impact on conservation of energy - NIL
- (ii) the steps taken by the company for utilizing alternate sources of energy-
  - a. During the year company has installed SOLAR plant of 300 KVA, that reduce carbon emission. Further Company is intended to expand solar capacity during coming years.
  - b. Usage of LPG gas at Vadadala plant.
- (iii) the capital investment on energy conservation equipments - ₹121.94 Lakhs

#### (B) Technology absorption-

- (i) the efforts made towards technology absorption - NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution - NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - (a) the details of technology imported - NIL
  - (b) the year of import - NIL
  - (c) whether the technology been fully absorbed - NA
  - (d) if not fully absorbed, areas where absorption has not taken Place and the reasons thereof - NA

Expenditure incurred on research and development is ₹ 419.10 Lakhs. (Previous year ₹ 382.57 Lakhs)

#### Total Foreign Exchange used and earned:

Foreign Exchange Earned: ₹ 864.76 Lakhs USD (Previous year ₹ 1092.99 Lakhs)

Foreign Exchange Used: ₹ 762.64 Lakhs (Previous year ₹ 896.79 Lakhs)

For and on behalf of the Board of Directors

Place : Waghodia, Vadodara  
Date : 16.05.2023

**Atil C. Parikh**  
Managing Director  
DIN : 00041712

**Rajesh C Parikh**  
Director  
DIN: 00041610

## Annexure C

### Annual Report on CSR Activities

[Pursuant to Section 135 of the companies Act, 2013]

#### 1. Brief outline on CSR Policy of the Company:

**Sustainable Development:** Sustainable Development integrates optimal use of resources for an all-inclusive growth of Human race, Economy and Environment at large. At 20 Microns Nano, Sustainability goes beyond the traditional definitions per say. It is our relationship with the people and communities around us.

**Environment:** 20 Microns Nano is committed to care for environment, responsibly manage the nature's resources and minimize its environmental impacts. Our vision is to create a company culture that inherently focuses on efforts that develop a strong sense of responsibility towards environment at individual as well as corporate level.

20 Microns Nano recognizes the significance of declining natural resources and the need to adopt a sustainable development practices. Our responsibility towards environment stems from the belief that business and environment are inter-related. All our operational and business processes are evaluated with their respective effect on natural resources and are streamlined to attain a sustainable development route towards growth.

Fostering Economic Growth while ensuring that our efforts conserve and do not harm the environment at large. Our sustainable development activities revolve around three core elements – SOCIETY, BUSINESS and ENVIRONMENT.

20 Microns Nano Minerals Ltd is responsible to continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our company is committed towards aligning with nature and has adopted eco-friendly practices. Our Holding Company set up 20 Microns Foundation Trust in 2001. This was done to focus on our CSR initiatives, long before the provisions of the Companies Act, 2013, stating that the CSR activities undertaken by the Company can be through a registered trust, came into force. The Company has also practice to carry out CSR by giving donation to other Trusts for the activities covered under Schedule VII of Companies Act, 2013.

As per Section 135 of the Companies Act, 2013 and Rules made thereunder prescribed that every company having a net worth of ₹ 500 Crs or more or turnover of ₹ 1000 Crs or more or net profit of ₹ 5 Crs or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility [CSR] Policy. The provisions pertaining to CSR as prescribed under the Companies Act, 2013 are applicable to the Company as the company the Company exceeds the criteria specified for net profit.

#### 2. Composition of CSR Committee:

The provisions of CSR committee are not applicable to the Company, as the liability of CSR expenditure does not exceed ₹ 50 Lakhs. In addition to that, there was not any unspent amount of CSR as on 31<sup>st</sup> March, 2023.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** <https://20nano.com/investor-relation/>
4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** NOT APPLICABLE
5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** NOT APPLICABLE
6. **Average net profit of the company as per section 135(5) (calculated for 3 preceding financial years i.e. FY 2019-20, FY 2020-21 & FY 2021-22):** ₹ 420.25 lakhs.
7. (a) Two percent of average net profit of the company as per section 135(5): **₹ 8.41 Lakhs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **NIL**  
 (c) Amount required to be set off for the financial year, if any : **NIL**  
 (d) Total CSR obligation for the financial year (7a + 7b- 7c) : **₹ 8.41 Lakhs**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
NIL	NIL	NA	NA	NIL	NA

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration number
1	Helping blind and handicapped people	health care including preventive health care	No	Maharashtra	Mumbai	8.50 Lakhs	Yes	Omkar Andh-Apang Samajik Sanstha	CSR00003196

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 8.50 Lakhs

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

S.No	Particulars	Amount (in Lakhs)
1	Two percent of average net profit of the company as per section 135(5)	8.41
2	Total amount spent for the Financial Year	8.50
3	Excess amount spent for the financial year [(ii)-(i)]	0.09
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.09

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NIL

**(asset-wise details):Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s).NOT APPLICABLE
- (b) Amount of CSR spent for creation or acquisition of capital asset: NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NIL
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NIL
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NIL

**For and on behalf of the Board of Directors**

**Atil C. Parikh**  
Managing Director  
DIN : 00041712

**Rajesh C Parikh**  
Director  
DIN: 00041610

**N R Patel**  
Chief Financial Officer

**Place : Waghodia, Vadodara**  
**Date : 16.05.2023**

## Annexure D

### Particulars of Transactions made with related parties

[pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

## AOC-2

This form pertains to the disclosure of particulars of transactions entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

### Details of transactions not at arm's length basis

There were no transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

### Details of transactions at arm's length basis

The details of transactions at arm's length basis for the year ended March 31, 2023 are as follows :

Name of Related Party	Nature of relationship	Type of Transaction	Duration of Contract	#Salient Terms	Amount (₹ In Lakhs)
20 Microns Limited	Holding Company	Sales of Material	Not Applicable	—	294.34
		Purchase of material	Not Applicable	—	257.87
		Royalty Paid	Not Applicable	—	251.48
		Service Provided (Job work Charges)	Not Applicable	—	-
		Service Received (Job work Charges)	Not Applicable	—	-
		Reimbursement of Expenses (Income Net)	Not Applicable	—	0.34
		Reimbursement of Expenses (Expenses Net)	Not Applicable	—	0.64
		Rent Received	Not Applicable	—	9.15
		Rent Paid	Not Applicable	—	439.30
		Sale of Fixed Asset	Not Applicable	—	695.43
		Purchase of Fixed Assets	Not Applicable	—	-
		Purchase of Shares	Not Applicable	—	-
		Salary Deputation Received	Not Applicable	—	-
		Salary Deputation Paid	Not Applicable	—	-
Silicate Minerals (I) Pvt. Ltd.	Subsidiary Company	Sales of Material	Not Applicable	—	-
20 MCC Pvt. Ltd.	Common Director and subsidiary of common Holding Company	Job work charges received	Not Applicable	—	17.79
		Sales of Material	Not Applicable	—	3.46
		Purchase of material	Not Applicable	—	0.91
		Rent Received	Not Applicable	—	0.02
20 M VIETNAM	Subsidiary of holding company	Sales of Material	Not Applicable	—	-
		Purchase of material	Not Applicable	—	-
Dorfner – 20 Microns Private limited	Associate of holding company	Sales of Material	Not Applicable	—	50.59
		Rent Received	Not Applicable	—	0.12

### Note :

\* Appropriate approvals have been taken for related party transactions.

# All the transactions have been entered into at the prevailing market prices on Arms' length basis and as per Industry practices.

For and on behalf of the Board of Directors

Place : Waghodia, Vadodara  
Date : 16.05.2023

Atil C. Parikh  
(Managing Director)  
DIN : 00041712

Rajesh C Parikh  
(Director)  
DIN: 00041610

**Annexure E**  
**SECRETARIAL AUDIT REPORT**

(For the Financial year ended on 31<sup>st</sup> March, 2023)

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

To,  
The Members,  
20 Microns Nano Minerals Limited  
9-10 GIDC Industrial Estate,  
Waghodia,  
Dist. Vadodara- 391760.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by 20 Microns Nano Minerals Limited, CIN-U15543GJ1993PLC020540 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2023, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. - Not Applicable to the Company during the Audit Period.
  - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. - Not Applicable to the Company during the Audit Period.
  - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. — Not Applicable to the Company during the Audit Period.
  - D. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. - Not Applicable to the Company during the Audit Period.
  - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period.
  - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2011 regarding the Companies Act and dealing with client.
  - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period. and
  - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not Applicable to the Company during the Audit Period.
  - I. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. - Not Applicable to the Company during the Audit Period.

We have also examined compliance with the applicable clauses of the following: (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above *except (i) The Company has not filed* adjudication application for non-filing of Board Resolution under Form MGT-14 in FY 2020-21 for approval of Board's Report under section 179 of the Act. There was delay in filing form MGT-14 for Board Resolution passed dtd 11.11.2022 for appointment of Company Secretary

Further, as per representation of management letter, considering its nature of business, process and location, the following Acts are specifically applicable to the Company. There are adequate systems and processes in the company to monitor and ensure compliance.

1. Air (Prevention & Control of Pollution) Act, 1981 & Rules.
2. Environment Protection Act, 1986 & Rules.
3. Mineral Conservation & Development Rules, 1988.

**We further report that.**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were *generally* sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period:

- (i) The shareholders at Extra Ordinary General Meeting held on 28<sup>th</sup> May 2022 passed Special Resolution for sale/ transfer leasehold rights of Plot No. # 336, GIDC situated at Waghodia, Dist. Vadodara to its holding Company 20 Microns Limited.
- (ii) The shareholders at Annual General Meeting held on 22<sup>nd</sup> July, 2022 passed Special Resolutions for re-appointment of Mr. Atil C Parikh as Managing Director w.e.f 1<sup>st</sup> April, 2023 and Re-appointment of Mrs. Darsha R Kikani as Independent Director for second term.
- (iii) The shareholders, creditors and Unsecured Creditors passed Special Resolutions at their respective meetings held on 20<sup>th</sup> July 2022 as per directions of honourable National Company Law Tribunal, Ahmedabad Bench for Approval of Scheme of Amalgamation of Silicate Minerals (I) Private Limited (Transferor Company) with 20 Microns Nano Minerals Limited (Transferee Company) and their respective shareholders and creditors.

**For Kashyap Shah & Co.**  
**Practising Company Secretaries**

**(Kashyap Shah)**  
**Proprietor**  
**FCS No. 7662. CP No. 6672**  
**UDIN : F007662E000307148**

**Place : Vadodara**  
**Date : 16.05.2023**

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



**Annexure to Secretarial Audit Report**

**To,  
The Members,  
20 Microns Nano Minerals Limited  
9-10 GIDC Industrial Estate  
Waghodia,  
Dist. Vadodara- 391760.**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Kashyap Shah & Co.**  
**Practising Company Secretaries**

**(Kashyap Shah)**  
**Proprietor**  
**FCS No. 7662 CP no. 6672**

**Place : Vadodara**  
**Date : 16.05.2023**

## REPORT ON CORPORATE GOVERNANCE

Although, being un-listed Company, provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable, your Company has voluntarily implemented and adhere to some of the significant provisions, your Company has always strived to be transparent in all its activities.

### Company's Philosophy on Governance

Your Company has always been active on safeguarding the interests of all its stakeholders and has built up rich legacy of fair, transparent and effective governance inclusive of the strong emphasis on human values, individual dignity and attainment of high level of transparency and accountability in its functioning.

The Company believes that its systems and actions must be devoted for enhancing Corporate Performance and maximizing Stakeholders value in the long term.

### 1. BOARD OF DIRECTORS

The details of the Directorship, Chairmanship and the Committee membership in other Companies (excluding Private Limited Companies, Foreign Companies and Section 8 Companies) held by the Directors as on 31st March, 2023, are given below:-

Name of Directors	Category of Directors	No. of other Directorship	Committee Membership/ ** Chairmanship	
			Committee Membership	Committee Chairmanship
NON EXECUTIVE DIRECTOR(S)				
Mr. Rajesh C. Parikh	Non - Executive Non Independent Director	3	2	-
Mr. Sudhir R. Parikh	Non - Executive Non Independent Director	-	-	-
EXECUTIVE DIRECTOR(S)				
Mr. Atil C. Parikh	Managing Director	3	1	-
INDEPENDENT DIRECTOR(S)				
Mr. Ramkisan Devidayal	Independent Director	6	5	3
Mrs. Darsha Kikani	Independent Director	3	1	1

\* Audit Committee and Stakeholder Relationship Committee considered

### BOARD MEETINGS AND PROCEDURE

The Company has well-defined process of placing vital and sufficient information before the Board pertaining to the matters to be considered at each Board and Committee Meetings, in order to enable the Board to discharge its responsibilities effectively and efficiently.

- A. During the financial year under review the Board met 6 [Six] times and the details of the attendance of each director is mentioned as under:

Sr. No.	Board Meeting dates	Board strength	No of Directors present
1	03.05.2022	5	5
2	28.05.2022	5	5
3	22.07.2022	5	5
4	11.11.2022	5	5
5	25.01.2023	5	5
6	31.03.2023	5	5

- B. Attendance of Directors at
- 1) Board Meetings and
  - 2) Annual General Meeting.

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Mr. Rajesh C. Parikh	6	YES
Mr. Atil C. Parikh	6	YES
Mr. Sudhir R. Parikh	6	NO
Mr. Ramkisan Devidayal	6	YES
Mrs. Darsha Kikani	6	NO

**C. SITTING FEES AND COMMISSION TO THE COMMITTEE MEMBERS & DIRECTORS**

The details of sitting fees paid to the Committee Members & Directors are as under:

(₹ In Lakhs)

Name of Directors	Sitting fees
Mr. Rajesh C. Parikh	NIL
Mr. Atil C. Parikh	NIL
Mr. Sudhir R. Parikh	1.20
Mr. Ramkisan Devidayal	2.20
Mrs. Darsha Kikani	2.20

During the year, no commission has been paid to Non-Executive directors.

SHAREHOLDING OF THE DIRECTORS IN THE COMPANY AS ON 31<sup>ST</sup> MARCH, 2023

NAME OF DIRECTORS	NO. OF SHARES HELD IN THE COMPANY SINGLY	PERCENTAGE OF HOLDING
Mr. Rajesh C. Parikh	15	0.0001
Mr. Atil C. Parikh	28,255	0.31
Mr. Sudhir R. Parikh	10	0.0001
Mr. Ramkisan Devidayal	NIL	NIL
Mrs. Darsha Kikani	NIL	NIL

**Appointment/ Re-appointment of Directors**

Mr. Sudhir R Parikh, Non – Executive Director of the Company will retire by rotation at the ensuing Annual General Meeting who is eligible for re-appointment.

The Board has appointed Mr. Atul H. Patel as an Additional Director w.e.f. 16<sup>th</sup> May, 2023. He holds office of Additional Director up to the ensuing Annual General Meeting of the Company. The Company has received a notice u/s 160 of the Companies Act, 2013 from a shareholder of the Company proposing the candidature of Mr. Atul H. Patel for the office of an Independent Director to hold the office upto 09.08.2028.

**Profile of Directors**

The brief profile of each Director is given below:

**Mr. Atil C. Parikh, Managing Director**, holds a Bachelor's degree in Chemical Engineering from Gujarat University. He then began his career working as a Management Trainee with 20 Microns Limited in 1999-2000. Later, he relocated to USA and completed his MBA with Finance specialization from California. On completion of MBA, he joined a Financial Services firm, The Tax Credit Company, where he held a position of a Management Analyst in 2003 and worked for 2 years contributing to various aspects of the industry ranging from Marketing, Analysis, HR and Operations. In the year 2005, he re-joined 20 Microns Limited as Management Analyst. He contributed in developing certain strategies and revamping few departments within the organization. He is also on the Board of the Holding Company as the CEO & Managing Director - 20 Microns Limited. He holds 28,255 Equity Shares representing 0.31 % of the paid-up equity share Capital of the Company.

**Mr. Rajesh C. Parikh the Non-Executive Director** has graduated with First Class Degree in Bachelor of Mechanical Engineering. He has also completed the Masters in Business Administration in Finance Stream. He started his career with Jyoti Limited, a Vadodara based Engineering Company, in the year 1994 as a Trainee Engineer and there after he was associated with the Company and held, on part time basis, few assignments for a new project to be established for China Clay. At the age of 27 he joined the Board of 20 Microns Limited and was in charge of Technical matters & Marketing of the product of the Company. His exposure to the consuming industries brought in him insight for business and industry. He holds 15 Equity Shares representing 0.0001 % of the paid-up equity share Capital of the Company.

**Mr. Sudhir R. Parikh, Non-Executive Director**, Fellow Chartered Accountant, is the Director of our Company. He was associated with M/s. Lovelock & Lewes, an audit firm for a period of 1.5 years. Subsequently, he held a senior executive position as Manager Accounts in Asian Dehydrates Limited in the year 1977, Nasik. He then joined as a Chief Accountant in M. H. Spinning & Mfg Co. Ltd., Ahmedabad in the year 1978. He was also an Executive Director in Banco Products (T) Ltd., Dar- E- Salaam, Tanzania and a Director in United Foam Private Limited, Waghodia. He had been associated with the Company's holding company for about two decades heading various positions starting from Financial Controller to the Director [Finance]. He has gathered good experience in Accounting, Finance, Taxation and Management. He holds 10 Equity Shares representing 0.0001 % of the paid-up Capital of the Company.

**Mr. Ramkisan Devidayal, Independent Director**, holds Master's degree in Commerce & Management. He has rich & extensive experience in the fields of Agrochemicals of about 36 years of which 20 years in the senior – 1<sup>st</sup> Line Management of the Companies to which he has been associated as Director. He was the Vice Chairman of Baroda Citizen Council &

involved in Social activities of many NGOs. He has also been actively attached with various Associations, since a Decade, like Chamber of Commerce in Vadodara; Federations of Gujarat Industries; Gujarat Pesticides Formulators; etc. He has travelled widely round the Globe and participated in various International Seminars and led delegations several times. He does not hold any shares of the Company.

**Mrs. Darsha R. Kikani, Independent Director**, is a member of Institute of Chartered Secretaries and Administrators, UK and Fellow Member of Institute of Company Secretaries of India. She holds Master Degree of Business Administration, Bachelor Degree of Laws and Bachelor Degree of Science. Mrs. Darsha Kikani carries a balanced mix of executive, academic as well as entrepreneurial experience. She has interacted with companies at corporate level for over 17 years, as a Practicing Company Secretary and Company Law Consultant. Experience includes the whole spectrum of functions starting from incorporation of companies to regulatory aspects of Corporate Governance, liaison with Stock Exchanges/ SEBI and from conducting secretarial due diligence of companies for IPO to Merger and Acquisitions. She was also associated as Secretarial Executive with M/s. Ambalal Sarabhai Enterprises Limited, Vadodara. Also worked as a Market Research Associate with Consulting Division of ORG, for the Sardar Sarovar (Narmada) Project. She worked as Asst. Vice President (Corporate Legal Team) with Reliance Infrastructure Limited, Mumbai, one of the largest industrial groups of India. She has also worked with Mindspark Language Team of Educational Initiatives, an innovative landmark Company in Education Sector for five years. Presently, she is working as Consultant in the areas of Company Law and SEBI Matters, Capital Market etc. She does not hold any Shares of the Company.

**Mr. Atul H. Patel, the Additional/Independent Director**, is Graduate in Textile Engineering from VJTI, Bombay. He is a Managing Director of Tarak Chemicals Limited, Vadodara engaged in the manufacturing of Oil Field Chemicals and other Specialty Chemicals. He has been deeply involved in the activities of Industrial Association and was closely associated with Federation of Gujarat Industries [FGI, a body looking after interests of the Industries]. He had been President of FGI for 1991 and 1992. He was the President of Vadodara Industrial Employers' Union for the period 1993-95 and also a Senate member of M.S. University of Baroda. He has also been attached with Charitable Organizations and Educational Institutions and is presently the Trustee of United Way of Baroda and the past Chairman of Baroda Citizen Council, a body activist in the development of Baroda City. Besides, he is the Trustee of Gyana Yagna Vidhya Mandir, Atladra – Vadodara and Nar Seva Samaj, Dist. Kheda and also the Director of the Baroda Citizen Community Co – Operative Credit Society Ltd., Vadodara.

## 2. COMMITTEES OF THE BOARD

### 2.1 AUDIT COMMITTEE OF DIRECTORS

#### Composition

The Company has an Audit Committee of Directors at the Board level with the powers and the roles that are in accordance with Listing Regulations, 2015 and section 177 of the Companies Act, 2013. The Committee acts as a link between Management, Statutory Auditors and the Board of Directors. The majority of Committee members have accounting and financial management expertise. The Statutory Auditors of the Company are permanent invitee to the Committee meetings. The Company Secretary acts as secretary to the Committee.

A. During the financial year ended 31.03.2023, the Committee met 5 (Five) times, the dates of which are as under:

Sr. No.	Date of Meetings	Committee Strength	No. of Committee Members present
1	03.05.2022	3	3
2	28.05.2022	3	3
3	22.07.2022	3	3
4	11.11.2022	3	3
5	25.01.2023	3	3

Attendance at the Audit Committee Meetings:

Name of Directors	Category	No of Meetings held/ attended
Mr. Ramkisan Devidayal	Non-Executive, Independent Director- Chairman	5 of 5
Mrs. Darsha Kikani	Non-Executive, Independent Women Director- Member	5 of 5
Mr. Rajesh Parikh	Non – Executive Non – Independent Director-Member	5 of 5

#### Terms of Reference

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulation, 2015 read with section 177 of the Companies Act, 2013. These broadly includes (i) Develop an annual plan for Committee (ii) review of financial reporting processes, (iii) review of risk management, internal control and governance processes, (iv) discussions on quarterly, half yearly and annual financial statements, (v) interaction with statutory and internal auditors, (vi) recommendation for appointment, remuneration and terms of appointment of auditors and (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

- (i) Matter included in the Director's Responsibility Statement.
- (ii) Changes, if any, in the accounting policies.
- (iii) Major accounting estimates and significant adjustments in financial statement.
- (iv) Compliance with listing and other legal requirements concerning financial statements.
- (v) Disclosures in financial statement including related party transactions,
- (vi) Examination of the financial statement and qualification in audit report.
- (vii) Scrutiny of inter-corporate loans and investments.
- (viii) Management's Discussions and Analysis of Company's operations.
- (ix) Valuation of undertakings or assets of the company, wherever it is necessary.
- (x) Periodical Internal Audit Reports.
- (xi) Findings of any special investigations carried out either by the Internal Auditors or by the external investigating agencies.
- (xii) Letters of Statutory Auditors to management on internal control weakness, if any.
- (xiii) Major non routine transactions recorded in the financial statements involving exercise of judgment by the management.
- (xiv) Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of the statutory auditors considering their independence and effectiveness, and recommend the audit fees.
- (xv) Subject to review by the Board of Directors, approval or any subsequent modification of transactions of the company with related party, review on quarterly basis, Related Party Transactions entered into by the Company pursuant to each omnibus approval given., if any.

### **3. POLICIES/ CODES**

#### **a. Vigil Mechanism Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Chairman of the Audit Committee. The policy of vigil mechanism may be accessed on the Company's website [www.20nano.com](http://www.20nano.com).

#### **b. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral. During the year under review No sexual Harassment Complaint has been received by the Company. The policy of Sexual Harassment at workplace may be accessed on the Company's website [www.20nano.com](http://www.20nano.com).

#### **c. Policy on Code of conduct:**

The Board of Directors of 20 Microns Nano Minerals Limited has adopted the code of conduct for the Board of Directors and Senior Management Employees of the company which was adopted in its meeting held on 13th October, 2017 which was effective from 13th October, 2017. The Company shall always strive to maintain the highest standards of conduct in all its endeavors. The company's directors and senior managers have a responsibility to lead by example, acting with truth, sincerity and fairness in all decisions. The same can be accessed on the Company's website [www.20nano.com](http://www.20nano.com).

### **4. SECRETARIAL AUDIT**

Pursuant to Provision of Section 204 of the Companies Act, 2013 and Rules made there under, the Board of Directors of the company has appointed M/s. Parikh Dave & Associated, Practicing Company Secretaries, Ahmedabad to conduct Secretarial Audit of records and documents of the company.

### **5. SERVICES OF DEPOSITORY:**

During the year Company has availed the Services of Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for the Purpose of Dematerializations of the Equity Shares of the Company. The Company has obtained the **ISIN: INE799W01013**.

The 99.99% of total shares of the company, as on date, are in dematerialized form and balance 0.01% are in physical form.

## 6. GENERAL MEETINGS

Location, Date and time, of the last three Annual General Meetings are given below:

Financial Year	Date	Location	Time	No. of Special Resolutions passed
2021-22	22.07.2022	At the Registered Office of the Company at 9-10 GIDC Industrial Estate, Waghodia. Dist. : Vadodara – 391 760. Gujarat	10.00 AM	3 [Three]
2020-21	28.09.2021	At the Registered Office of the Company at 9-10 GIDC Industrial Estate, Waghodia. Dist. : Vadodara – 391 760. Gujarat	11.00 AM	-
2019-20	21.09.2020	Through Video Conferencing or OVAM deemed at Conference Room 347, GIDC, Industrial Estate, Waghodia, Dist.: Vadodara – 391760, Gujarat.	11.00 AM	1 [One]

- During the year 2022-23, One [1] Extra-Ordinary General Meeting was held on 28.05.2022

## 7. GENERAL SHAREHOLDER INFORMATION:

Registered Office	9-10, GIDC Industrial Estate, Waghodia, Dist.: Vadodara – 391760, Gujarat, India.
Annual General Meeting	Day & Date : Thursday, the 10 <sup>th</sup> day of August, 2023Time : 10:00 A.M at the Registered Office of the Company at 9-10, GIDC Industrial State, Waghodia-391760, Dist: Vadodara, Gujarat, India

## 8. Plant Locations

Manufacturing Unit as on 31<sup>st</sup> March, 2023

Plant Location	Address
Waghodia	9-10, GIDC Industrial Estate, Waghodia – 391 760, Dist. Vadodara
Vadadala	172,174 & 175,Vadadala Village, Jarod Samlaya Road, Savli, Vadodara, Gujarat,391520

## 9. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2023

Category	Total shares	% to total capital
Promoters – Individual	228270	2.55
Bodies Corporate – Promoter	8720000	97.21
Bodies Corporate	21510	0.24
Others	240	0.00
<b>Total</b>	<b>8970020</b>	<b>100.00</b>

## 10. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2023

Range of shares	Shareholders		Shares	
	No. of Shareholders	%	No. of Shares	%
01 to 500	117	96.67	260	0.003
501 & Above	4	3.33	8969760	99.997
<b>Total</b>	<b>121</b>	<b>100.00</b>	<b>8970020</b>	<b>100.00</b>

## 11. INVESTORS CORRESPONDENCE

In order to facilitate quick redressal of the grievances/queries as also quick disposal of the matters relating to transmissions, transposition and any other query relating to the shares of the Company, please write to:

### The Company Secretary

20 Microns Nano Minerals Limited  
9-10, GIDC Industrial Estate, Waghodia – 391 760.  
Dist.: Vadodara. Gujarat, India  
Email: [cs@20nano.com](mailto:cs@20nano.com)

**For the Demat Shares of the company and for any assistance the shareholders may contact/write to:**

Link Intime India Pvt. Ltd,  
Shangrila Complex, 1st Floor, Opp. HDFC Bank,  
B Tower, 102 B and 103, Near Radhakrishna Char Rasta,  
Akota, Vadodara-390 020.  
Tel : 0265 - 2356 573 / 2356 794  
Fax : 0265 - 2356 791  
Email : vadodara@linkintime.co.in

Place : Waghodia, Vadodara  
Date : 16.05.2023

**Atil C. Parikh**  
**(Managing Director)**  
DIN : 00041712

**Rajesh C Parikh**  
**Director**  
DIN : 00041610

## INDEPENDENT AUDITOR'S REPORT

To the Members of 20 Microns Nano Minerals Limited

### Report on the Audit of the Standalone Financial Statements

#### Auditor's Opinion

We have audited the accompanying standalone financial statements of **20 Microns Nano Minerals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

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

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 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.

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

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

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

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

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

#### Management's Responsibility for the Standalone Financial Statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India, including the accounting Standards (IND AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. 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 account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 standalone financial statements in Note No. 36.
  - 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’s education and protection fund by the company.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 & 4 of the Order to the extent applicable.

**For N C Vaishnav & Co.**  
**Chartered Accountants**  
**FRN – 112712W**

**CA Jayesh Mehta**  
**Partner**  
**M. No. – 037267**  
**UDIN : 23037267BGUENG4552**

**Place : Vadodara**  
**Date : May 16, 2023**

## ANNEXURE A

### THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF 20 MICRONS NANO MINERALS LIMITED

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

We have audited the internal financial controls over financial reporting of **20 Microns Nano Minerals Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For N C Vaishnav & Co.**  
Chartered Accountants  
FRN – 112712W

**CA Jayesh Mehta**  
Partner

M.No. – 037267

UDIN : 23037267BGUENG4552

Place : Vadodara  
Date : May 16, 2023

## ANNEXURE B

### Annexure to Independent Auditors' Report for the period ended March 2023

#### (Referred to in Paragraph 2 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

#### (i) In respect of Company's Property, Plant and Equipment and Intangible Assets

- a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a regular program of physical verification of Property, Plant and Equipment and right-of-use assets by the management in a phased periodical manner over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties which are disclosed in financial statements (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- d) According to the information and explanations given to us and on the basis of our examination of the record of the company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) According to the information and explanation given to us and on the basis of our examination of the record of the company, No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

#### (ii) Inventories

- (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/ other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters

#### (iii) Loans given

In our opinion and according to the information and explanation given to us, the Company has not granted any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

#### (iv) Compliance of section 185 & 186

In our opinion and according to the information and explanation given to us in respect of loans, investments, guarantee and securities, the company has complied with the provisions of the section 185 and 186 of the Companies Act, 2013.

#### (v) Public Deposit

In our opinion the company has complied with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted.

#### (vi) Cost Records

The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

**(vii) Statutory Dues**

- a) The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, Employees' State Insurance, Income-tax, Sales-tax, GST, Wealth Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax cess and any other statutory dues applicable to it. There are no arrears outstanding in case of any of statutory dues as at the year-end for a period of more than six months from the date they have become payable;
- b) The details of disputed amounts payable in respect of income tax or sales tax or wealth tax or service tax or duties of custom or value added tax or cess which have not been deposited are given below:

Act under which amount is due and authority before which matter is being disputed	Nature of dues	Amount	Period to which it relates
Gujarat Value Added Tax Act, 2003-Commissioner of Commercial Tax	Sales Tax and Value Added Tax.	₹ 19,04,698	FY 2010-11
Gujarat Value Added Tax Act, 2003-Commissioner of Commercial Tax	Sales Tax and Value Added Tax.	₹ 5,70,775	FY 2012-13
Gujarat Value Added Tax Act, 2003-Commissioner of Commercial Tax	Sales Tax and Value Added Tax.	₹ 12,46,775	FY 2012-13

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) According to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks or financial institutions during the year under audit. The Company has not issued any debentures.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (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 subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not raised money by way of initial public offer or further public offer (including debt instrument). Hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the records examined by us, and information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of the Act and details of such transactions have been disclosed in 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 the 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, in determining the nature, timing and extent of our audit procedures.

- (xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore, the provisions of Clause (xv) of the order are not applicable to the company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For N C Vaishnav & Co.**  
**Chartered Accountants**  
**FRN – 112712W**

**CA Jayesh Mehta**  
**Partner**  
**M.No. 037267**  
**UDIN : 23037267BGUENG4552**

**Place : Vadodara**  
**Date : May 16, 2023**

# STANDALONE FINANCIAL STATEMENTS

**STANDALONE BALANCE SHEET for the year ended March 31, 2023**

(₹ in Lakhs)

Particulars	Notes No.	As at March 31, 2023 Audited	As at March 31, 2022 Audited
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	3	2003.46	2101.40
Capital work in progress	3	40.70	30.41
Right of Use Assets	4	380.30	71.12
Intangible assets	4	2.60	5.25
Financial assets			
Investments	5	651.25	651.25
Other financial assets	6	158.85	58.45
Tax Assets (Net)	23	78.19	75.99
Other non-current assets	7	.0	.0
<b>Total Non-Current Assets</b>		<b>3315.36</b>	<b>2993.88</b>
<b>2 Current assets</b>			
Inventories	8	2857.37	3909.62
Financial Assets			
Investments			
Trade receivables	9	952.42	1089.44
Cash and cash equivalents	10	45.37	32.64
Bank balances other than (ii) above	11	793.46	87.72
Loans	12	5.79	4.87
Other current assets	13	231.92	372.22
<b>Total Current Assets</b>		<b>4886.33</b>	<b>5496.52</b>
<b>TOTAL ASSETS</b>		<b>8201.69</b>	<b>8490.40</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity share capital	14	897.00	897.00
Other Equity	15	3289.89	2779.91
<b>Total Equity</b>		<b>4186.90</b>	<b>3676.91</b>
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	59.58	106.51
Lease Liabilities	16a	274.79	23.46
Deferred tax liabilities (Net)	17	217.84	275.67
<b>Total Non-Current Liabilities</b>		<b>552.21</b>	<b>405.63</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	18	1680.62	1093.53
Trade payables	19	1104.89	2711.80
Total outstanding dues of micro enterprises and small enterprises.		50.34	34.67
Total outstanding dues of creditors other than micro enterprises and small enterprises.		1054.55	2677.13
Lease Liabilities	20	98.48	52.55
Other financial liabilities	20	357.26	393.66
Other current liabilities	21	148.17	116.94
Provisions	22	73.16	39.39
<b>Total Current Liabilities</b>		<b>3462.58</b>	<b>4407.86</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8201.69</b>	<b>8490.40</b>

See accompanying notes to the financial statements

As per our report attached

For N C Vaishnav &amp; Co.

FRN - 112712W

Chartered Accountants

CA. Jayesh Mehta

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

For 20 Microns Nano Minerals Limited

Rajesh C. Parikh

Director

DIN 00041610

N R Patel

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

Atil C. Parikh

Managing Director

DIN 00041712

Aditya M. Tillu

Company Secretary

Membership # A-69312



**STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2023**

		(₹ in Lakhs)	
Particulars	Notes No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Revenue</b>			
Revenue from Operations	24	8805.16	8814.12
Other income	25	230.80	37.58
<b>Total Income</b>		<b>9035.96</b>	<b>8851.70</b>
<b>Expenses</b>			
Cost of materials consumed	26	5011.37	5098.02
Purchase of Stock In Trade	27	12.89	19.53
Changes in inventories of Finished Goods	28	39.65	(149.08)
Employee Benefits Expenses	29	944.57	817.75
Finance Costs	30	264.77	219.13
Depreciation and Amortization Expenses	31	197.66	156.40
Other Expenses	32	1880.53	1988.32
Manufacturing Expenses		1200.38	1232.86
Administrative & Other Expenses		225.98	152.07
Marketing, selling and Distribution Expenses		454.16	603.40
<b>Total Expenses</b>		<b>8351.43</b>	<b>8150.07</b>
<b>EBDITA</b>		<b>1146.95</b>	<b>1077.15</b>
Profit Before Exceptional Items and Tax		684.53	701.62
<b>Profit Before Tax</b>		<b>684.53</b>	<b>701.62</b>
<b>Tax expense:</b>			
Current Tax	33	215.89	171.66
Adjustment for earlier tax expense		14.47	
Deferred Tax		(57.90)	14.31
<b>Profit for the year</b>		<b>512.07</b>	<b>515.65</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan	34	(2.00)	(1.57)
Tax on above	34	.50	.39
<b>Total other comprehensive income</b>		<b>(1.50)</b>	<b>(1.17)</b>
<b>Total comprehensive income for the year</b>		<b>510.57</b>	<b>514.48</b>
Earnings per equity share of FV of ₹ 10 each			
Basic	35	5.71	5.75
Diluted		5.71	5.75
See accompanying notes to the financial statements			

**As per our report attached**

**For N C Vaishnav & Co.**

FRN - 112712W

Chartered Accountants

**CA. Jayesh Mehta**

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

**For 20 Microns Nano Minerals Limited**

**Rajesh C. Parikh**

Director

DIN 00041610

**N R Patel**

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

**Atil C. Parikh**

Managing Director

DIN 00041712

**Aditya M. Tillu**

Company Secretary

Membership # A-69312

**STANDALONE CASH FLOW STATEMENT for the year ended March 31, 2023**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	684.53	701.62
<b>Adjustments for:</b>		
Depreciation and amortisation	197.66	156.40
Profit on sale/disposal of Property, plant and equipment	(174.28)	(4.14)
Loss on Fixed Asset discarded	2.02	.0
(Gain)/Loss on Derecognition of Lease assets and Liabilities	(4.70)	.0
(Gain)/Loss on Derecognition of Lease assets and Liabilities	16.77	.0
Liability/Provision no longer required written back	(6.58)	(8.00)
Remission of Debit Balances	.0	.0
Bad Debts Written Off	4.03	.0
Provision for Doubtful Debts (Trade Receivables)	.11	(.24)
Interest Income	(23.39)	(8.98)
Interest Paid	264.77	219.13
<b>Operating Profit before Working Capital Changes</b>	<b>960.94</b>	<b>1055.79</b>
<b>Adjustments for changes in Working Capital</b>		
(Increase)/Decrease in Trade Receivables	132.88	(240.53)
(Increase)/Decrease in Other - Non Current Assets	.0	.57
(Increase)/Decrease in Other financial assets-Non-current	(100.40)	10.00
(Increase)/Decrease in Short Terms Loans and Advances	(.92)	3.56
(Increase)/Decrease in Other Current Assets	140.30	(192.44)
(Increase)/Decrease in Other financial assets-Current	(705.74)	1.14
(Increase)/Decrease in Inventories	1052.26	(1665.51)
<b>Changes in Trade and Other Receivables</b>	<b>518.37</b>	<b>(2083.22)</b>
Increase/(Decrease) in Trade Payables	(1600.33)	1305.92
Increase/(Decrease) in Other financial liability except current maturity of long term debt	(4.55)	(2.88)
Increase/(Decrease) in Other current Liabilities	31.23	28.18
Increase/(Decrease) in Short-term provisions	31.77	(11.24)
Increase/(Decrease) in Other financial liabilities -Non- Current	428.13	43.96
<b>Changes in Trade and Other Payables</b>	<b>(1113.75)</b>	<b>1363.94</b>
<b>Cash Generated from Operations</b>	<b>365.56</b>	<b>336.51</b>
Income tax paid (Net of refunds)	(232.57)	(188.27)
<b>Net Cash from Operating Activities</b>	<b>132.99</b>	<b>148.25</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of Assets	696.51	65.80
Purchase of Assets	(957.55)	(216.09)
Interest Received	23.39	8.98
<b>Net Cash used in Investing Activities</b>	<b>(237.65)</b>	<b>(141.31)</b>

**STANDALONE CASH FLOW STATEMENT for the year ended March 31, 2023 [Contd.]**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from /(Repayment of) Long-term borrowings (Net)	(31.85)	281.75
Proceeds from Short-term borrowings	587.34	299.85
Repayment of Long-term borrowings (Secured and Unsecured)	(46.92)	(83.18)
Repayment of Short-term borrowings (Secured and Unsecured)	(.25)	(196.07)
Interest Paid	(264.77)	(219.13)
Lease payments	(126.16)	(69.49)
<b>Net Cash from Financing Activities</b>	<b>117.39</b>	<b>13.72</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>12.73</b>	<b>20.66</b>
Cash and Cash Equivalents at the beginning of the year	32.64	11.98
Cash and Cash Equivalents at the end of the year	45.37	32.64
<b>Closing Cash and Cash Equivalents comprise:</b>		
Cash in hand	-	-
Balances with Scheduled Banks	45.37	32.64
<b>Total</b>	<b>45.37</b>	<b>32.64</b>

**Notes to Cash Flow Statement:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard IND AS - 7 on Cash Flow Statements.
- Purchase of fixed assets are stated inclusive of movements of capital work in progress, assets under development and capital advances.
- Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures.
- In Part A of the cash flow statement, figures in brackets indicate deductions made from the Net Profit for deriving the Net cash flow from operating activities. In Part B and Part C, figures in bracket indicate cash-outflow.

**(V) Disclosure pursuant to Ind AS 7 on "Statement of Cash Flows"**

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities and financial assets arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities and financial assets arising from financing activities, to meet the disclosure requirement.

(₹ in Lakhs)					
For the year ended March 31, 2023	Opening Balance	Cash Flows		Non Cash Changes	Closing Balance
		Repayment	Proceeds		
Short Term Borrowings	1093.53	(.25)	586.39	.95	1680.62
Long Term Borrowings (including Current maturities)	494.71	(46.92)	(31.85)	.0	415.93
Bank Balances other than Cash and Cash Equivalents	87.72	(.25)	.0	.0	793.46

**Significant Accounting Policies and Notes are an Integral Part of the Financial Statements.**

**As per our report attached  
For N C Vaishnav & Co.**  
FRN - 112712W  
Chartered Accountants

**CA. Jayesh Mehta**  
Partner  
M. No. - 037267

Place : Waghodia, Vadodara  
Date : May 16, 2023

**For 20 Microns Nano Minerals Limited**

**Rajesh C. Parikh**  
Director  
DIN 00041610

**N R Patel**  
Chief Financial Officer

Place : Waghodia, Vadodara  
Date : May 16, 2023

**Atil C. Parikh**  
Managing Director  
DIN 00041712

**Aditya M. Tillu**  
Company Secretary  
Membership # A-69312

## STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE) for the year ended March 31, 2023

### (a) Equity share capital

Financial Year 2022-23

(₹ in Lakhs)

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity share Capital during the year	Balance at the end of the reporting period
897	-	-	-	897

Financial Year 2021-22

(₹ in Lakhs)

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity share Capital during the year	Balance at the end of the reporting period
897	-	-	-	897

### (b) Other equity

(₹ in Lakhs)

Other equity	Attributable to the equity holders of the Company		
	Security Premium account	Surplus in Profit and Loss account	Total Other Equity
<b>Balance at April 1, 2021 (A)</b>	334.79	1932.59	2267.38
Share issue expenditure	(1.95)	.0	(1.95)
Profit for the year	.0	515.65	515.65
Other comprehensive income for the year, net of tax	.0	(1.17)	(1.17)
<b>Balance at March 31, 2022 (B)</b>	<b>332.84</b>	<b>2447.07</b>	<b>2779.91</b>
Share issue expenditure	(.58)	.0	(.58)
Profit for the year	.0	512.07	512.07
Other comprehensive income for the year, net of tax	.0	(1.50)	(1.50)
<b>Balance at March 31, 2023 (C)</b>	<b>332.26</b>	<b>2957.63</b>	<b>3289.89</b>

As per our report attached

For N C Vaishnav &amp; Co.

FRN - 112712W

Chartered Accountants

CA. Jayesh Mehta

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

For 20 Microns Nano Minerals Limited

Rajesh C. Parikh

Director

DIN 00041610

N R Patel

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

Atil C. Parikh

Managing Director

DIN 00041712

Aditya M. Tillu

Company Secretary

Membership # A-69312

## **NOTES TO IND AS FINANCIAL STATEMENT for the year ended March 31, 2023**

### **Note 2 Significant Accounting Policies**

#### **1. Corporate Information**

20 Microns Nano Mineral Limited ("Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 9 – 10, GIDC, Waghodia, Vadodara – 391760, Gujarat, India.

The Company is engaged in processing and selling of Specialty Chemicals (Functional Additives -FA and Chemically Modified Minerals –CMM), Soft Minerals (SM) and Hard Minerals (HM) and are used in industries such as paints and coatings, printing inks, plastics and polymers, rubber, ceramics, foundry, paper, adhesives, cosmetics, construction, agro chemicals, chemical and pharmaceuticals, textile, oil-well drilling, filtration.

The reporting currency is Indian Rupees (INR) in Lakhs and amounts are rounded off to the nearest decimals thereof.

#### **2 Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **2.1 Basis of Preparation of Financial Statements**

##### **2.1.1 Statement of Compliance**

The standalone financial statements have been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

##### **2.1.2 Historical Cost Convention**

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

#### **2.2 Use of Estimates and Judgements**

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the accompanying disclosures and the disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 33 :- Current/deferred tax expense

Note 36 :- Contingent liabilities and assets

Note 9 :- Expected credit loss for receivables

Note 39 :- Measurement of defined benefit obligations

#### **2.3 Property, Plant and Equipment**

An item of Property, plant and equipment that qualifies as an asset is measured at their cost. Following initial recognition, items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines the cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use

and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent expenditures, including replacement costs where applicable, incurred for an item of Property plant and equipment are added to its books value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

## **2.4 Capital work-in-progress and intangible assets under development**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development and are carried at cost. Cost includes related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

## **2.5 Investment Properties**

Investment properties comprises of Immovable Property that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

## **2.6 Intangible Assets**

Intangible asset is recognized only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and cost can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Acquired Intangible Assets in the form of "Process Know How" is recognized at the cost of acquisition and amortized on straight line basis over a period of five years, depending on their estimated useful life.

Research and development:

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable;
- and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is recognised in the statement of Profit and Loss when the asset is derecognised.

### **Mining Lease Right**

Company has acquired mining lease rights under agreement with the state government of Andhra Pradesh ("government").

The costs of mining properties and leases, during exploration and evaluation stage, which include the costs of acquiring and developing mining properties and mineral rights, are capitalized as property, plant and equipment under the heading 'Mining

Lease Rights' in the year in which they are incurred. Until the company receives approval from the government for mining, these assets are classified as capital work in progress. During this exploration and evaluation stage, mining expenditure is subjected to impairment review on an event of indication of impairment and any impairment loss is recognized in profit and loss prior to stage of reclassification (from capital work in progress to cost of mining property)

After the approval is received from the government for mining, all expenditure incurred till that stage is transferred from capital work in progress and capitalized. The same is amortized on straight line method over a period of mining lease agreement with the government.

Mining property, within the period of mining lease agreement, is subjected to annual impairment review. Any impairment loss is immediately recognized in profit and loss.

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

- (i) Acquisition costs – costs associated with acquisition of licenses and rights to explore, including related professional fees.
- (ii) General exploration costs – costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.
- (iii) Costs of exploratory drilling and equipping exploratory and appraisal wells.

## **2.7 Depreciation and amortisation methods, estimated useful lives and residual values.**

Depreciation is recognised to write off the cost of assets (other than freehold land and Capital work-in- progress) less their residual values on straight-line method over their useful lives of the assets.

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

Based on management estimate, residual value of 5% is considered for respective tangible assets except Lease hold land.

Intangible assets are amortized over their individual estimated useful lives on a Straight-Line basis, commencing from the year in which the same are available to the company for its intended use. The useful lives as estimated by the management for the intangible assets are as follows:

- a) Process Know How (Product Development) 5 Years
- b) Mine Development 5 Years

Cost of lease-hold land is amortized equally over the period of lease.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively if appropriate.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated based on the useful life prescribed in Schedule II to the Companies Act, 2013.

## **2.8 Impairment of non-financial assets**

At the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing



parties, less the cost of disposal. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

## 2.9 Revenue recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue includes only the gross inflows of economic benefits. Amounts collected on behalf of third parties such as Goods and Service Tax, Sales Tax and Value Added Tax are excluded from revenue.

Revenue from sale of products is recognized when the Company transfers all the significant risks and rewards of ownership to the buyer, while the company retains neither continuing managerial involvement nor effective control over the product sold. No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods, amount of sale can be measured reliably, and the cost incurred and to be incurred can be measured reliably.

Export benefits available under the prevalent schemes are recognized when there exists no significant uncertainty regards to its realisation.

Interest is recognised using Effective Interest Rate method as set out in Ind AS 109.

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

Royalty income is recognised on accrual basis in accordance with the substance of the agreement.

Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contract with customers.

Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

## 2.10 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings –interest bearing loans are subsequently measured at amortised cost by using the effective interest method (EIR method). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method (EIR). The EIR Amortization is included as Finance Costs in the statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be draw down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is deferred as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or other expenses as well as through the EIR amortization process.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

## 2.11 Borrowing Cost

The Company is capitalising general and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Expenses incurred in connection with the arrangement of specific borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.



## **2.12 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### **2.12.1 Financial Asset**

#### **Initial Recognition**

A financial asset or a financial liability is recognised in the balance sheet only when, the Company becomes party to the contractual provisions of the instrument.

#### **Initial Measurement**

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### **Subsequent Measurement**

For purpose of subsequent measurement, financial assets are classified into:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above-mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- The assets contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

#### **Equity Investments:**

All equity investments in scope of Ind AS 109 are measured at fair value except investment in Subsidiary. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity investments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

### Investments in subsidiary:

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

### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1. The contractual rights to the cash flows from the financial asset have expired, or
2. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - The Company has transferred substantially all the risks and rewards of the asset, or
  - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of Financial Assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

## **2.12.2 Financial Liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **Subsequent measurement**

- Financial liabilities measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

### **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### **Loan and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **2.12.3 Offsetting financial instruments**

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

## **2.13 Fair Value**

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director and Chief Financial Officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. (refer note 37)

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

## 2.14 Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

## 2.15 Foreign Currency Transactions

### 2.15.1 Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

### 2.15.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary

assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

## **2.16 Employee Benefits**

Employees Benefits are provided in the books as per Ind AS -19 on "Employee Benefits" in the following manner:

### **2.16.1 Post-Employment Benefit Plans**

#### **Defined Contribution Plan**

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company does not carry any other obligation apart from the monthly contribution.

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

#### **Defined Benefit Plans**

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

### **2.16.2 Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits includes salary and wages, bonus, incentive and ex-gratia and also includes accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

## **2.17 Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as a lessee**

##### **(A) Lease Liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

##### **(B) Right-of-use assets**

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

#### **Subsequent measurement**

##### **(A) Lease Liability**

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

**Impairment**

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

**Short term Lease:**

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

**As a lessor**

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

## 2.18 Taxation

Tax expenses is the aggregate amount of current tax i.e. amount of tax for the period determined in accordance with the Income Tax Law and deferred tax (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

### 2.18.1 Current Tax

The current tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

### 2.18.2 Deferred Taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred taxes are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## **2.19 Earnings Per Share**

### **Basic 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 period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

### **Diluted earnings per share**

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.

## **2.20 Provisions, Contingent Liabilities and Contingent 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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision for contractual obligation is disclosed based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for and if material, are disclosed by way of notes to financial statements.

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 in financial statements since this may result in the recognition of income that may never be realised. However, Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## **2.21 Segment Reporting**

The Company primarily operates in the segment of Micronized Minerals. The Managing Director of the Company allocate resources and assess the performance of the Company; thus, they are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed.

## **2.22 Cash Equivalents**

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **2.23 Statement of Cash Flows**

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

## **2.24 Dividend to Equity Shareholders of the Company**

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## **2.25 Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 101 – First Time Adoption of Indian Accounting Standards

Ind AS 12 – Income Taxes

Ind AS 102 – Share Based Payments

Ind AS 103 – Business Combinations

Ind AS 107 – Financial Instruments: Disclosures

Ind AS 109 – Financial Instruments

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 1 – Presentation of Financial Statements

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 34 – Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.



**NOTES TO STANDALONE FINANCIAL STATEMENTS**  
**For the year ended March 31st, 2023**

**Note 3 Property, Plant and Equipment (PPE)**

Particulars	Property, Plant and Equipment (PPE)										Total	Capital Work in progress (CWIP)	Total including capital work in progress and exploration intangible assets under development
	Freehold land	Lease Hold Land	Office Building	Factory Building	Plant & Machinery	Furniture and fixtures	Office equip-ments	Computer Equip-ments	Vehicles				
Gross Block													
As at April 1, 2020	23.75	891.27	99.91	239.54	1310.03	84.89	16.46	13.32	117.01	2796.16	.0	2796.16	
Additions	.0	.0	.0	9.23	68.17	.0	.0	1.34	.0	78.75	60.00	138.75	
Disposals/ Adjustments	.0	.0	.0	.0	(122.64)	.0	.0	(.72)	(21.44)	(144.80)	.0	(144.80)	
As at April 1, 2021	23.75	891.27	99.91	248.77	1255.56	84.89	16.46	13.94	95.57	2730.11	60.00	2790.11	
Additions	.0	.0	.0	23.40	126.72	.0	.41	1.63	.0	152.15	30.41	182.56	
Disposals/ Adjustments	.0	.0	.0	.0	(.62)	.0	.0	.0	(23.30)	(23.92)	(60.00)	(83.92)	
As at March 31, 2022	23.75	891.27	99.91	272.17	1381.66	84.89	16.87	15.57	72.28	2858.34	30.41	2888.76	
Additions	.0	40.45	15.79	128.72	311.72	1.17	1.01	9.62	8.00	516.48	40.70	557.18	
Disposals/ Adjustments	.0	(559.56)	(.90)	.0	(17.16)	(8.06)	(5.40)	(9.98)	.0	(601.07)	(30.41)	(631.48)	
As at March 31, 2023	23.75	372.15	114.79	400.89	1676.21	78.00	12.48	15.20	80.28	2773.76	40.70	2814.46	
Accumulated depreciation, depletion, amortisation and impairment													
As at April 1, 2020	.0	43.45	13.20	57.57	351.14	65.67	15.30	11.53	56.31	614.17	.0	614.17	
Charge for the year	.0	11.40	1.68	7.56	62.84	7.58	.10	.44	10.30	101.90	.0	101.90	
Disposals/ Adjustments	.0	.0	.0	.0	(20.68)	.0	.0	(.66)	(12.58)	(33.93)	.0	(33.93)	
As at April 1, 2021	.0	54.85	14.88	65.12	393.29	73.25	15.40	11.31	54.03	682.13	.0	682.13	
Charge for the year	.0	11.40	1.57	8.00	60.11	6.59	.13	.78	8.48	97.07	.0	97.07	
Disposals/ Adjustments	.0	.0	.0	.0	(.12)	.0	.0	.0	(22.13)	(22.26)	.0	(22.26)	
As at March 31, 2022	.0	66.25	16.45	73.13	453.28	79.84	15.53	12.09	40.37	756.94	.0	756.94	
Charge for the year	.0	7.46	2.23	9.06	58.45	.34	.25	3.53	8.86	90.17	.0	90.17	
Disposals/ Adjustments	.0	(38.40)	(.85)	.0	(15.30)	(7.66)	(5.13)	(9.48)	.0	(76.82)	.0	(76.82)	
As at March 31, 2023	.0	35.32	17.83	82.18	496.43	72.52	10.65	6.13	49.24	770.30	.0	770.30	
Net Book Value													
As at April 1, 2020	23.75	847.82	86.71	181.97	958.90	19.21	1.17	1.78	60.70	2182.00	.0	2182.00	
As at April 1, 2021	23.75	836.42	85.03	183.65	862.27	11.63	1.06	2.62	41.55	2047.98	60.00	2107.98	
As at March 31, 2022	23.75	825.01	83.45	199.04	928.38	5.05	1.34	3.47	31.90	2101.40	30.41	2131.81	
As at April 1, 2021	23.75	836.42	85.03	183.65	862.27	11.63	1.06	2.62	41.55	2047.98	60.00	2107.98	
As at April 1, 2022	23.75	825.01	83.45	199.04	928.38	5.05	1.34	3.47	31.90	2101.40	30.41	2131.81	
As at March 31, 2023	23.75	336.83	96.96	318.71	1179.79	5.48	1.83	9.07	31.04	2003.46	40.70	2044.16	

Note 3.1 Impairment of Assets : Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE.

Note 3.2 Security Pledge of Assets : Refer to Note 16 on borrowings for details in terms of pledge of assets as security.

Note 3.3 Refer to note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3.4 There is no restriction on the title of property, plant and equipments.

#### Note 4

#### Intangible assets and Right of Use Assets

(₹ in Lakhs)

Particulars	Intangible assets		Total	Right of Use Assets
	Product Development	Mining Development Expense		
Gross Block				
As at April 1, 2021	41.43	30.17	71.60	165.86
Additions	.0	.0	.0	33.53
Disposals/ Adjustments	.0	.0	.0	.0
As at April 1, 2022	41.43	30.17	71.60	199.39
Additions	.0	.0	.0	430.79
Disposals/ Adjustments	(41.43)	(16.95)	(58.38)	(97.86)
<b>As at March 31, 2023</b>	<b>.0</b>	<b>13.22</b>	<b>13.22</b>	<b>532.31</b>
Accumulated amortisation and impairment				
As at April 1, 2021	41.43	22.28	63.71	71.58
Charge for the year	.0	2.64	2.64	56.68
Disposals/ Adjustments	.0	.0	.0	.0
As at April 1, 2022	41.43	24.93	66.35	128.26
Charge for the year	.0	2.64	2.64	104.84
Disposals/ Adjustments	(41.43)	(16.95)	(58.38)	(81.09)
<b>As at March 31, 2023</b>	<b>.0</b>	<b>10.62</b>	<b>10.62</b>	<b>152.02</b>
Net Book Value				
As at April 1, 2021	.0	7.89	7.89	94.28
As at April 1, 2022	.0	5.25	5.25	71.12
<b>As at March 31, 2023</b>	<b>.0</b>	<b>2.60</b>	<b>2.60</b>	<b>380.30</b>

Note 4.1 Product Development is in respect of expenditure incurred for in house development of of product and recognised as intangible asset. The useful life of the product development is taken 5 years.

Note 4.2 Impairment of Assets : There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of intangible assets.

Note 4.3 There is no restriction on the title of intangible assets.

#### Note 3 Capital Work in Progress

#### Capital work-in-progress ageing schedule for the year ended March 31, 2023 and March 31, 2022

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	40.70	.0	.0	.0	40.70
	(30.41)	.0	.0	.0	(30.41)
Projects temporarily suspended	.0	.0	.0	.0	.0
	.0	.0	.0	.0	.0
<b>Total CWIP</b>	<b>40.70</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>	<b>40.70</b>
	<b>(30.41)</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>	<b>(30.41)</b>

Figures in brackets represent previous year figures

**Note 5 Non-current financial assets : Investments**

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unquoted :</b>		
<b>Investments in Subsidiary company Valued at Cost*</b>		
Silicate Minerals Private Limited	651.25	651.25
337525 (P.Y. 337525) Fully paid equity shares of ₹ 10 each		
<b>Total</b>	<b>651.25</b>	<b>651.25</b>
Aggregate amount of quoted investments	Nil	Nil
Aggregate carrying amount of unquoted investments	651.25	651.25
Aggregate amount of impairment	Nil	Nil

\* For Valuation Refer Note 2.12.1

**Note 6 Other Financial Assets**

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Bank Deposits with more than 12 months maturity</b>		
Deposits (Liquid Asset on Public Deposits) statutorily required by Companies Act 2013	78.00	.0
Margin Money deposits under lien against Bank Guarantee	27.10	.0
<b>Other Financial Assets</b>		
Security and other deposits [Unsecured, considered good]	53.75	58.45
<b>Total</b>	<b>158.85</b>	<b>58.45</b>

**Note 7 Other non- current assets**

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
Advance for Capital Expenditure [Unsecured, considered good]	.0	.0
<b>Total</b>	<b>.0</b>	<b>.0</b>

**Note 8 Inventories\***

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	1962.99	2571.66
Finished Goods	564.21	639.16
Stock in trade	73.12	37.82
Stores and Spares	155.89	222.79
Goods in Transit	101.16	438.20
<b>Total</b>	<b>2857.37</b>	<b>3909.62</b>

\* For Valuation- Refer note 2.14

\*\*Refer to Note 18 on borrowings for details in terms of pledge of assets as security.

**Note 9 Current financial assets : Trade receivables\***

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered Good (Refer Note 9.1 below)	987.30	1124.78
Less: Provision for Expected Credit Loss	(34.88)	(35.34)
<b>Total</b>	<b>952.42</b>	<b>1089.44</b>

9.1 Trade Receivable from Subsidiary of the holding company 20 MCC Pvt Limited is ₹ 2.83 lakhs (P.Y. ₹ 0.06) and Dorfner - 20 Microns Limited - ₹ 20.75 lakhs (P.Y. 0.07 lakhs)

**Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022**

(₹ in Lakhs)

Particulars	Less than 6 Months	6 Months - 1 Years	1-2 Years Years	2-3 Years	More than 3	Total
(i) Undisputed Trade Receivables – Considered Goods	950.58 (1,089.61)	2.12 -	- -	- -	- -	952.70 (1,089.61)
(ii) Undisputed Trade Receivables – Considered Doubtful	- -	- -	- -	- -	- -	- -
(iii) Disputed Trade Receivables – Considered Goods	- -	- -	- -	- -	- -	- -
(iv) Disputed Trade Receivables – Considered Doubtful-	- -	- -	- -	- (2.09)	34.60 (33.08)	34.60 (35.17)
<b>Total Trade Receivables</b>	<b>950.58 (1,089.61)</b>	<b>2.12 -</b>	<b>- -</b>	<b>- (2.09)</b>	<b>34.60 (33.08)</b>	<b>987.30 (1,124.78)</b>

Figures in brackets represent previous year figures

**Note 10 Current financial assets : Cash and cash equivalents**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks - Current accounts	45.37	32.64
Cash on hand	.0	.05
<b>Total</b>	<b>45.37</b>	<b>32.64</b>

**Note 11 Current financial assets : Other**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Bank deposits with original maturity of more than 3 months but less than 12 months		
Deposits (Refer Note -11.1 & 11.2 below)	776.38	73.30
Margin Money deposits under lien against Bank Guarantee (Refer Note -11.1 below)	17.08	14.42
Earmarked unpaid dividend accounts (Refer Note -11.3 below)	.0	.0
<b>Total</b>	<b>793.46</b>	<b>87.72</b>

Note 11.1 : Bank deposits earns interest at fixed rate based on respective deposit rate.

Note 11.2 : The balance is held for Liquid Asset on Public Deposits as per the requirement under the Companies Act 2013.

Note 11.3 : The balances in unclaimed dividend accounts are not available for use by the Company and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.

**Note 12 Current financial assets : Loans (including security deposits)**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to employees	5.79	4.87
<b>Total</b>	<b>5.79</b>	<b>4.87</b>

**Note 13 Current assets : Others**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Advances [Unsecured, considered good]</b>		
To Others	155.36	172.92
Prepaid Expenses	17.53	27.57
Insurance Claim Receivable	13.13	11.91
Balance with government authority	37.77	151.67
Sales Tax Paid Under Protest	8.14	8.14
<b>Total</b>	<b>231.92</b>	<b>372.22</b>

**Note 14 Share Capital**

**Note 14.1**

Authorised, issued, subscribed, fully paid up share capital

(₹ in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	20,000,000	2000.00	20,000,000	2000.00
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 10 each fully paid up	89,70,020	897.00	89,70,020	897.00
<b>Total</b>	<b>89,70,020</b>	<b>897.00</b>	<b>89,70,020</b>	<b>897.00</b>

**Note 14.2**

**A. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

(₹ in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Equity Shares of ₹ 10 each fully paid		Equity Shares of ₹ 10 each fully paid	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the period	89,70,020	897.00	89,70,020	897.00
Add: Shares issued during the period	-	-	-	.0
Add: Shares bought back during the period	-	-	-	.0
Less: Shares cancelled during the period	-	-	-	.0
Shares outstanding at the end of the period	<b>89,70,020</b>	<b>897.00</b>	<b>89,70,020</b>	<b>897.00</b>

## B. Other Disclosures

### Terms/ rights attached to equity shares

Every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held for all matter submitted to vote in a shareholders meeting of the company.

Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion of the number of shares held to the total equity shares outstanding as on that date.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

## C. Shareholders holding more than 5 % of total share capital

Name of Shareholders	As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares of ₹ 10 each fully paid</b>				
20 Microns Limited (Holding Company)	87,20,000	97.21%	87,20,000	97.21%
<b>Total</b>	<b>87,20,000</b>	<b>97.21%</b>	<b>87,20,000</b>	<b>97.21%</b>

### Note 14.3

The Company has not bought back any equity shares, has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash and has not allotted bonus shares, for the period of five years immediately preceding March 31, 2023

## Note 15 Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Reserves &amp; Surplus</b>		
<b>Securities Premium Account</b>		
Opening Balance	332.84	334.79
Add: received during the Period	-	-
Share issue expenditure - Deferred Tax	.58	1.95
<b>Closing Balance</b>	<b>332.26</b>	<b>332.84</b>
<b>Surplus in Profit and Loss account</b>		
Opening balance	2447.07	1932.59
Profit for the year	512.07	515.65
Other Comprehensive Income		
Add: Remeasurements of post-employment benefit obligation, net of tax	(1.50)	(1.17)
<b>Total</b>	<b>2957.63</b>	<b>2447.07</b>
<b>Less : Appropriations</b>		
Dividend	.0	.0
Corporate Tax on Dividend	.0	.0
<b>Closing Balance</b>	<b>2957.63</b>	<b>2447.07</b>
<b>Total other equity</b>	<b>3289.89</b>	<b>2779.91</b>

**Note 16 Non- current financial liabilities : Borrowings**

(₹ in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Non-Current	Current*	Non-Current	Current*
<b>Secured</b>				
Vehicle Loans (Refer Note No. 16.1)	-	-	-	-
<b>Total secured borrowing [A]</b>	-	-	-	-
<b>Unsecured</b>				
Deposits - From Public & Members (Refer Note No. 16.2)	59.58	356.35	106.51	388.20
<b>Total unsecured borrowing [B]</b>	59.58	356.35	106.51	388.20
<b>TOTAL [A + B]</b>	<b>59.58</b>	<b>356.35</b>	<b>106.51</b>	<b>388.20</b>

\*Amount disclosed under the head "Current financial liabilities : Others" (Note 20)

The Company does not have any continuing defaults in repayment of loans and interest as at the reporting date.

**16.1** Vehicle Loans from Bank is secured against Respective Assets

**16.2 Unsecured Deposits**

<b>Effective Interest Rate</b>	<b>7.0% to 10 %</b>
<b>Year</b>	<b>(₹ in Lakhs)</b>
2023-24	356.35
2024-25	93.20
2025-26	59.58

**Note 16a Lease Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Non-Current	Current*	Non-Current	Current*
<b>Unsecured</b>				
Lease Liability	274.79	98.48	23.46	52.55
<b>Total</b>	<b>274.79</b>	<b>98.48</b>	<b>23.46</b>	<b>52.55</b>

**Note 17 Deferred tax Liabilities**

**(a) Deferred tax balances and movement for the year Ended March 31, 2023**

(₹ in Lakhs)

Particulars	Net balance April 1, 2022	Recognised in profit or loss	Recognised in OCI	Other	As at 31st March 2023
<b>Deferred tax Liabilities</b>					
Property, plant and equipment and Intangible Assets	309.70	(81.92)	-	-	227.79
Loans and borrowings	.94	(.08)	-	-	.86
Right to use assets	17.90	77.81	-	-	95.71
<b>Total</b>	<b>328.55</b>	<b>(4.18)</b>	<b>-</b>	<b>-</b>	<b>324.36</b>
<b>Deferred tax asset</b>					
Employee benefits	.45	2.85	.50	-	3.81
Tax credit	23.83	(23.83)	-	-	.0
Provisions	8.89	(.12)	-	-	8.77
Share issue expense	.58	-	-	(.58)	0
Lease Liability	19.13	74.81	-	-	93.94
<b>Total</b>	<b>52.87</b>	<b>53.72</b>	<b>.50</b>	<b>(.58)</b>	<b>106.52</b>
<b>Net deferred tax Liabilities</b>	<b>275.67</b>	<b>(57.90)</b>	<b>(.50)</b>	<b>.58</b>	<b>217.84</b>

**(b) Deferred tax balances and movement for the year Ended March 31, 2022**

(₹ in Lakhs)					
Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Other	As at 31st March 2022
<b>Deferred tax Liabilities</b>					
Property, plant and equipment and Intangible Assets	296.32	13.39	-	-	309.70
Loans and borrowings	1.30	(.35)	-	-	.94
Right to use assets	23.73	(5.83)	-	-	17.90
<b>Total</b>	<b>321.34</b>	<b>7.20</b>	<b>.0</b>	<b>.0</b>	<b>328.55</b>
<b>Deferred tax asset</b>					
Employee benefits	.52	(.47)	.39	-	.45
Tax credit	23.83	.0	-	-	23.83
Provisions	9.10	(.22)	-	-	8.89
Share issue expense	2.53	.0	-	(1.95)	0.58
Lease Liability	25.56	(6.43)	-	-	19.13
<b>Total</b>	<b>61.54</b>	<b>(7.11)</b>	<b>.39</b>	<b>(1.95)</b>	<b>52.87</b>
<b>Net deferred tax Liabilities</b>	<b>259.80</b>	<b>14.31</b>	<b>(.39)</b>	<b>1.95</b>	<b>275.67</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**Note 18**
**Current financial liabilities : Borrowings**

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured (Repayment on demand)</b>		
Loan from Banks (Cash credit / Bank Overdraft) (Refer Note 18.1)	1587.42	1032.43
<b>Unsecured</b>		
Deposits		
From Public and Members (Refer Note 16.2)	93.20	61.10
<b>Total</b>	<b>1680.62</b>	<b>1093.53</b>

**Details of Securities**
**Note 18.1 Secured (Repayable on demand and Rate of interest is BRLLR plus Strategic Premium plus Concessional ROI- 9.45%)**

**Primary Security** : Hypothecation of entire current assets on 1st Charge basis.

**Collateral Security** : Exclusive Charge over Factory Land Building Plant and Machinery

Corporate Guarantee of 20 Microns Ltd.

**Note 18.2**

The Company does not have any continuing defaults in repayment of loans and interest as at the reporting date.



**Note 19 Current financial liabilities : Trade payables**

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises - Trade payables others (Refer Note 19.1)	50.34	34.67
Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
Trade payables - Related Parties (Refer Note 19.2)	462.95	1078.93
Trade payables - Others	591.60	1598.19
<b>Total</b>	<b>1104.89</b>	<b>2711.80</b>

**Trade payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022** (₹ in Lakhs)

Particulars	Not Due	Less than 1 Year	1-2 Years	2- 3 Years	More than 3 Years	Total
(i) MSME	47.40	2.94	-	-	-	50.34
	-	(34.67)	-	-	-	(34.67)
(ii) Others	438.74	615.81	-	-	-	1,054.55
	-	(2,458.40)	(218.72)	-	-	(2,677.13)
(iii) Disputed Dues – MSME	-	-	-	-	-	-
	-	-	-	-	-	-
(iv) Disputed Dues – Others	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total Trade Payables</b>	<b>486.14</b>	<b>618.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,104.89</b>
	-	(2,493.08)	(218.72)	-	-	(2,711.80)

Figures in brackets represent previous year figures

**Note 19.1**

The list of undertaking covered under MSMED was determined by the Company on the basis of information available with the Company and has been relied upon by the auditor. The details of amount outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under:

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
Principal Amount due and remaining unpaid	50.34	34.67
Interest due on (1) above and unpaid interest	.09	.47
Interest paid on all delayed payments under MSMED Act, 2006	.0	.0
Payment made beyond the appointed day during the year	.0	.0
Interest due and payable for the period of delay other than (3) above	.0	.0
Interest accrued and remaining unpaid	.0	.0
Amount of further interest remaining due and payable in succeeding years	.0	.0

**Note 19.2**

Trade payable includes Trade payable to Holding Company 20 Microns Ltd is ₹ 462.95 Lakhs (P.Y. ₹ 1078.93 Lakhs)

**Note 20 Current financial liabilities : Others**

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Current maturities of long term borrowings - (Please refer Note 16):-</b>		
Deposits(Unsecured)		
- From Public and Members	356.35	388.20
	356.35	388.20
Unclaimed Dividend*	.0	.0
Unclaimed Matured public deposits and Interest	.0	3.78
Lease Liability	98.48	52.55
Payable for Capital Expenditure	.91	1.68
<b>Total</b>	<b>455.74</b>	<b>446.21</b>

\* The unclaimed dividend will be deposited in Investor Protection and Education Fund u/s 124(5) of Companies Act, 2013 when become due. No amount is due at the end of the period for credit to Investors education and protection fund.

**Note 21 Current liabilities : Others**

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Advance from customer (Refer Note 21.1)	30.82	8.03
Statutory Dues Payable	38.02	14.07
<b>Other Current Liabilities</b>		
Employee Benefits Payable	28.06	29.27
Other current financial liabilities	51.27	65.56
<b>Total</b>	<b>148.17</b>	<b>116.94</b>

**Note 22 Current provisions**

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Provision for employee benefits (Refer note 39)		
Provision for gratuity	10.92	(.41)
Provision for leave encashment	.60	.60
(b) Provision for Expenses	61.65	39.20
<b>Total</b>	<b>73.16</b>	<b>39.39</b>

**Note 23 Details of Income tax assets and income tax liabilities**

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Income tax assets	294.08	247.65
(b) Current income tax liabilities	215.89	171.66
<b>Net Asset (a-b)</b>	<b>78.19</b>	<b>75.99</b>

## STANDALONE STATEMENT OF CHANGES IN EQUITY (SOCIE)

For the year ended March 31, 2023

### (a) Equity share capital

(₹ in Lakhs)

#### Financial Year - 2022-23

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity share Capital during the year	Balance at the end of the reporting period
897	-	-	-	897

#### Financial Year - 2021-22

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity share Capital during the year	Balance at the end of the reporting period
897	-	-	-	897

### (b) Other equity

(₹ in Lakhs)

Particulars	Attributable to the equity holders of the Company		
	Security Premium account	Surplus in Profit and Loss account	Total Other Equity
<b>Balance at April 1, 2021 (A)</b>	<b>334.79</b>	<b>1932.59</b>	<b>2267.38</b>
Share issue expenditure	(1.95)	.0	(1.95)
Profit for the year	.0	515.65	515.65
Other comprehensive income for the year, net of tax	.0	(1.17)	(1.17)
<b>Balance at March 31, 2022 (B)</b>	<b>332.84</b>	<b>2447.07</b>	<b>2779.91</b>
Share issue expenditure	(.58)	.0	(.58)
Profit for the year	.0	512.07	512.07
Other comprehensive income for the year, net of tax	.0	(1.50)	(1.50)
<b>Balance at Mar 31, 2023 (C)</b>	<b>332.26</b>	<b>2957.63</b>	<b>3289.89</b>

As per our report attached

**For N C Vaishnav & Co.**

FRN - 112712W

Chartered Accountants

**CA. Jayesh Mehta**

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

**For 20 Microns Nano Minerals Limited**

**Rajesh C. Parikh**

Director

DIN 00041610

**N R Patel**

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

**Atil C. Parikh**

Managing Director

DIN 00041712

**Aditya M. Tillo**

Company Secretary

Membership # A-69312

#### Note 24 Revenue from Operations

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of products	8756.35	8632.96
Domestic Sales (₹ In lacs)	7844.34	7453.12
Export Sales (₹ In lacs)	912.01	1179.84
Other operating revenues	48.81	181.16
<b>Total</b>	<b>8805.16</b>	<b>8814.12</b>
Domestic - pmt	133910	155633
Export - pmt	93348	97508
Average Sales PMT	116503	127763

#### Note 24.1 Details of other operating revenues of the company are as under:

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Job Work Charges	48.81	27.23
Scrap Sales	.0	.0
<b>Total</b>	<b>48.81</b>	<b>27.23</b>

#### Note 25 Other Income

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest Income	23.39	8.98
Rent	11.09	9.89
Net Gain on Disposal of Tangible Asset	174.28	4.14
Net Gain on Foreign Currency Transactions	8.48	4.35
Provisions no longer required written back	6.40	6.17
Liability no longer required written back	.18	1.84
Export Incentives	2.27	1.84
Gain on Derecognition of Lease assets and Liabilities	4.70	.0
Other Non-Operating Income	.0	.38
<b>Total</b>	<b>230.80</b>	<b>37.58</b>

\*Includes interest income on deposits, staff advances, employee loans and delayed payments from customers.

#### Note 26 Cost of materials consumed

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>(a) Raw Material and Packing Material</b>		
Opening Stock of Material	3007.10	1487.05
Add : Purchases	3870.11	6431.50
	<b>6877.21</b>	<b>7918.55</b>
Less: Closing Stock of Materials	2061.19	3007.10
<b>Sub - Total (a)</b>	<b>4816.02</b>	<b>4911.45</b>

<b>(b) Mining Material</b>		
Opening Stock of Material	2.76	2.81
Add : Purchases	195.55	186.52
	<b>198.30</b>	<b>189.33</b>
Less: Closing Stock of Materials	2.95	2.76
<b>Sub - Total (b)</b>	<b>195.35</b>	<b>186.58</b>
<b>Total (a+b)</b>	<b>5011.37</b>	<b>5098.02</b>
<b>Details of Consumption of Material</b>		
Minerals	2772.09	2772.09
Packing Material and others	101.60	101.60
Additives	422.65	422.65
Mining Materials	171.46	171.46
	<b>3467.79</b>	<b>3467.79</b>

**Note 27 Purchases of Stock in trade**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Purchases of Stock in trade	12.89	19.53
<b>Total</b>	<b>12.89</b>	<b>19.53</b>

**Note 28 Changes in inventories of Finished Goods and Stock in Trade**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Changes in inventories of finished goods and stock in trade</b>		
Inventory at the beginning of the year		
Finished Goods	639.16	494.17
Stock in Trade	37.82	33.72
<b>sub total (a)</b>	<b>676.98</b>	<b>527.89</b>
Less: Inventory at the end of the year		
Finished Goods	564.21	639.16
Stock in Trade	73.12	37.82
<b>sub total (b)</b>	<b>637.33</b>	<b>676.98</b>
<b>Total</b>	<b>39.65</b>	<b>(149.08)</b>

**Note 29 Employee benefit expense**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salary, Wages Bonus & Allowances	727.83	689.71
Incentive To Employees	116.87	32.07
Contribution to Provident and Other Funds	45.06	40.07
Managerial Remuneration	13.77	11.77
Staff Welfare Expenses	41.04	44.13
<b>Total</b>	<b>944.57</b>	<b>817.75</b>

### Note 30 Finance Costs

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest on Term Loans	.0	.56
Interest on Working Capital Loans	110.60	63.15
Interest expense on financial liabilities at amortised cost	64.82	59.95
Interest on Lease Liability	26.81	15.47
Other Borrowing Costs	62.53	80.00
<b>Total</b>	<b>264.77</b>	<b>219.13</b>

### Note 31 Depreciation and amortisation expense

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 3)	90.17	97.07
Amortisation of intangible assets (refer note 4)	2.64	2.64
Amortisation of Right of use assets (refer note 4)	104.84	56.68
<b>Total</b>	<b>197.66</b>	<b>156.40</b>

### Note 32 Other Expenses

#### Note 32.1

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Manufacturing Expenses</b>		
Consumption of Stores and Spare Parts	83.09	68.36
Power and Fuel	359.98	375.86
Rent-Factory	442.89	388.05
<b>Repairs :</b>		
Buildings	23.93	67.43
Plant and Machinery	69.78	56.87
Demurrage and detention	.0	.0
Other Manufacturing & Factory Expenses	220.72	276.30
<b>Sub Total</b>	<b>1200.38</b>	<b>1232.86</b>

**Note 32.2**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Administrative &amp; Other Expenses</b>		
Rent-Guest House	2.93	6.64
Rates & Taxes	28.29	3.37
Fines and Penalties	29.71	.0
Insurance	11.05	11.70
Post, Telephone & Courier	9.78	10.58
Printing and Stationary expenses	5.11	4.66
Legal, Licenses and Renewal expenses	2.75	10.43
Software and Computer Maintenance	3.06	4.28
Travelling & Conveyance	14.93	12.59
Vehicle Running & Maintenance	13.79	11.38
Professional Fees	49.83	48.71
Auditors Remuneration	3.50	2.50
Directors Sitting Fees	5.60	5.80
Loss on Disposal of Tangible Assets (Net)	.0	.0
Donation	.0	.0
Remission of Debit balance	.0	.0
Corporate Social Responsibility Expense	8.50	.0
Miscellaneous Expenses	37.16	19.44
Net Loss on Foreign Currency Transactions	.0	.0
Damarage and detetion	-	-
<b>Sub Total</b>	<b>225.98</b>	<b>152.07</b>

**Note 32.3**

**Marketing, Selling & Distribution Expenses :**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Selling Expenses</b>		
Travelling Expenses	21.24	42.19
Rebate and Discount	.0	.0
Sales Commission	6.10	3.84
Bad Debts	4.03	.0
Provision for Doubtful Debts	.11	(.24)
Rent-Godown	2.87	3.46
Royalty	251.48	252.24
Other Selling Expenses	5.03	21.63
<b>Distribution Expenses</b>		
Freight and Logistic Expenses (Domestic)	74.27	90.28
Freight and Logistic Expenses (Export)	74.17	164.83
Service Tax	-	.0
Export Expenses	14.86	25.17
<b>Sub Total</b>	<b>454.16</b>	<b>603.40</b>

### Note 32.4 Payment to Auditors

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Audit Fees	3.50	2.50
Certification Charges and other reimbursement	.0	.0
<b>Total</b>	<b>3.50</b>	<b>2.50</b>

### Note 33 Income Taxes

- (a) Income tax expense/(benefit) recognised in the statements of profit and loss

Income tax expense recognised in the statements of profit and loss consists of the following:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Current Tax		
(a) Current income tax	215.89	171.66
(b) Short/(Excess) provision of income tax in respect of previous years	14.47	.0
(c) Deferred tax benefit	(57.90)	14.31
<b>Tax expense for the year (a + b + c)</b>	<b>172.46</b>	<b>185.97</b>

- b) Income tax Expenses/(benefit) Recognised directly in equity

Income tax expense/(benefit) recognised directly in equity consist of the following:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Tax effect on actuarial gains/losses on defined benefit obligation	.50	.39
Tax effect on gains/losses on Share issue expense	(.58)	(1.95)
<b>Total Income tax expense/(Benefit) recognized in the equity</b>	<b>(.07)</b>	<b>(1.56)</b>

- (c) Reconciliation of effective tax rate

The following is a reconciliation of the Company's effective tax rates for the years ended 31 March 2023 and 31 March 2022

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit before income tax	684.53	701.62
Enacted tax rate in India	25.17%	25.17%
Tax at statutory income tax rate	172.28	176.58
Effect of:		
Non Deductible Expense for tax purposes:		
Disallowable Expenses	(39.68)	(4.93)
Income tax expense of earlier years	14.47	.0
Income tax on Capital Gain	83.29	.0
<b>Current Tax Provision</b>	<b>230.37</b>	<b>171.66</b>
<b>Earlier year's tax</b>		
Increase/ (Decrease) in Deferred Tax Liability	(57.90)	14.31
<b>Deferred Tax Provision</b>	<b>(57.90)</b>	<b>14.31</b>
<b>Income Tax Expense</b>	<b>172.46</b>	<b>185.97</b>
<b>Effective tax rate</b>	<b>25.19%</b>	<b>26.51%</b>



**Note 34 Statement of other comprehensive income**

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Items that will not be reclassified to profit or loss		
Equity Instruments through Other Comprehensive Income		
Fair value of unquoted investments - Gain /(loss)		
Tax impact on unquoted investments		
<b>Remeasurement gains (losses) on defined benefit plans</b>		
Actuarial gains and losses - Gain /(loss)	(2.00)	(1.57)
Tax impact on Actuarial gains and losses	.50	.39
<b>Total (i)</b>	<b>(1.50)</b>	<b>(1.17)</b>
(ii) Items that will be reclassified to profit or loss	.0	.0
Income tax relating to items that will be reclassified to profit or loss - Gain /(loss)	.0	.0
<b>Total (ii)</b>	<b>.0</b>	<b>.0</b>
<b>Total (i + ii)</b>	<b>(1.50)</b>	<b>(1.17)</b>

**Note 35 Earning per Share -(EPS)**

Earnings per equity share of FV of ₹ 10 each

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit for the year (Profit attributable to equity shareholders) (Amount In ₹)	512.07	515.65
Weighted average number of ordinary equity shares for Basic EPS (in Nos.)	89,70,020	89,70,020
Weighted average number of ordinary equity shares for Diluted EPS (in Nos.)	89,70,020	89,70,020
Face Value of equity share (₹)	10	10
Basic EPS (₹)	5.71	5.75
Diluted EPS (₹)	5.71	5.75

**Note 36 Contingent Liabilities & Contingent Assets And Capital Commitments**

**A) Contingent Liabilities**

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Contingent Liabilities</b>		
(a) Statutory claims (Refer Note 36.1)	37.22	37.22
(b) Bank Guarantees / LC given	312.46	.0
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance Payment).	-	-
<b>Total</b>	<b>349.68</b>	<b>37.22</b>

### Note 36.1 Contingent Liabilities - Statutory claims

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Demand of Sales Tax, Value Added Tax and Central Sales Tax	37.22	37.22
Demand of Income Tax (Net of Refund adjusted and paid under protest)	NIL	NIL

### B) CONTINGENT ASSETS

The company is having certain claims which are pursuing through legal processes. The Management believe that probable outcome in all such claims are uncertain. Hence, the disclosure of such claims is not required in the financial statements.

### Note 37 Financial instruments – Fair values and risk management

#### A. Accounting classification and fair values

(₹ in Lakhs)

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets measured at amortised cost</b>								
Investments (Non-current)	-	-	651.25	651.25	-	-	-	-
Other Financial Assets	-	-	158.85	158.85	-	-	158.85	158.85
Loans (Current)	-	-	5.79	5.79	-	-	5.79	5.79
Trade receivables	-	-	952.42	952.42	-	-	952.42	952.42
Cash and cash equivalents	-	-	45.37	45.37	-	-	45.37	45.37
Other bank balances	-	-	793.46	793.46	-	-	793.46	793.46
	-	-	<b>2607.15</b>	<b>2607.15</b>	-	-	<b>1955.90</b>	<b>1955.90</b>
<b>Financial liabilities measured at amortised cost</b>								
Non current borrowings	-	-	59.58	59.58	-	59.58	-	59.58
Current borrowings	-	-	1680.62	1680.62	-	-	-	-
Trade payables	-	-	1104.89	1104.89	-	-	-	-
Other financial liabilities	-	-	730.52	730.52	-	-	-	-
<b>Total</b>	-	-	<b>3575.62</b>	<b>3575.62</b>	-	<b>59.58</b>	-	<b>59.58</b>

(₹ in Lakhs)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets measured at amortised cost</b>								
Investments (Non-current)	-	-	651.25	651.25	-	-	-	-
Other Financial Assets	-	-	58.45	58.45	-	-	58.45	58.45
Loans (Current)	-	-	4.87	4.87	-	-	4.87	4.87
Trade receivables	-	-	1089.44	1089.44	-	-	1089.44	1089.44
Cash and cash equivalents	-	-	32.64	32.64	-	-	32.64	32.64
Other bank balances	-	-	87.72	87.72	-	-	87.72	87.72
	-	-	<b>1924.38</b>	<b>1924.38</b>	-	-	<b>1273.12</b>	<b>1273.12</b>
<b>Financial liabilities measured at amortised cost</b>								
Non current borrowings	-	-	106.51	106.51	-	106.51	-	106.51
Current borrowings	-	-	1093.53	1093.53	-	-	-	-
Trade payables	-	-	2711.80	2711.80	-	-	-	-
Other financial liabilities	-	-	469.66	469.66	-	-	-	-
<b>Total</b>	-	-	<b>4381.49</b>	<b>4381.49</b>	-	<b>106.51</b>	-	<b>106.51</b>

# Fair value of financial assets and liabilities which are measured at amortized cost is not materially different from the carrying value (i.e. amortized cost).

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

\* For certain investments categorized under level 3, cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

## B. Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

### i Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has a well-defined Risk Management framework for reviewing the major risks and taking care of all the financial risks. The risk management framework aims to :

- (a) create a stable business planning environment by reducing the impact of currency and interest rate fluctuation on company's business plan.
- (b) achieve greater predictability to earnings by determining the financial value of the expected earning in advance.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee. The Board of Directors reviews and agrees policies for managing each of these risks.

### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities and loans given.

The carrying amount of following financial assets represents the maximum credit exposure:

#### (a) Cash and Cash equivalent and Other Bank Balances

The company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

#### (b) Trade and other receivables

The Company's exposure to credit Risk is the exposure that Company has on account of goods sold or services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's major customer base is paints, plastic, rubber and other misc industries.

The Commercial and Marketing department has established a credit policy.

The Company raises the invoice for quantities sold based.

The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

Assets are written off when there are no reasonable expectation of recovery such as debtor declaring bankruptcy or failing to engage in a repayment plan with group. Where receivables have been written off the company continues to engage in enforcement activity to attempt to recover the receivables. where recoveries are made, these are recognised in profit and loss.

The maximum exposure to the credit risk at the reporting date from Trade Receivable is as amounts mentioned in Note No. 9.

Movement in Allowance for bad and doubtful Trade receivable			(₹ in Lakhs)
Particulars	31-Mar-23	31-Mar-22	
Opening Allowance for bad and doubtful Trade receivable	35.34	36.19	
Provision during the year	4.99	39.38	
Recovery/Adjustment during the year	(5.46)	(40.23)	
<b>Closing Allowance for bad and doubtful Trade receivable</b>	<b>34.88</b>	<b>35.34</b>	

The impairment provisions above are based on management judgment / assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward looking estimates at the end of each reporting period.

### iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains the following lines of credit outstanding:

- The company has also accepted deposit from share holders amounting to ₹ 509.13 Lakhs as at March 31, 2023 (at amortised cost) of unsecured nature. Interest would be payable at the rate of varying from 7.00 % - 10.00%.
- For maintaining working capital liquidity company avails cash credit limit from bank that is secured as mentioned in Note 18.1. The amount availed as at March 31, 2023 is ₹ 1587.42 Lakhs (at amortised cost). The said loan is having rate of interest of 7.20% to 9.45%.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude the impact of netting agreements.

and undiscounted, and excludes the impact of netting agreements.

(₹ in Lakhs)					
March 31, 2023	Contractual cash flows				Total
	Carrying amount	Less than 12 months	1-5 years	More than 5 years	
Non-derivative financial liabilities					
Non current borrowings	59.58	.0	59.58	.0	59.58
Current financial liabilities	1680.62	1680.62	.0	.0	1680.62
Trade and other payables	1104.89	1104.89	.0	.0	1104.89
Other current financial liabilities	730.52	730.52	.0	.0	730.52
	3575.62	3516.03	59.58	.0	3575.62

(₹ in Lakhs)					
March 31, 2022	Contractual cash flows				Total
	Carrying amount	Less than 12 months	1-5 years	More than 5 years	
Non-derivative financial liabilities					
Non current borrowings	106.51	-	106.51	-	106.51
Non current financial liabilities	-	-	-	-	-
Current financial liabilities	1093.53	1093.53	-	-	1093.53
Trade and other payables	2711.80	2711.80	-	-	2711.80
Other current financial liabilities	469.66	417.11	-	-	417.11
	4381.49	4222.44	106.51	-	4328.94

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to non-derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

### iv. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments.

#### a) Currency risk

The functional currency of the Company is Indian Rupee. The Company have transaction of import of materials, other foreign expenditures and export of goods. hence the company is exposed to currency risk on account of payables and receivables in foreign currency. Company have outstanding balances in USD & EURO.

(₹ in Lakhs)

Details of foreign currency Transactions and balances	As at March 31, 2023	As at March 31, 2022
Trade and Other Payables		
USD & EURO	65.35	59.41
Trade Receivables and advances		
USD & EURO	185.42	176.82

#### Sensitivity analysis

Profit or loss is sensitive to higher/lower Exchange rate of currency. A possible 5% change in exchange rate would affect profit/loss at the reporting date by amount shown below:

As at 31st March 2023

(₹ in Lakhs)

Details of foreign currency Transactions and balances	Profit or (Loss)		Equity (net of tax)	
	5% increase	5 % Decrease	5% increase	5 % Decrease
Trade and Other Payables	(3.27)	3.27	(2.44)	2.44
Trade Receivables and advances	9.27	(9.27)	6.94	(6.94)

As at 31st March 2022

(₹ in Lakhs)

Details of foreign currency Transactions and balances	Profit or (Loss)		Equity (net of tax)	
	5% increase	5 % Decrease	5% increase	5 % Decrease
Trade and Other Payables	(2.97)	2.97	(2.14)	2.14
Trade Receivables and advances	8.84	(8.84)	6.38	(6.38)

#### b) Interest rate risk

Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company's interest rate exposure is mainly related to debt obligation. On period under review the Company do not have any term loans at fixed rate and has not entered into interest rate swaps for its exposure to long term borrowings at floating rate. The company have accepted deposits from share holders which are fixed rate instruments.

(₹ in Lakhs)

Interest bearing instruments	As at March 31, 2023	As at March 31, 2022
Non current - Borrowings	152.78	167.61
Current portion of Long term borrowings	356.35	388.20
<b>Total</b>	<b>509.13</b>	<b>555.81</b>

#### Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates

Based on the composition of debt a reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Lakhs)

Particulars	Profit or (Loss)		Equity (net of tax)	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
<b>March 31, 2023</b>				
Non current - Borrowings	(1.53)	1.53	(1.14)	1.14
Current portion of Long term borrowings	(3.56)	3.56	(2.67)	2.67
<b>Total</b>	<b>(5.09)</b>	<b>5.09</b>	<b>(3.81)</b>	<b>3.81</b>
<b>March 31, 2022</b>				
Non current - Borrowings	(1.68)	1.68	(1.21)	1.21
Current portion of Long term borrowings	(3.88)	3.88	(2.80)	2.80
<b>Total</b>	<b>(5.56)</b>	<b>5.56</b>	<b>(4.01)</b>	<b>4.01</b>

#### c) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw Material and other consumables. The company has risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The company's commodity risk is managed centrally through well established trading operations and control processes.

#### d) Equity Price Risk

The Company do not have any investment in quoted equity shares hence not expose to equity price risk.

#### Note 38 Capital Management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of the annual business plan coupled with long term and short term strategic investments and expansion plans. The funding needs are met through equity, cash generated from operations, long terms and short term bank borrowings and deposits.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Interest bearing borrowings	2096.55	1588.23
Less : Cash and bank balances	(838.83)	(120.35)
<b>Adjusted net debt</b>	<b>1257.73</b>	<b>1467.88</b>
Borrowings	2096.55	1588.23
Total equity	4186.90	3676.91
Adjusted net debt to adjusted equity ratio	0.30	0.40
Debt equity ratio	0.50	0.43

#### Note 39 Disclosure of Employee Benefits

The Company has implemented Ind AS - 19 on "Employee Benefits".

##### (a) Provident Fund - Defined Contribution Plan

All employees are entitled to provident fund benefits and amount charged to Statement of Profit and Loss during the period of 12 months ended is ₹ 32.90 Lakhs (Previous year ₹ 30.59 Lakhs)

##### (b) Gratuity and Leave Encashment - Defined Benefit Plans (payable in future)

Provision has been made for Gratuity as per Actuarial Valuation. The principal assumptions used in actuarial valuation and necessary disclosures are as below:

Assumptions	(₹ in Lakhs)	
	Gratuity As at 31 March, 2023	Gratuity As at 31 March, 2022
<b>A. Discount rate</b>	7.45%	7.15%
Rate of return on plan assets	7.45%	7.15%
Salary Escalation	6.00%	6.00%
<b>B. Change in Defined Benefit Obligations</b>		
Liability at the beginning of the year	22.89	14.69
Interest Cost	1.62	.92
Current Service Cost	9.70	6.65
Past service cost	.0	.0
Prior year Charge	.0	.0
Due to change in Financial assumptions	(.89)	(.75)
Due to change in Demographic assumptions	.0	.0
Due to experience adjustments	2.53	1.37
Benefits Paid	(.74)	.0
Actuarial loss / (gain) due to experience adjustment	.0	.0
Actuarial (Gain) / Loss due to change in financial estimate	.0	.0
<b>Total Liability at the end of the year</b>	<b>35.11</b>	<b>22.89</b>

(₹ in Lakhs)

Assumptions	Gratuity	Gratuity
	As at 31 March, 2023	As at 31 March, 2022
<b>C. Change in Fair Value of plan Assets</b>		
Opening fair Value of plan assets	23.30	13.20
Interest Income	2.00	1.05
Return on plan assets excluding amounts included in interest income	(.36)	(.95)
Contributions by employer	.0	10.00
Benefits Paid	(.74)	.0
<b>Closing fair Value of plan assets</b>	<b>24.19</b>	<b>23.30</b>
<b>D. Profit and Loss Account for the current Period</b>		
Current Service Cost	9.70	6.65
Net Interest Cost	(.38)	(.13)
Past service cost and loss/(gain) on curtailments and settlements	.0	.0
<b>Total included in 'Employee Benefit Expense'</b>	<b>9.33</b>	<b>6.53</b>
Other Comprehensive Income for the current Period		
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	(.89)	(.75)
Due to change in Demographic assumptions	.0	.0
Due to experience adjustments	2.53	1.37
Return on plan assets excluding amounts included in interest income	.36	.95
<b>Amount recognized in Other Comprehensive Income</b>	<b>2.00</b>	<b>1.57</b>
<b>E. Balance Sheet Reconciliation</b>		
Opening Net Liability	(.41)	1.50
Employee Benefit Expense	9.33	6.53
Amounts recognized in Other Comprehensive Income	2.00	1.57
Contributions to Plan Assets	.0	(10.00)
Benefits Paid	.0	.0
<b>Closing Liability/(Assets)</b>	<b>10.92</b>	<b>(.41)</b>
<b>F. Current/Non-Current Liability :</b>		
Current*	<b>9.75</b>	<b>(.41)</b>
Non-Current	<b>1.17</b>	<b>-</b>

\*The Company liability is calculated as expected reduction in contributions for the next 12 months.

(c) Amounts recognised in current year and previous year

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A. Gratuity</b>		
Present value of Defined Benefit Obligation	35.11	22.89
Fair value of Plan Assets	24.19	23.30
(Surplus) / Deficit in the plan	10.92	(.41)
Actuarial (Gain) / Loss on Plan Obligation	1.65	.62
Actuarial Gain / (Loss) on Plan Assets	.36	.95

(d) Sensitivity analysis

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

Particulars	As at March 31, 2023	
	Increase Gratuity	Decrease Gratuity
Discount rate (0.5% movement)	33.72	36.61
Salary growth rate (0.5% movement)	36.54	33.79
Withdrawal rate (W.R.) Sensitivity	35.08	35.14

Particulars	As at March 31, 2022	
	Increase Gratuity	Decrease Gratuity
Discount rate (0.5% movement)	21.72	24.16
Salary growth rate (0.5% movement)	24.06	21.79
Expected working lifetime (varied by 2 years)	22.86	22.91

**(e) Gratuity Benefits Plan:**

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	$15 / 26 \times \text{Salary} \times \text{Duration of Service}$
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20 Lakhs was applied.
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

**(i) Entity responsibilities for the governance of the plan**

**Risk to the Plan**

Following are the risk to which the plan exposes the entity :

**A Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

**D Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

**(ii) The company has participated in Group Gratuity Scheme Plan with SBI Life insurance to meet its gratuity liability. The present value of the plan assets represents the balance available at the end of the year.**

**(a) Composition of the plan assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Bank balance	0.00%	0.00%
Policy of insurance	100.00%	100.00%
Others	0.00%	0.00%



- (b) The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

- (c) Expected benefit payments as on 31 March 2023.

Particulars	1-5 years	6-10 years
Cash flow (₹)	17.45	14.29
Distribution (in %)	18.30%	19.90%

- (d) Other Notes:

- (i) The expected rate of return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for the Plan Assets management.
- (ii) The actuarial valuation takes into account the estimates of future salary increases, inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The management has relied on the overall actuarial valuation conducted by the actuary.

**Note 40 Related Party Transactions:**

Sr. No.	Name of Related Parties	Nature of Relationship
1	Shri. Chandresh Parikh	Director and relative of Key Management Personnel
2	Mrs. Ilaben Parikh	Director and relative of Key Management Personnel
3	Shri. Rajesh Parikh	Director and relative of Key Management Personnel
4	Shri. Atil Parikh	Directors-Key Management Personnel
5	Mr. Narendra Patel	Chief Financial Officer -Key Management Personnel
6	Ms. Anuja K. Muley	Company Secretary -Key Management Personnel
7	Mr. Aditya Tillu	Company Secretary -Key Management Personnel (Form 01-09-2022)
8	20 Microns Limited	Holding Company
9	Silicate Minerals (I) Private Limited	Subsidiary Company with effect from May 29, 2018
10	20 MCC Private Limited	Common Director and the Subsidiary of the holding company with effect from August 23, 2018.
11	Eriez Industries Pvt Ltd	Director/s of the company are members in Eriez Industries Pvt Ltd
12	Dorfner-20 Microns Private Limited	Holding Company is a JV of Company

(₹ in Lakhs)

Sr. No.	Name of Related Party and nature of transactions	Relationship	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	<b>20 Microns Limited</b>	Holding Company		
a	Sales of Materials		294.34	294.63
b	Sale of Fixed Assets		695.43	.0
c	Service Provided		.0	3.96
d	Rent Paid		439.30	388.12
e	Rent Received		9.15	7.91
f	Purchase of Goods		257.87	87.78
g	Purchase of Fixed Assets		.0	.0
h	Royalty Paid		251.48	251.70
i	Reimbursement of Expenses (Expenses Net)		1.05	.0
j	Reimbursement of Expenses (Income Net)		.0	.0
k	Purchase of Share		.0	.0
l	Salary Deputation Received		.0	.0
m	Salary Deputation Paid		.0	5.32
n	Service Received		.0	.0
	Balance as period end			
	Trade Payables		462.95	1078.93

<b>2</b>	<b>20 MCC Pvt Limited</b>	Common Director		
a	Sales of Materials	and The subsidiary	3.46	.0
b	Purchase of Goods	holding company	.91	.10
c	Rent Paid		.02	.0
d	Rent Received		.0	.12
e	Job Work Charges Received		17.79	65.83
	Balance as period end			
	Trade Receivables		2.83	.06
<b>3</b>	<b>Dorfner-20 Microns Private Limited</b>	Holding Company is a JV of Company		
a	Sales of Materials		50.59	.0
	Rent Received		.12	.06
	Balance as period end			
	Trade Receivables		20.75	.07
<b>4</b>	<b>Compensation paid to Key Management Personnel:</b>			
	<b>Key Management Personnel</b>			
a	<b>Mr. Atil Parikh (Refer Note a below)</b>	Director and key		
	short-term employee benefits *	managemengt personnel	13.77	11.77
b	<b>Mrs. Anuja Muley (Refer Note a below)</b>	Company Secretary - Key		
	short-term employee benefits *	management Personnel	.0	.74
c	<b>Mr. Chandresh Parikh</b>	Director and relative of key		
	Interest Paid	management Personnel	.0	2.56
	Commission Paid		.0	.0
	Balance as period end		.0	27.56
d	<b>Mrs. Ilaben Parikh</b>	Director and relative of key		
	Interest Paid	management Personnel	2.81	.0
	Balance as period end		27.81	.0
e	<b>Mr. Rajesh Parikh</b>	Director and Key		
	Commission Paid	management Personnel	.0	.0
	Balance as period end		.0	.0
f	<b>Mr. Aditya Tillu</b>	Company Secretary - Key		
	short-term employee benefits *	management Personnel	1.97	.0
g	<b>Mr. Ram Devidayal</b>	Director and Key		
	Director Sitting Fees	management Personnel	2.20	2.40
h	<b>Mrs. Darsha Kikani</b>	Director and Key		
	Director Sitting Fees	management Personnel	2.20	2.40
i	<b>Mr. Sudhir Parikh</b>	Director and Key		
	Director Sitting Fees	management Personnel	1.20	1.00

**Notes :**

\*As the liability for gratuity are provided on actuarial basis for the Company as a whole, the amounts mentioned are exclusive of gratuity.

**Notes:**

The following are the list of Independent Directors with whom no transaction have been occurred during the period from April 01, 2022 to March 31, 2023 and Financial Year 2022-23 other than payment of sitting fees:

- Mr. Ram Devidayal
- Mr. Sudhir Parikh
- Mrs. Darsha Kikani

**Note 41**

**Segment Reporting**

The Company primarily operates in the segment of Micronized Minerals. The MD/CEO of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed.

Information about geographical areas

1. The Company does not have geographical distribution of revenue and hence entitywide disclosure is not applicable to the Company.
2. None of the company's assets are located outside India hence entitywide disclosure is not applicable to the Company.

Information about major customers

There is one customer to the company which accounts for more than 10% of aggregate sales. Net sales made to this customer amounts to ₹ 830.97 Lakhs.

**Note 41.1**

**RESEARCH AND DEVELOPMENT EXPENDITURE**

Details of Research and development expenses incurred during the year, debited under various heads of statement of profit and loss is given below:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Revenue expenditure</b>		
Raw Material Consumption	12.34	16.87
Employee benefit expenses	236.14	213.85
Other expenses		
- Analysis Charges	11.48	10.75
- Laboratory expenses	25.65	22.17
- Other Manufacturing expenses	49.18	73.10
- Repairs Plant & Machinery	3.72	13.44
- Stores & Spares Consumed	4.08	2.23
- Other Administration expenses	53.88	2.68
Depreciation	22.63	27.48
<b>Total</b>	<b>419.10</b>	<b>382.57</b>

**Note 42 Disclosure of IND AS 115 "Contract with Customers"**

**Contract Balances**

(₹ in Lakhs)		
Particulars	March 31, 2023	March 31, 2022
Trade receivables	952.42	1089.44
Contract Assets	Nil	Nil
Contract Liabilities	30.82	8.03

**Reconciliation of the amount of revenue recognised in the statement of profit and loss and contracted price**

(₹ in Lakhs)		
Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price	8806.31	8814.57
<b>Adjustments</b>		
Discounts	(1.15)	(.46)
<b>Revenue from contract with customers</b>	<b>8805.16</b>	<b>8814.12</b>

**Meaning of the terms:**

- Contract assets : Unbilled revenue if any. (not applicable in our case)
- Contract liabilities : Advance from customers.

#### Note 43 Lease

The Company has elected to apply the practical expedient to account for leases for which the lease term ends within 12 months of the date of initial application as short-term leases and low-value assets.

#### Note 43.1 Disclosures pursuant to Ind AS 116:

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

			(₹ in Lakhs)
Category of Right of use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
<b>Buildings</b>			
Balance as at April 01, 2021	199.39	128.26	
Additions	317.02	83.17	
Deletions	(97.86)	(81.09)	
<b>Balance as at March 31, 2022</b>	<b>418.55</b>	<b>130.35</b>	<b>288.20</b>
<b>Plant &amp; Machinery</b>			
Balance as at April 01, 2022	.0	.0	
Additions	113.76	21.67	
Deletions	.0	.0	
<b>Balance as at March 31, 2023</b>	<b>113.76</b>	<b>21.67</b>	<b>92.10</b>

The aggregate depreciation expense amounting to ₹ 104.84 Lakhs on ROU assets is included under Depreciation and Amortization Expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2023:

Particulars	(₹ in Lakhs)
Current lease liabilities	98.48
Non current lease liabilities	274.79

The following is the movement in lease liabilities during the year ended March 31, 2023:

Particulars	(₹ in Lakhs)
Balance as at April 01, 2022	76.01
Additions	415.59
Finance cost accrued	26.81
Deletions	18.97
Payment of lease liabilities	126.16
<b>Balance as at March 31, 2023</b>	<b>373.27</b>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	(₹ in Lakhs)
Less than one year	98.48
One to five years	274.79
More than five years	.0

Rental expense for short-term leases recognised in the Statement of Profit and Loss was ₹ 126.16 Lakhs for the year ended March 31, 2023.

**Note 44 Borrowing based on security of current assets**

(₹ in Lakhs)

Monthly	Name of Bank	Particulars of securities provided	Amount as per books of accounts	Amount as reported in Monthly return/statement	Amount of difference	Reason for material discrepancies
Apr-22	Bank of Baroda	Plot no 9,10 and 11 GIDC Industrial Area, Waghodia. Dist.Vadodara. Gujarat-391760	3028.05	3028.05	0.0	
May-22			3205.01	3205.01	0.0	
Jun-22			2898.50	2898.50	0.0	
Jul-22			2820.77	2820.77	0.0	
Aug-22			3690.99	3690.99	0.0	
Sep-22			3809.87	3809.87	0.0	
Oct-22			3339.77	3339.77	0.0	
Nov-22			3128.47	3128.47	0.0	
Dec-22			3051.34	3051.34	0.0	
Jan-23			3100.62	3100.62	0.0	
Feb-23			2960.41	2960.41	0.0	
Mar-23			2739.78	2817.39	(77.61)	Related party Amounting ₹ 2354375, & Goods in Transit ₹ 10115523 in creditors not considered in Stock statement

**Note 45 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
1. Amount required to be spent by the company during the year	8.41	0.0
2. Amount of expenditure incurred	8.50	0.0
3. Shortfall/(Excess) at the end of the year	(0.09)	0.0
4. Total of previous years shortfall	0.0	0.0
5. Reason for shortfall	Not Applicable	Not Applicable
6. Nature of CSR activities	For helping blind and handicap people	
7. Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
8. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the should be shown separately	Not Applicable	Not Applicable

**Note 46 Ratios**

The ratios for the year ended March 31, 2023 and March 31, 2022 are as follows:

RATIOS	March 2023	March 2022
<b>Net worth (₹ In Lacs)</b>	4187	3677
(share Capital + Reserves and Surplus - Misc exp not written off)		
<b>Current Ratio</b>	1.4	1.2
(current assets/(currentliability+ deferred payment credit)		
<b>Quick Ratio</b>	0.6	0.4
(current assets- inventories)/(currentliability+ deferred payment credit)		
<b>Debt Equity Ratio</b>	0.5	0.4
(short term + long term borrowing)/Net Worth		

RATIOS	March 2023	March 2022
<b>Book Value per share ₹</b> (share Capital + Reserves and Surplus)/no of shares	46.7	41.0
<b>Earning Per share ₹</b> (net profit/no of shares)	5.7	5.7
<b>Net Profit Ratio</b> (net profit/Sales)	6%	6%
<b>Debt Service Coverage ratio</b> (EBDITA /Interest expense)	4.3	4.9
<b>Return On Net worth</b> (net profit/net worth*100000)	0.12	0.14
<b>Return On Investment</b> (net profit+interest & finance cost)/total assets	0.1	0.1
<b>Assets Turnover Ratio</b> (sales gross/gross block)	3.1	3.0
<b>Inventory Turnover Ratio</b> (sales gross/Inventory)	3.1	2.3
<b>Trade Receivable Turnover Ratio</b> (sales gross/Trade Receivables)	9.2	8.1
<b>Trade Payable Turnover Ratio</b> (purchases/Trade Payables)	0.0	0.0
<b>Return on Capital Employed</b> (EBDITA /(Total Assets-Curr Liab)	0.2	0.3

#### Note 47 Additional Disclosures

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The title deeds of immovable properties which are disclosed in financial statements (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- The Company has no transactions with the companies struck off under Companies Act, 2013.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The Company is not declared wilful defaulter by Bank or Financial Institution.
- The Company has not witnessed any delay in filing of registration of Charges.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

#### Note 48 Previous year figures

Previous year's figures have been regrouped or reclassified wherever necessary to confirm to the current period's presentation.

#### Significant Accounting Policies and Notes are an Intergal Part of the Financial Statements.

As per our report attached.

#### As per our report attached

##### For N C Vaishnav & Co.

FRN - 112712W

Chartered Accountants

##### CA. Jayesh Mehta

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

#### For 20 Microns Nano Minerals Limited

##### Rajesh C. Parikh

Director

DIN 00041610

##### N R Patel

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

##### Atil C. Parikh

Managing Director

DIN 00041712

##### Aditya M. Tillu

Company Secretary

Membership # A-69312

## **CONSOLIDATED INDEPENDENT AUDITOR'S REPORT**

**To the Members of 20 Microns Nano Minerals Limited**

**Report on the Audit of the Consolidated Financial Statements**

### **Auditor's Opinion**

We have audited the accompanying consolidated financial statements of **20 Microns Nano Minerals Limited** ("the Parent") and its subsidiary (the Parent and its subsidiaries together referred to as the "Group"), which comprises the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

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

### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 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.

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

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

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

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

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

### **Management's Responsibility for the Consolidated Financial Statement**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India, including the accounting Standards (IND AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated IND AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. 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 account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements in Note No. 36.
  - II. The Group 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's education and protection fund by the Group.

**For N C Vaishnav & Co.**  
**Chartered Accountants**  
**FRN – 112712W**

**CA Jayesh Mehta**  
**Partner**  
**M.No. 037267**  
**UDIN : 23037267BGUENH4042**

**Place : Vadodara**  
**Date : May 16, 2023**

## ANNEXURE A

### THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF 20 MICRONS NANO MINERALS LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **20 Microns Nano Minerals Limited** (hereinafter referred to as the "Parent") and its subsidiary company, which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company are responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the Parent and its subsidiary company on the internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Parent and its subsidiary company have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For N C Vaishnav & Co.  
Chartered Accountants  
FRN – 112712W

CA Jayesh Mehta  
Partner

M.No. 037267

UDIN : 23037267BGUENH4042

Place : Vadodara  
Date : May 16, 2023

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED BALANCE SHEET for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes No.	As at March 31, 2023 Audited	As at March 31, 2022 Audited
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
Property, plant and equipment	3	2003.46	2101.40
Capital work in progress	3	40.70	30.41
Right of Use Assets	4	380.30	71.12
Intangible assets	4	2.60	5.25
Intangible assets under development	4	5.15	5.15
Goodwill on Consolidation		2.16	2.16
Financial assets			
Investments	5	.0	.0
Other financial assets	6	165.53	64.54
Tax Assets (Net)	23	78.19	75.99
Other non-current assets	7	186.95	186.95
<b>Total Non-Current Assets</b>		<b>2865.05</b>	<b>2542.98</b>
<b>2 Current assets</b>			
Inventories	8	3067.55	4120.26
Financial Assets			
Investments			
Trade receivables	9	952.42	1089.44
Cash and cash equivalents	10	46.99	39.76
Bank balances other than (ii) above	11	793.46	87.72
Loans	12	5.79	4.87
Other current assets	13	370.34	505.92
<b>Total Current Assets</b>		<b>5236.55</b>	<b>5847.98</b>
<b>TOTAL ASSETS</b>		<b>8101.60</b>	<b>8390.96</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity share capital	14	897.00	897.00
Other Equity	15	3207.39	2699.12
<b>Total equity</b>		<b>4104.39</b>	<b>3596.13</b>
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	16	59.58	106.51
Lease Liabilities	16a	274.79	23.46
Deferred tax liabilities (Net)	17	199.79	256.14
<b>Total Non-Current Liabilities</b>		<b>534.16</b>	<b>386.10</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	18	1680.62	1093.53
Trade payables	19	1104.89	2711.84
Total outstanding dues of micro enterprises and small enterprises.		50.34	34.67
Total outstanding dues of creditors other than micro enterprises and small enterprises.		1054.55	2677.16
Lease Liability	16a	98.48	52.55
Other financial liabilities	20	357.26	393.66
Other current liabilities	21	148.23	145.12
Provisions	22	73.57	12.04
<b>Total Current Liabilities</b>		<b>3463.05</b>	<b>4408.73</b>
<b>Total liabilities</b>		<b>3997.21</b>	<b>4794.83</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8101.60</b>	<b>8390.96</b>
See accompanying notes to the financial statements			

As per our report attached

For N C Vaishnav & Co.

FRN - 112712W

Chartered Accountants

CA. Jayesh Mehta

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

For 20 Microns Nano Minerals Limited

Rajesh C. Parikh

Director

DIN 00041610

N R Patel

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

Atil C. Parikh

Managing Director

DIN 00041712

Aditya M. Tillu

Company Secretary

Membership # A-69312

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2023**

(₹ in Lakhs)

Particulars	Notes No.	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Revenue</b>			
Revenue from Operations	24	8805.32	8814.72
Other income	25	240.32	45.69
<b>Total Income</b>		<b>9045.63</b>	<b>8860.41</b>
<b>Expenses</b>			
Cost of materials consumed	26	5011.83	5098.39
Purchase of Stock In Trade	27	12.89	19.53
Changes in inventories of Finished Goods	28	39.65	(149.08)
Employee Benefits Expenses	29	944.57	817.75
Finance Costs	30	264.79	219.78
Depreciation and Amortization Expenses	31	197.66	156.40
Other Expenses	32	1890.57	1999.84
<b>Total Expenses</b>		<b>8361.95</b>	<b>8162.60</b>
Profit Before Exceptional Items and Tax		683.68	697.81
<b>Profit Before Tax</b>		<b>683.68</b>	<b>697.81</b>
<b>Tax expense:</b>			
Current Tax	33	215.89	171.66
Adjustment for earlier tax expense	33	14.47	-
Deferred Tax	33	(57.90)	14.31
<b>Profit for the year</b>		<b>511.22</b>	<b>511.84</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plan	34	(2.00)	(1.57)
Tax on above	34	.50	.39
B. (i) Items that will be reclassified to profit or loss			
(ii) Income tax related to items that will be reclassified to profit or loss			
(Loss)/gain on FVOCI equity investment	34	.0	.0
Tax on above	34	.0	.0
<b>Total other comprehensive income</b>		<b>(1.50)</b>	<b>(1.17)</b>
<b>Total comprehensive income for the year</b>		<b>509.72</b>	<b>510.67</b>
Earnings per equity share of FV of ₹ 10 each			
Basic	35	5.70	5.71
Diluted	35	5.70	5.71
<b>See accompanying notes to the financial statements</b>			

As per our report attached

**For N C Vaishnav & Co.**

FRN - 112712W

Chartered Accountants

**CA. Jayesh Mehta**

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

**For 20 Microns Nano Minerals Limited**

**Rajesh C. Parikh**

Director

DIN 00041610

**N R Patel**

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

**Atil C. Parikh**

Managing Director

DIN 00041712

**Aditya M. Tillu**

Company Secretary

Membership # A-69312

## CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	683.68	697.81
<b>Adjustments for:</b>		
Depreciation and amortisation	197.66	156.40
Profit on sale/disposal of Property, plant and equipment	(174.28)	(4.14)
Loss on Fixed Asset discarded	2.02	.0
(Gain)/Loss on Derecognition of Lease assets and Liabilities	(4.70)	.0
(Gain)/Loss on Derecognition of Lease assets and Liabilities	16.77	.0
Liability/Provision no longer required written back	(7.08)	(8.00)
Bad Debts Written Off	4.03	.0
Provision for Doubtful Debts (Trade Receivables)	.11	(.24)
Interest Income	(32.41)	(17.09)
Interest Paid	264.79	219.78
<b>Operating Profit before Working Capital Changes</b>	<b>950.59</b>	<b>1044.52</b>
<b>Adjustments for changes in Working Capital</b>		
(Increase)/Decrease in Trade Receivables	132.88	(237.89)
(Increase)/Decrease in Other - Non Current Assets	.0	200.57
(Increase)/Decrease in Other financial assets-Non-current	(100.99)	10.23
(Increase)/Decrease in Short Terms Loans and Advances	(.92)	3.56
(Increase)/Decrease in Other Current Assets	135.58	(193.28)
(Increase)/Decrease in Other financial assets-Current	(705.74)	(2.39)
(Increase)/Decrease in Inventories	1052.72	(1665.15)
<b>Changes in Trade and Other Receivables</b>	<b>513.53</b>	<b>(1884.35)</b>
Increase/(Decrease) in Trade Payables	(1599.87)	1117.05
Increase/(Decrease) in Other financial liability except current maturity of long term debt	(4.55)	(2.88)
Increase/(Decrease) in Other current Liabilities	3.11	28.12
Increase/(Decrease) in Short-term provisions	59.52	(11.24)
Increase/(Decrease) in Other financial liabilities -Non- Current	428.13	43.96
<b>Changes in Trade and Other Payables</b>	<b>(1113.66)</b>	<b>1175.00</b>
<b>Cash Generated from Operations</b>	<b>350.46</b>	<b>335.18</b>
Income tax paid (Net of refunds)	232.57	188.27
<b>Net Cash from Operating Activities</b>	<b>117.89</b>	<b>146.91</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of Assets	696.51	65.80
Purchase of Assets	(957.55)	(216.09)
Interest Received	32.41	17.09
Sale of Investments	.60	-
<b>Net Cash used in Investing Activities</b>	<b>(228.03)</b>	<b>(133.21)</b>

**CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2023 [Contd.]**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from /(Repayment of) Long-term borrowings (Net)	(31.85)	281.75
Proceeds from Short-term borrowings	1142.34	299.85
Repayment of Long-term borrowings (Secured and Unsecured)	(46.92)	(83.18)
Repayment of Short-term borrowings (Secured and Unsecured)	(555.24)	(196.07)
Interest Paid	(264.79)	(219.78)
Lease payments	(126.16)	(69.49)
<b>Net Cash from Financing Activities</b>	<b>117.37</b>	<b>13.08</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)</b>	<b>7.23</b>	<b>26.78</b>
Cash and Cash Equivalents at the beginning of the year	39.76	12.98
Cash and Cash Equivalents at the end of the year	46.99	39.76
<b>Closing Cash and Cash Equivalents comprise:</b>		
Cash in hand	-	-
Balance in Current and Savings Account	46.99	39.76
<b>Total</b>	<b>46.99</b>	<b>39.76</b>

**Notes to Cash Flow Statement:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard IND AS - 7 on Cash Flow Statements.
- Purchase of fixed assets are stated inclusive of movements of capital work in progress, assets under development and capital advances.
- Previous year figures have been regrouped and reclassified wherever considered necessary to conform to the current year's figures.
- In Part A of the cash flow statement, figures in brackets indicate deductions made from the Net Profit for deriving the Net cash flow from operating activities. In Part B and Part C, figures in bracket indicate cash-outflow.

**(V) Disclosure pursuant to Ind AS 7 on "Statement of Cash Flows"**

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities and financial assets arising from financial activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities and financial assets arising from financing activities, to meet the disclosure requirement.

(₹ in Lakhs)

For the year ended March 31, 2023	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
Short Term Borrowings	1093.53	586.14	.95	1680.62
Long Term Borrowings (including Current maturities)	494.71	(78.77)	.0	415.93
Bank Balances other than Cash and Cash Equivalents	87.72	705.74	.0	793.46

**Significant Accounting Policies and Notes are an Integral Part of the Financial Statements.**

**As per our report attached**

**For N C Vaishnav & Co.**

FRN - 112712W

Chartered Accountants

**CA. Jayesh Mehta**

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

**For 20 Microns Nano Minerals Limited**

**Rajesh C. Parikh**

Director

DIN 00041610

**N R Patel**

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

**Atil C. Parikh**

Managing Director

DIN 00041712

**Aditya M. Tillu**

Company Secretary

Membership # A-69312

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SOCIE) for the year ended March 31, 2023

### (a) Equity share capital

(₹ in Lakhs)

Equity shares of ₹ 10/- each issued, subscribed and fully paid up	No. of Shares	Amount
Balance at the beginning of the reporting period	89,70,020	897.00
Changes in equity share capital during the year	.0	.0
<b>As at March 31, 2022 and March 31, 2022</b>	<b>89,70,020</b>	<b>897.00</b>

### (b) Other equity

(₹ in Lakhs)

Particulars	Attributable to the equity holders of the Company			
	Security Premium account	Retained Earning	Other Comprehensive Income (Equity Instrument through Other Comprehensive Income)	Total Other Equity
<b>Balance at April 1, 2020 (A)</b>	<b>336.74</b>	<b>1720.99</b>	<b>70.13</b>	<b>2127.86</b>
Correction of Error (Refer Note 44)	-	-	-	-
Share issue expenditure	(1.95)	-	-	(1.95)
Profit for the year	-	137.64	.0	137.64
Other comprehensive income for the year, net of tax	-	1.50	(74.65)	(73.15)
<b>Less : Appropriations</b>				
Dividends	-	-	-	-
Corporate Tax on Dividends	-	-	-	-
<b>Balance at March 31, 2021 (B)</b>	<b>334.79</b>	<b>1860.14</b>	<b>(4.52)</b>	<b>2190.40</b>
Share issue expenditure	(1.95)	.0	.0	(1.95)
Profit for the year	.0	511.84	.0	511.84
Other comprehensive income for the year, net of tax	.0	(1.17)	.0	(1.17)
<b>Balance at March 31, 2022 (C)</b>	<b>332.84</b>	<b>2370.81</b>	<b>(4.52)</b>	<b>2699.12</b>
Share issue expenditure	(.58)	-	-	(.58)
Profit for the year	-	511.22	-	511.22
Other comprehensive income for the year, net of tax	-	(1.50)	4.52	3.02
Add/less: Loss on sale of transfer	-	(5.40)	-	(5.40)
<b>Balance at March 31, 2023 (D)</b>	<b>332.26</b>	<b>2875.13</b>	<b>.0</b>	<b>3207.39</b>

#### As per our report attached

#### For N C Vaishnav & Co.

FRN - 112712W

Chartered Accountants

#### CA. Jayesh Mehta

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

#### For 20 Microns Nano Minerals Limited

#### Rajesh C. Parikh

Director

DIN 00041610

#### N R Patel

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

#### Atil C. Parikh

Managing Director

DIN 00041712

#### Aditya M. Tillu

Company Secretary

Membership # A-69312



## CONSOLIDATED STATEMENTS OF SIGNIFICANT ACCOUNTING POLICIES ON ACCOUNTS for the year ended March 31, 2023

### Note 1 Corporate Information & Basis of Consolidation

20 Microns Nano Mineral Limited ("Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 9 – 10, GIDC, Waghodia, Vadodara – 391760, Gujarat, India.

20 Microns Nano Mineral Limited ("Company") and its subsidiary (collectively referred as "The Group"). The Group is engaged in processing and selling of Specialty Chemicals (Functional Additives -FA and Chemically Modified Minerals –CMM), Soft Minerals (SM) and Hard Minerals (HM) and are used in industries such as paints and coatings, printing inks, plastics and polymers, rubber, ceramics, foundry, paper, adhesives, cosmetics, construction, agro chemicals, chemical and pharmaceuticals, textile, oil-well drilling, filtration.

The reporting currency is Indian Rupees (INR) in Lakhs and amounts are rounded off to the nearest decimals thereof.

#### Basis of Consolidation:

The Company consolidates the entity which is controlled by it. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Group's separate financial statements.

#### Particulars of Consolidation:

The lists of Subsidiary Companies as at March 31, 2023 are as under:

Company	Year End	Country of Incorporation	Proportion of Ownership
Silicate Minerals (I) Private Limited	March 31	India	100%

### Note 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of Preparation of Financial Statements

##### 2.1.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

##### 2.1.2 Historical Cost Convention

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

#### 2.2 Use of Estimates and Judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the accompanying disclosures and the disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

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

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 33 :- Current/deferred tax expense

Note 36 :- Contingent liabilities and assets

Note 9 :- Expected credit loss for receivables

Note 39 :- Measurement of defined benefit obligations

## 2.3 Property, Plant and Equipment

An item of Property, plant and equipment that qualifies as an assets is measured at their cost. Following initial recognition, items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines the cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent expenditures, including replacement costs where applicable, incurred for an item of Property plant and equipment are added to its books value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

## 2.4 Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development and are carried at cost. Cost includes related acquisition expenses, development/construction costs, borrowing costs and other direct expenditure.

## 2.5 Investment Properties

Investment properties comprises of Immovable Property that are held for rental yield and/or capital appreciation.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

## 2.6 Intangible Assets

Intangible asset is recognized only where it is probable that future economic benefits attributable to the asset will accrue to the enterprise and cost can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Acquired Intangible Assets in the form of "Process Know How" is recognized at the cost of acquisition and amortized on straight line basis over a period of five years, depending on their estimated useful life.

Research and development:

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development activities involve a plan or design for the production

of new or substantially improved products and processes. An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable;
- and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is recognised in the statement of Profit and Loss when the asset is derecognised.

#### **Mining Lease Right**

Company has acquired mining lease rights under agreement with the state government of Andhra Pradesh ("government").

The costs of mining properties and leases, during exploration and evaluation stage, which include the costs of acquiring and developing mining properties and mineral rights, are capitalized as property, plant and equipment under the heading 'Mining Lease Rights' in the year in which they are incurred. Until the company receives approval from the government for mining, these assets are classified as capital work in progress. During this exploration and evaluation stage, mining expenditure is subjected to impairment review on an event of indication of impairment and any impairment loss is recognized in profit and loss prior to stage of reclassification (from capital work in progress to cost of mining property)

After the approval is received from the government for mining, all expenditure incurred till that stage is transferred from capital work in progress and capitalized. The same is amortized on straight line method over a period of mining lease agreement with the government.

Mining property, within the period of mining lease agreement, is subjected to annual impairment review. Any impairment loss is immediately recognized in profit and loss.

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

- (i) Acquisition costs – costs associated with acquisition of licenses and rights to explore, including related professional fees.
- (ii) General exploration costs – costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defense clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.
- (iii) Costs of exploratory drilling and equipping exploratory and appraisal wells.

#### **2.7 Depreciation and amortisation methods, estimated useful lives and residual values**

Depreciation is recognised to write off the cost of assets (other than freehold land and Capital work-in- progress) less their residual values on straight-line method over their useful lives of the assets.

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

Based on management estimate, residual value of 5% is considered for respective tangible assets except Lease hold land.

Intangible assets are amortized over their individual estimated useful lives on a Straight-Line basis, commencing from the year in which the same are available to the company for its intended use. The useful lives as estimated by the management for the intangible assets are as follows:

- |   |         |
|---|---------|
| a) Process Know How (Product Development) | 5 Years |
| b) Mine Development                       | 5 Years |

Cost of lease-hold land is amortized equally over the period of lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively if appropriate.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Investment properties are depreciated based on the useful life prescribed in Schedule II to the Companies Act, 2013.

## 2.8 Impairment of non-financial assets

At the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

## 2.9 Revenue recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue includes only the gross inflows of economic benefits, including excise duty, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as Goods and Service Tax, Sales Tax and Value Added Tax are excluded from revenue.

Revenue from sale of products is recognized when the Company transfers all the significant risks and rewards of ownership to the buyer, while the company retains neither continuing managerial involvement nor effective control over the product sold. No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods, amount of sale can be measured reliably, and the cost incurred and to be incurred can be measured reliably.

Export benefits available under the prevalent schemes are recognized when there exists no significant uncertainty regards to its realisation.

Interest is recognised using Effective Interest Rate method as set out in Ind AS 109.

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

Royalty income is recognised on accrual basis in accordance with the substance of the agreement.

Investment property rental income is recognised as revenue on accrual basis as per the terms of the underlying contract with customers.

Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

## 2.10 Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings –interest bearing loans are subsequently measured at amortised cost by using the effective interest method (EIR method). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method (EIR). The EIR Amortization is included as Finance Costs in the statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be draw down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is deferred as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or other expenses as well as through the EIR amortization process.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

## 2.11 Borrowing Cost

The Company is capitalising general and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Expenses incurred in connection with the arrangement of specific borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## 2.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 2.12.1 Financial Asset

#### Initial Recognition

A financial asset or a financial liability is recognised in the balance sheet only when, the Company becomes party to the contractual provisions of the instrument.

#### Initial Measurement

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### Subsequent Measurement

For purpose of subsequent measurement, financial assets are classified into:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above-mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- The assets contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

#### Equity Investments:

All equity investments in scope of Ind AS 109 are measured at fair value except investment in Subsidiary. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity investments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

#### **Investments in subsidiary:**

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

#### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1. The contractual rights to the cash flows from the financial asset have expired, or
2. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - The Company has transferred substantially all the risks and rewards of the asset, or
  - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of Financial Assets**

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.



- Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

## **2.12.2 Financial Liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **Subsequent measurement**

- Financial liabilities measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

### **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### **Loan and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## **2.12.3 Offsetting financial instruments**

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

## **2.13 Fair Value**

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The management comprises of the Managing Director and Chief Financial Officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes. (refer note 37)

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

## 2.14 Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.



## 2.15 Foreign Currency Transactions

### 2.15.1 Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

### 2.15.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

## 2.16 Employee Benefits

Employees Benefits are provided in the books as per Ind AS -19 on "Employee Benefits" in the following manner:

### 2.16.1 Post-Employment Benefit Plans

#### Defined Contribution Plan

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company does not carry any other obligation apart from the monthly contribution.

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

#### Defined Benefit Plans

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

### 2.16.2 Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits includes salary and wages, bonus, incentive and ex-gratia and also includes accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

## 2.17 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

##### (A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

**Subsequent measurement**

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

**Impairment**

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

**Short term Lease:**

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

**As a lessor**

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

**Transition to Ind AS 116**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard prospectively to its leases.

## 2.18 Taxation

Tax expenses is the aggregate amount of current tax i.e. amount of tax for the period determined in accordance with the Income Tax Law and deferred tax (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

### 2.18.1 Current Tax

The current tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

## **2.18.2 Deferred Taxes**

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred taxes are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## **2.19 Earnings Per Share**

### **Basic 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 period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

### **Diluted earnings per share**

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.

## **2.20 Provisions, Contingent Liabilities and Contingent 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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision for contractual obligation is disclosed based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for and if material, are disclosed by way of notes to financial statements.

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 in financial statements since this may result in the recognition of income that may never be realised. However, Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

## 2.21 Segment Reporting

The Company primarily operates in the segment of Micronized Minerals. The Managing Director of the Company allocate resources and assess the performance of the Company; thus, they are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed.

## 2.22 Cash Equivalents

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2.23 Statement of Cash Flows

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

## 2.24 Dividend to Equity Shareholders of the Company

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## 2.25 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 101 – First Time Adoption of Indian Accounting Standards

Ind AS 12– Income Taxes

Ind AS 102– Share Based Payments

Ind AS 103– Business Combinations

Ind AS 107– Financial Instruments: Disclosures

Ind AS 109– Financial Instruments

Ind AS 115– Revenue from Contracts with Customers

Ind AS 1– Presentation of Financial Statements

Ind AS 8– Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 34– Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## As at March 31st, 2023

## Note 3 Property, Plant and Equipment (PPE)

(₹ in Lakhs)

Particulars	Property, Plant and Equipment (PPE)									Total	Capital Work in progress (CWIP)	Exploration intangible assets under development	Grand Total
	Freehold land	Lease Hold Land	Office Building	Factory Building	Plant & Machinery	Furniture and fixtures	Office equipments	Computer Equipments	Vehicles				
Gross Block													
As at April 1, 2020	23.75	891.27	99.91	239.54	1310.03	84.89	16.46	13.32	117.01	2796.16	.0	11.47	2807.64
Additions	.0	.0	.0	9.23	68.17	.0	.0	1.34	.0	78.75	60.00	.0	138.75
Disposals/ Adjustments	.0	.0	.0	.0	(122.64)	.0	.0	(.72)	(21.44)	(144.80)	.0	(6.32)	(151.12)
As at April 1, 2021	23.75	891.27	99.91	248.77	1255.56	84.89	16.46	13.94	95.57	2730.11	60.00	5.15	2795.26
Additions	.0	.0	.0	23.40	126.72	.0	.41	1.63	.0	152.15	30.41	.0	182.56
Disposals/ Adjustments	.0	.0	.0	.0	(.62)	.0	.0	.0	(23.30)	(23.92)	(60.00)	.0	(83.92)
As at March 31, 2022	23.75	891.27	99.91	272.17	1381.66	84.89	16.87	15.57	72.28	2858.34	30.41	5.15	2893.91
Additions	.0	40.45	15.79	128.72	311.72	1.17	1.01	9.62	8.00	516.48	40.70	.0	557.18
Disposals/ Adjustments	.0	(559.56)	(.90)	.0	(17.16)	(8.06)	(5.40)	(9.98)	.0	(601.07)	(30.41)	.0	(631.48)
As at March 31, 2023	23.75	372.15	114.79	400.89	1676.21	78.00	12.48	15.20	80.28	2773.76	40.70	5.15	2819.61
Accumulated depreciation, depletion, amortisation and impairment													
As at April 1, 2020	.0	43.45	13.20	57.57	351.14	65.67	15.30	11.53	56.31	614.17	.0	.0	614.17
Charge for the year	.0	11.40	1.68	7.56	62.84	7.58	.10	.44	10.30	101.90	.0	.0	101.90
Disposals/ Adjustments	.0	.0	.0	.0	(20.68)	.0	.0	(.66)	(12.58)	(33.93)	.0	.0	(33.93)
As at April 1, 2021	.0	54.85	14.88	65.12	393.29	73.25	15.40	11.31	54.03	682.13	.0	.0	682.13
Charge for the year	.0	11.40	1.57	8.00	60.11	6.59	.13	.78	8.48	97.07	.0	.0	97.07
Disposals/ Adjustments	.0	.0	.0	.0	(.12)	.0	.0	.0	(22.13)	(22.26)	.0	.0	(22.26)
As at March 31, 2022	.0	66.25	16.45	73.13	453.28	79.84	15.53	12.09	40.37	756.94	.0	.0	756.94
Charge for the year	.0	7.46	2.23	9.06	58.45	.34	.25	3.53	8.86	90.17	.0	.0	90.17
Disposals/ Adjustments	.0	(38.40)	(.85)	.0	(15.30)	(7.66)	(5.13)	(9.48)	.0	(76.82)	.0	.0	(76.82)
As at March 31, 2023	.0	35.32	17.83	82.18	496.43	72.52	10.65	6.13	49.24	770.30	.0	.0	770.30
Net Book Value													
As at April 1, 2020	23.75	847.82	86.71	181.97	958.90	19.21	1.17	1.78	60.70	2182.00	.0	11.47	2193.47
As at April 1, 2021	23.75	836.42	85.03	183.65	862.27	11.63	1.06	2.62	41.55	2047.98	60.00	5.15	2113.13
As at March 31, 2022	23.75	825.01	83.45	199.04	928.38	5.05	1.34	3.47	31.90	2101.40	30.41	5.15	2136.96
As at March 31, 2023	23.75	336.83	96.96	318.71	1179.79	5.48	1.83	9.07	31.04	2003.46	40.70	5.15	2049.31

Note 3.1 Impairment of Assets : Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE.

Note 3.2 Security Pledge of Assets : Refer to Note 16 on borrowings for details in terms of pledge of assets as security.

Note 3.3 Refer to note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 3.4 There is no restriction on the title of property, plant and equipments.

Note 3.5 Payment made in respect of acquiring Mining Lease Rights and other related expenditure are included under Intangible Assets under Development.

#### Note 4

#### Intangible assets and Right of Use Assets

(₹ in Lakhs)

Particulars	Intangible assets		Total	Right of Use Assets
	Product Development	Mining Development Expense		
Gross Block				
As at April 1, 2020	158.72	30.17	188.90	141.73
Additions	.0	.0	.0	24.13
Disposals/ Adjustments	(117.30)	.0	(117.30)	.0
As at April 1, 2021	41.43	30.17	71.60	165.86
Additions	.0	.0	.0	33.53
Disposals/ Adjustments	.0	.0	.0	.0
As at March 31, 2022	41.43	30.17	71.60	199.39
Additions	.0	.0	.0	430.79
Disposals/ Adjustments	(41.43)	(16.95)	(58.38)	(97.86)
<b>As at March 31, 2023</b>	<b>.0</b>	<b>13.22</b>	<b>13.22</b>	<b>532.31</b>
Accumulated amortisation and impairment				
As at April 1, 2020	135.58	19.64	155.22	14.66
Charge for the year	22.30	2.64	24.95	56.92
Disposals/ Adjustments	(116.46)	.0	(116.46)	.0
As at April 1, 2021	41.43	22.28	63.71	71.58
Charge for the year	.0	2.64	2.64	56.68
Disposals/ Adjustments	.0	.0	.0	.0
As at March 31, 2022	41.43	24.93	66.35	128.26
Charge for the year	.0	2.64	2.64	104.84
Disposals/ Adjustments	(41.43)	(16.95)	(58.38)	(81.09)
<b>As at March 31, 2023</b>	<b>.0</b>	<b>10.62</b>	<b>10.62</b>	<b>152.02</b>
Net Book Value				
As at April 1, 2020	23.14	10.54	33.68	127.07
As at April 1, 2021	.0	7.89	7.89	94.28
As at March 31, 2022	.0	5.25	5.25	71.12
<b>As at March 31, 2023</b>	<b>.0</b>	<b>2.60</b>	<b>2.60</b>	<b>380.30</b>

Note 4.1 Product Development is in respect of expenditure incurred for in house development of of product and recognised as intangible asset. The useful life of the product development is taken 5 years.

Note 4.2 Impairment of Assets : There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of intangible assets.

Note 4.3 There is no restriction on the title of intangible assets.

#### Note 3 Capital Work in Progress

#### Capital work-in-progress ageing schedule for the year ended March 31, 2023 and March 31, 2022

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	40.70	.0	.0	.0	40.70
	(30.41)	.0	.0	.0	(30.41)
Projects temporarily suspended	.0	.0	.0	.0	.0
	.0	.0	.0	.0	.0
<b>Total CWIP</b>	<b>40.70</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>	<b>40.70</b>
	<b>(30.41)</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>	<b>(30.41)</b>

Figures in brackets represent previous year figures

**Note 4 Intangible assets under development (IUAD)**

**Intangible asset under development (IAUD) ageing schedule for the year ended March 31, 2023 and March 31, 2022**

(₹ in Lakhs)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	0.0	0.0	0.0	5.15	5.15
	0.0	0.0	0.0	(5.15)	(5.15)
Projects temporarily suspended	0.0	0.0	0.0	0.0	0.0
	-	-	-	-	0.0
<b>Total IAUD</b>	-	-	-	5.15	5.15
	-	-	-	(5.15)	(5.15)

**Note 5 Non-current financial assets : Investments**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unquoted :</b>		
<b>In other company through FVTOCI</b>		
DMC Pvt. Ltd. (Formerly known as Dispersive Minerals & Chemicals India Limited) - F.Y. Nil (P.Y. 60,000 shares @ 10/- each)	-	-
<b>Total</b>	-	-
(a) Aggregate amount of quoted investments and market value thereof;	Nil	Nil
(b) Aggregate amount of unquoted investments; and	.0	.0
(c) Aggregate amount of impairment in value of investments.	Nil	Nil

**Note 6 Other Financial Assets**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Bank Deposits with more than 12 months maturity</b>		
Deposits (Liquid Asset on Public Deposits) statutorily required as Companies Act 2013	78.00	.0
Margin Money deposits under lien against Bank Guarantee	27.10	.0
Balance with Banks	3.15	2.56
Security and other deposits [Unsecured, considered good]	57.29	61.99
<b>Total</b>	<b>165.53</b>	<b>64.54</b>

**Note 7 Other non-current assets**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance for Capital Expenditure [Unsecured, considered good]	186.95	186.95
<b>Total</b>	<b>186.95</b>	<b>186.95</b>

**Note 8 Inventories\***

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	2173.17	2782.30
Goods in Transit	101.16	438.20
Finished Goods	564.21	639.16
Stock in trade	73.12	37.82
Stores and Spares	155.89	222.79
<b>Total</b>	<b>3067.55</b>	<b>4120.26</b>

\* For Valuation- Refer note 2.15

\*\*Refer to Note 18 on borrowings for details in terms of pledge of assets as security.



#### Note 9 Current financial assets : Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered Good	987.30	1124.78
Less: Provision for Expected Credit Loss	(34.88)	(35.34)
<b>Total</b>	<b>952.42</b>	<b>1089.44</b>

9.1 Trade Receivable from Subsidiary of the holding company 20 MCC Pvt Limited is ₹ 2.83 lakhs (P.Y. 0.06 lakhs) and Dorfner - 20 Microns Limited - 20.71 lakhs (P.Y. 0.07 lakhs)

#### Trade receivables ageing schedule as at March 31, 2023 and March 31, 2022

(₹ in Lakhs)

Particulars	Less than 6 Months	6 Months - 1 Years	1-2 Years Years	2-3 Years	More than 3	Total
(i) Undisputed Trade Receivables – Considered Goods	950.58 (1089.61)	2.12 .0	.0 .0	.0 .0	.0 .0	952.70 (1089.61)
(ii) Undisputed Trade Receivables – Considered Doubtful	.0 .0	.0 .0	.0 .0	.0 .0	.0 .0	.0 .0
(iii) Disputed Trade Receivables – Considered Goods	.0 .0	.0 .0	.0 .0	.0 .0	.0 .0	.0 .0
(iv) Disputed Trade Receivables – Considered Doubtful	.0 .0	.0 (.57)	.0 (1.52)	.0 .0	34.60 (33.08)	34.60 (35.17)
<b>Total Trade Receivables</b>	<b>950.58 (1089.61)</b>	<b>2.12 (.57)</b>	<b>.0 (1.52)</b>	<b>.0 .0</b>	<b>34.60 (33.08)</b>	<b>987.30 (1124.78)</b>

Figures in brackets represent previous year figures

#### Note 10 Current financial assets : Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Balance with banks</b>		
Balance with banks - Current accounts	46.99	39.76
Cash on hand	.0	.05
<b>Total</b>	<b>46.99</b>	<b>39.76</b>

#### Note 11 Current financial assets : Other bank balances

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked unpaid dividend accounts (Refer Note -11.3 below)	.0	.0
Margin Money deposits under lien against Bank Guarantee (Refer Note -11.1 below)	17.08	14.42
Deposits (Refer Note -11.1 & 11.2 below)	776.38	73.30
<b>Total</b>	<b>793.46</b>	<b>87.72</b>

Note 11.1 : Bank deposits earns interest at fixed rate based on respective deposit rate.

Note 11.2 : The balance is held for Liquid Asset on Public Deposits as per the requirement under the Companies Act 2013.

Note 11.3 : The balances in unclaimed dividend accounts are not available for use by the Company and the money remaining unpaid will be deposited in the Investor Protection and Education Fund after the expiry of 7 years from the date they became due for payment. No amount is due at the end of the period for credit to Investor Protection and Education fund.



**Note 12 Current financial assets : Loans (including security deposits)**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to employees	5.79	4.87
<b>Total</b>	<b>5.79</b>	<b>4.87</b>

**Note 13 Current assets : Others**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Advances [Unsecured, considered good]</b>		
To Suppliers (Related parties 13.1)		
To Others	264.29	278.85
Prepaid Expenses	18.84	28.55
Insurance Claim Receivable	13.13	11.91
Balance with government authority	65.93	178.45
Sales Tax Paid Under Protest	8.14	8.14
<b>Total</b>	<b>370.34</b>	<b>505.92</b>

**Note 14 Share Capital**

Authorised, issued, subscribed, fully paid up share capital

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	2,00,00,000	2000.00	2,00,00,000	2000.00
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 10 each fully paid up	89,70,020	897.00	89,70,020	897.00
<b>Total</b>	<b>89,70,020</b>	<b>897.00</b>	<b>89,70,020</b>	<b>897.00</b>

**A. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Equity Shares of ₹ 10 each fully paid		Equity Shares of ₹ 10 each fully paid	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the period	89,70,020	897.00	89,70,020	897.00
Add: Shares issued during the period	-	.0	-	.0
Add: Shares bought back during the period	-	.0	-	.0
Less: Shares cancelled during the period	-	.0	-	.0
<b>Shares outstanding at the end of the period</b>	<b>89,70,020</b>	<b>897.00</b>	<b>89,70,020</b>	<b>897.00</b>

## B. Other Disclosures

### Terms/ rights attached to equity shares

Every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held for all matter submitted to vote in a shareholders meeting of the company.

Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion of the number of shares held to the total equity shares outstanding as on that date.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

## C. Shareholders holding more than 5 % of total share capital

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares of ₹ 10 each fully paid</b>				
20 Microns Limited (Holding Company)	87,20,000	97.21%	87,20,000	97.21%
<b>Total</b>	<b>87,20,000</b>	<b>97.21%</b>	<b>87,20,000</b>	<b>97.21%</b>

### Note 14.1

The Company has not bought back any equity shares, has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash and has not allotted bonus shares, for the period of five years immediately preceding March 31, 2023

## Note 15 Other Equity

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Reserves &amp; Surplus</b>		
<b>Securities Premium Account</b>		
Opening Balance	332.84	334.79
Add: received during the Period	.0	.0
Share issue expenditure	(.58)	(1.95)
<b>Closing Balance</b>	<b>332.26</b>	<b>332.84</b>
<b>Retained Earning</b>		
Opening balance	2370.81	1860.14
Profit for the year	511.22	511.84
Add: Remeasurements of post-employment benefit obligation, net of tax	(1.50)	(1.17)
Add/less: Loss on sale of transfer	(5.40)	.0
<b>Closing Balance</b>	<b>2875.13</b>	<b>2370.81</b>
<b>Less : Appropriations</b>		
<b>Equity Instrument through Other Comprehensive Income</b>		
Opening balance	(4.52)	(4.52)
Movement in OCI (Net) during the year	4.52	.0
<b>Closing Balance</b>	<b>.0</b>	<b>(4.52)</b>
<b>Total other equity</b>	<b>3207.39</b>	<b>2699.12</b>

**Note 16 Non-current financial liabilities : Borrowings**

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non-Current	Current*	Non-Current	Current*
<b>Secured</b>				
Vehicle Loans (Refer Note No. 16.1)	.0	.0	.0	.0
<b>Total secured borrowing [A]</b>	.0	.0	.0	.0
<b>Unsecured</b>				
Deposits - From Public & Members (Refer Note No. 16.2)	59.58	356.35	106.51	388.20
<b>Total unsecured borrowing [B]</b>	59.58	356.35	106.51	388.20
<b>TOTAL [A + B]</b>	<b>59.58</b>	<b>356.35</b>	<b>106.51</b>	<b>388.20</b>

\*Amount disclosed under the head "Current financial liabilities : Others" (Note 20)

The Company does not have any continuing defaults in repayment of loans and interest as at the reporting date.

**16.1** Vehicle Loans from Bank is secured against Respective Assets

**16.2 Unsecured Deposits**

<b>Effective Interest Rate</b>	<b>7.0% to 10%</b>
<b>Year</b>	<b>(₹ in Lakhs)</b>
2023-24	356.35
2024-25	93.20
2025-26	59.58

**Note 16a Lease Liabilities**

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non-Current	Current*	Non-Current	Current*
<b>Unsecured</b>				
Lease Liability	274.79	98.48	23.46	52.55
<b>Total</b>	<b>274.79</b>	<b>98.48</b>	<b>23.46</b>	<b>52.55</b>

**Note 17 Deferred tax Liabilities**

**(a) Deferred tax balances and movement for the year Ended March 31, 2023**

(₹ in Lakhs)

Particulars	Net balance April 1, 2022	Recognised in profit or loss	Recognised in OCI	Other	As at March 31, 2023
<b>Deferred tax Liabilities</b>					
Property, plant and equipment and Intangible Assets	309.70	(81.92)	.0	.0	227.79
Loans and borrowings	.94	(.8)	.0	.0	.86
Deferred Tax Asset On Carried Forward Losses	(18.06)	.0	.0	.0	(18.06)
Fair Valuation Of Investments	(1.48)	.0	1.48	.0	.0
Right to use assets	17.90	77.81	.0	.0	95.71
<b>Total</b>	<b>309.01</b>	<b>(4.18)</b>	<b>1.48</b>	<b>.0</b>	<b>306.30</b>
<b>Deferred tax asset</b>					
Employee benefits	.45	2.85	.50	.0	3.81
Tax credit	23.83	(23.83)	.0	.0	.0
Provisions	8.89	(.12)	.0	.0	8.77
Share issue expense	.58	.0	.0	(.58)	.0
Lease Liability	19.13	74.81	.0	.0	93.94
<b>Total</b>	<b>52.87</b>	<b>53.72</b>	<b>.50</b>	<b>(.58)</b>	<b>106.52</b>
<b>Net deferred tax Liabilities</b>	<b>256.14</b>	<b>(57.90)</b>	<b>.97</b>	<b>.58</b>	<b>199.79</b>

**(b) Deferred tax balances and movement for the year Ended March 31, 2022**

(₹ in Lakhs)

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Other	As at March 31, 2022
<b>Deferred tax Liabilities</b>					
Property, plant and equipment and Intangible Assets	296.32	13.38	.0	.0	309.70
Loans and borrowings	1.30	(.35)	.0	.0	.94
Deferred Tax Asset On Carried Forward Losses	(18.06)	.0	.0	.0	(18.06)
Fair Valuation Of Investments	(1.48)	.0	.0	.0	(1.48)
Right to use assets	23.73	(5.83)	.0	.0	17.90
<b>Total</b>	<b>301.81</b>	<b>7.20</b>	<b>.0</b>	<b>.0</b>	<b>309.01</b>
<b>Deferred tax asset</b>					
Employee benefits	.52	(.47)	.0	.0	.45
Tax credit	23.83	.0	.0	.0	23.83
Provisions	9.10	(.22)	.0	.0	8.89
Share issue expense	2.53	.0	.0	(1.95)	.58
Lease Liability	25.56	(6.43)	.0	.0	19.13
<b>Total</b>	<b>61.54</b>	<b>(7.11)</b>	<b>.39</b>	<b>(1.95)</b>	<b>52.87</b>
<b>Net deferred tax Liabilities</b>	<b>240.27</b>	<b>14.31</b>	<b>(.39)</b>	<b>1.95</b>	<b>256.14</b>

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**Note 18**

**Current financial liabilities : Borrowings**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured (Repayment on demand)</b>		
Loan from Banks (Cash credit / Bank Overdraft) (Refer Note 18.1)	1587.42	1032.43
<b>Unsecured</b>		
Deposits		
From Public and Members (Refer Note 16.2)	93.20	61.10
<b>Total</b>	<b>1680.62</b>	<b>1093.53</b>

**Details of Securities**

**Note 18.1 Secured (Repayable on demand and Rate of interest is BRRLR plus Strategic Premium Plus Concessional ROI- 9.45%)**

**Primary Security :** Hypothecation of entire current assets on 1st Charge basis.

**Collateral Security :** Exclusive Charge over Factory Land Building Plant and Machinery

Corporate Guarantee of 20 Microns Ltd.

**Note 18.2**

The Company does not have any continuing defaults in repayment of loans and interest as at the reporting date.

**Note 19 Current financial liabilities : Trade payables**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises - Trade payables others (Refer Note 19.1)	50.34	34.67
Total outstanding dues of creditors other than micro enterprises and small enterprises:-		
Trade payables - Related Parties (Refer Note 19.2)	462.95	1078.97
Trade payables - Others	591.60	1598.19
<b>Total</b>	<b>1104.89</b>	<b>2711.84</b>

**Trade payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022**

(₹ in Lakhs)

Particulars	Not Due	Less than 1 Year	1-2 Years	2- 3 Years	More than 3 Years	Total
(i) MSME	47.40	2.94	.0	.0	.0	50.34
	.0	(34.67)	.0	.0	.0	(34.67)
(ii) Others	438.74	615.81	.0	.0	.0	1054.55
	.0	(2458.44)	(218.72)	.0	.0	(2677.17)
(iii) Disputed Dues – MSME	.0	.0	.0	.0	.0	.0
	.0	.0	.0	.0	.0	.0
(iv) Disputed Dues – Others	.0	.0	.0	.0	.0	.0
	.0	.0	.0	.0	.0	.0
<b>Total Trade Payables</b>	<b>486.14</b>	<b>618.75</b>	<b>.0</b>	<b>.0</b>	<b>.0</b>	<b>1104.89</b>
	<b>.0</b>	<b>(2493.11)</b>	<b>(218.72)</b>	<b>.0</b>	<b>.0</b>	<b>(2711.84)</b>

Figures in brackets represent previous year figures

**Note 19.1**

The list of undertaking covered under MSMED was determined by the Company on the basis of information available with the Company and has been relied upon by the auditor. The details of amount outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Principal Amount due and remaining unpaid	50.34	47.64
Interest due on (1) above and unpaid interest	.09	.48
Interest paid on all delayed payments under MSMED Act, 2006	.0	.0
Payment made beyond the appointed day during the year	.0	.0
Interest due and payable for the period of delay other than (3) above	.0	.0
Interest accrued and remaining unpaid	.0	.0
Amount of further interest remaining due and payable in succeeding years	.0	.0

**Note 19.2**

Trade payable includes Trade payable to Holding Company 20 Microns Ltd is ₹ 462.95 Lakhs (P.Y. ₹ 1078.97 Lakhs)

#### Note 20 Current financial liabilities : Others

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>Current maturities of long term borrowings - (Please refer Note 16):-</b>		
Deposits(Unsecured)		
- From Public and Members	356.35	388.20
	<b>356.35</b>	<b>388.20</b>
Unclaimed Dividend*	.0	.0
Unclaimed Matured public deposits and Interest	.0	3.78
Lease Liability	98.48	52.55
Payable for Capital Expenditure	.91	1.68
<b>Total</b>	<b>455.74</b>	<b>446.21</b>

#### Note 21 Current liabilities : Others

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Advance from customer (Refer Note 21.1)	30.82	8.03
Statutory Dues Payable	38.08	14.64
Employee Benefits Payable	28.06	29.27
Other current financial liabilities	51.27	93.18
<b>Total</b>	<b>148.23</b>	<b>145.12</b>

#### Note 22 Current provisions

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Provision for employee benefits (Refer note 39)		
Provision for gratuity	10.92	(.41)
Provision for leave encashment	.60	.60
(b) Provision for Expenses	62.05	11.85
<b>Total</b>	<b>73.57</b>	<b>12.04</b>

#### Note 23 Details of Income tax assets and income tax liabilities

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Income tax assets	294.08	247.65
(b) Current income tax liabilities	215.89	171.66
<b>Net Asset (a-b)</b>	<b>78.19</b>	<b>75.99</b>

**Note 24 Revenue from Operations**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Revenue from Operations</b>		
Sale of products	8756.51	8633.57
Other operating revenues	48.81	181.16
<b>Total</b>	<b>8805.32</b>	<b>8814.72</b>

**Note 24.1 Details of other operating revenues of the company are as under:**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Job Work Charges	48.81	27.23
<b>Total</b>	<b>48.81</b>	<b>27.23</b>

**Note 25 Other Income**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest Income	32.41	17.09
Rent	11.09	9.89
Net Gain on Disposal of Tangible Asset	174.28	4.14
Net Gain on Foreign Currency Transactions	8.48	4.35
Provisions no longer required written back	6.40	6.17
Liability no longer required written back	.68	1.84
Export Incentives	2.27	1.84
Gain on Derecognition of Lease assets and Liabilities	4.70	.0
Other Non-Operating Income	.0	.38
<b>Total</b>	<b>240.32</b>	<b>45.69</b>

\*Includes interest income on deposits, staff advances, employee loans and delayed payments from customers.

**Note 26 Cost of materials consumed**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>(a) Raw Material and Packing Material</b>		
Opening Stock of Material	3217.74	1698.05
Add : Purchases	3870.11	6431.50
	<b>7087.85</b>	<b>8129.55</b>
Less: Closing Stock of Materials	2271.37	3217.74
<b>Sub - Total (a)</b>	<b>4816.48</b>	<b>4911.81</b>
<b>(b) Mining Material</b>		
Opening Stock of Material	2.76	2.81
Add : Purchases	195.55	186.52
	<b>198.30</b>	<b>189.33</b>
Less: Closing Stock of Materials	2.95	2.76
<b>Sub - Total (b)</b>	<b>195.35</b>	<b>186.58</b>
<b>Total (a + b)</b>	<b>5011.83</b>	<b>5098.39</b>

#### Note 27 Purchases of Stock in trade

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Purchases of Stock in trade	12.89	19.53
<b>Total</b>	<b>12.89</b>	<b>19.53</b>

#### Note 28 Changes in inventories of Finished Goods and Stock in Trade

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Changes in inventories of finished goods and stock in trade</b>		
Inventory at the beginning of the year		
Finished Goods	639.16	494.17
Stock in Trade	37.82	33.72
<b>sub total (a)</b>	<b>676.98</b>	<b>527.89</b>
Less: Inventory at the end of the year		
Finished Goods	564.21	639.16
Stock in Trade	73.12	37.82
<b>sub total (b)</b>	<b>637.33</b>	<b>676.98</b>
<b>Total</b>	<b>39.65</b>	<b>(149.08)</b>

#### Note 29 Employee benefit expense

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salary, Wages Bonus & Allowances	727.83	689.71
Incentive To Employees	116.87	32.07
Contribution to Provident and Other Funds	45.06	40.07
Managerial Remuneration	13.77	11.77
Staff Welfare Expenses	41.04	44.13
<b>Total</b>	<b>944.57</b>	<b>817.75</b>

#### Note 30 Finance Costs

Particulars	(₹ in Lakhs)	
	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest on Term Loans	.0	1.13
Interest on Working Capital Loans	110.60	63.15
Interest expense on financial liabilities at amortised cost	64.82	59.95
Interest on Lease Liability	26.81	15.47
Other Borrowing Costs	62.55	80.07
<b>Total</b>	<b>264.79</b>	<b>219.78</b>



**Note 31 Depreciation and amortisation expense**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 3)	90.17	97.07
Amortisation of intangible assets (refer note 4)	2.64	2.64
Amortisation of Right of use assets (refer note 4)	104.84	56.68
<b>Total</b>	<b>197.66</b>	<b>156.40</b>

**Note 32 Other Expenses**

**Note 32.1**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Manufacturing Expenses</b>		
Consumption of Stores and Spare Parts	83.09	68.36
Power and Fuel	359.98	375.86
Rent-Factory	442.89	388.05
Repairs :		
Buildings	23.93	67.43
Plant and Machinery	69.78	56.87
Other Manufacturing & Factory Expenses	220.72	276.30
<b>Sub Total</b>	<b>1200.38</b>	<b>1232.86</b>

**Note 32.2**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Administrative &amp; Other Expenses</b>		
Rent	10.55	14.26
Rates & Taxes	28.32	3.39
Fines and Penalties	29.71	.0
Insurance	11.31	12.11
Post, Telephone & Courier	9.78	10.58
Printing and Stationary expenses	5.11	4.66
Legal, Licenses and Renewal expenses	3.69	11.38
Mining expense	.89	2.01
Software and Computer Maintenance	3.06	4.28
Travelling & Conveyance	14.93	12.59
Vehicle Running & Maintenance	13.79	11.38
Professional Fees	49.83	48.71
Auditors Remuneration	3.78	2.78
Directors Sitting Fees	5.60	5.80
Corporate Social Responsibility Expense	8.50	.0
Remission of Debit balance	.0	.19
Miscellaneous Expenses	37.19	19.47
<b>Sub Total</b>	<b>236.02</b>	<b>163.58</b>

### Note 32.3

#### Marketing, Selling & Distribution Expenses :

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Selling Expenses</b>		
Travelling Expenses	21.24	42.19
Sales Commission	6.10	3.84
Bad Debts written off	4.03	.0
Provision for Doubtful Debts	.11	(.24)
Royalty	251.48	252.24
Rent-Godown	2.87	3.46
Other Selling Expenses	5.03	21.63
<b>Distribution Expenses</b>		
Freight and Logistic Expenses (Domestic)	74.27	90.28
Freight and Logistic Expenses (Export)	74.17	164.83
Export Expenses	14.86	25.17
<b>Sub Total</b>	<b>454.16</b>	<b>603.40</b>
<b>Total</b>	<b>1890.57</b>	<b>1999.84</b>

### Note 32.4 Payment to Auditors

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Audit Fees	3.78	2.78
<b>Total</b>	<b>3.78</b>	<b>2.78</b>

### Note 33 Income Taxes

(a) Income tax expense/(benefit) recognised in the statements of profit and loss

Income tax expense recognised in the statements of profit and loss consists of the following:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Current Tax		
(a) Current income tax	215.89	171.66
(b) Short/(Excess) provision of income tax in respect of previous years	14.47	.0
(c) Deferred tax benefit	(57.90)	14.31
	<b>172.46</b>	<b>185.97</b>
(b) Recognition of tax credit		
Sub Total (b)	172.46	185.97
<b>Tax expense for the year (a + b + c)</b>	<b>172.46</b>	<b>185.97</b>

b) Income tax Expenses/(benefit) Recognised directly in equity

Income tax expense/(benefit) recognised directly in equity consist of the following:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Tax effect on actual gains/losses on defined benefit obligation	.50	(.51)
Tax effect on actual gains/losses on Fair Value of Investments	(1.48)	19.68
Tax effect on gains/losses on Share issue expense	(.58)	(2.09)
<b>Total Income tax expense/(Benefit) recognised in the equity</b>	<b>(1.55)</b>	<b>17.09</b>

(c) Reconciliation of effective tax rate

The following is a reconciliation of the Company's effective tax rates for the years ended 31 March 2023 and 31 March 2022  
(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit before income tax	683.68	697.81
Enacted tax rate in India	25.17%	25.17%
Computed expected tax expense	172.07	175.63
Effect of:		
Disallowable Expenses	(39.68)	(4.93)
Income tax expense of earlier years	14.47	-
Income Tax on Capital Gain	83.29	-
<b>Current Tax Provision</b>	<b>230.15</b>	<b>170.70</b>
<b>Earlier year's tax</b>		
<b>Earlier year's tax</b>		
Increase/ (Decrease) in Deferred Tax Liability	(57.90)	14.31
<b>Deferred Tax Provision</b>	<b>(57.90)</b>	<b>14.31</b>
<b>Income Tax Expense</b>	<b>172.25</b>	<b>185.01</b>
<b>Effective tax rate</b>	<b>25.19%</b>	<b>26.51%</b>

**Note 34 Statement of other comprehensive income**

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Items that will not be reclassified to profit or loss		
<b>Equity Instruments through Other Comprehensive Income</b>		
Fair value of unquoted investments - Gain/(loss)	-	-
Tax impact on unquoted investments	-	-
<b>Remeasurement gains (losses) on defined benefit plans</b>		
Actuarial gains and losses - Gain/(loss)	(2.00)	(1.57)
Tax impact on Actuarial gains and losses	.50	.39
<b>Total (i)</b>	<b>(1.50)</b>	<b>(1.17)</b>
(ii) Items that will be reclassified to profit or loss		
Income tax relating to items that will be reclassified to profit or loss - Gain/(loss)		
<b>Total (ii)</b>	<b>-</b>	<b>-</b>
<b>Total (i + ii)</b>	<b>(1.50)</b>	<b>(1.17)</b>

**Note 35 Earning per Share -(EPS)**

Earnings per equity share of FV of ₹ 10 each

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit for the year (Profit attributable to equity shareholders) (Amount in ₹)	511.22	511.84
Weighted average number of ordinary equity shares for Basic EPS (in Nos.)	89,70,020	89,70,020
Weighted average number of ordinary equity shares for Diluted EPS (in Nos.)	89,70,020	89,70,020
Face Value of equity share (₹)	10	10
Basic EPS (₹)	5.70	5.71
Diluted EPS (₹)	5.70	5.71

## Note 36 Contingent Liabilities & Contingent Assets And Capital Commitments

### A) Contingent Liabilities

(₹ in Lakhs)

Contingent liabilities and commitments (to the extent not provided for)	As at March 31, 2023	As at March 31, 2022
<b>Contingent Liabilities</b>		
(a) Statutory claims (Refer Note 36.1)	37.22	37.22
(b) Bank Guarantees given	312.46	-
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance Payment).	.0	.0
<b>Total</b>	<b>349.68</b>	<b>37.22</b>

### Note 36.1 Contingent Liabilities - Statutory claims

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Demand of Sales Tax, Value Added Tax and Central Sales Tax	37.22	37.22
Demand of Income Tax (Net of Refund adjusted and paid under protest)	NIL	NIL

### B) CONTINGENT ASSETS

The company is having certain claims which are pursuing through legal processes. The Management believe that probable outcome in all such claims are uncertain. Hence, the disclosure of such claims is not required in the financial statements.

## Note 37 Financial instruments – Fair values and risk management

### A. Accounting classification and fair values

(₹ in Lakhs)

March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets measured at amortised cost</b>								
Investments (Non-current)	.0	.0	.0	.0	.0	.0	.0	.0
Other Financial Assets	.0	.0	165.53	165.53	.0	.0	165.53	165.53
Loans (Current)	.0	.0	5.79	5.79	.0	.0	5.79	5.79
Trade receivables	.0	.0	952.42	952.42	.0	.0	952.42	952.42
Cash and cash equivalents	.0	.0	46.99	46.99	.0	.0	46.99	46.99
Other bank balances	.0	.0	793.46	793.46	.0	.0	793.46	793.46
	.0	.0	1964.20	1964.20	.0	.0	1964.20	1964.20
<b>Financial liabilities measured at amortised cost</b>								
Non current borrowings	.0	.0	59.58	59.58	.0	59.58	.0	59.58
Current borrowings	.0	.0	1680.62	1680.62	.0	.0	.0	.0
Trade payables	.0	.0	1104.89	1104.89	.0	.0	.0	.0
Other financial liabilities	.0	.0	730.52	730.52	.0	.0	.0	.0
<b>Total</b>	<b>.0</b>	<b>.0</b>	<b>3575.62</b>	<b>3575.62</b>	<b>.0</b>	<b>59.58</b>	<b>.0</b>	<b>59.58</b>

(₹ in Lakhs)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets measured at amortised cost</b>								
Investments (Non-current)	.0	.0	.0	.0	.0	.0	.0	.0
Other Financial Assets	.0	.0	64.54	64.54	.0	.0	64.54	64.54
Loans (Current)	.0	.0	4.87	4.87	.0	.0	4.87	4.87
Trade receivables	.0	.0	1089.44	1089.44	.0	.0	1089.44	1089.44
Cash and cash equivalents	.0	.0	39.76	39.76	.0	.0	39.76	39.76
Other bank balances	.0	.0	87.72	87.72	.0	.0	87.72	87.72
	.0	.0	1286.34	1286.34	.0	.0	1286.34	1286.34
<b>Financial liabilities measured at amortised cost</b>								
Non current borrowings	.0	.0	106.51	106.51	.0	106.51	.0	106.51
Current borrowings	.0	.0	1093.53	1093.53	.0	.0	.0	.0
Trade payables	.0	.0	2711.84	2711.84	.0	.0	.0	.0
Other financial liabilities	.0	.0	469.66	469.66	.0	.0	.0	.0
<b>Total</b>	<b>.0</b>	<b>.0</b>	<b>4381.53</b>	<b>4381.53</b>	<b>.0</b>	<b>106.51</b>	<b>.0</b>	<b>106.51</b>

# Fair value of financial assets and liabilities which are measured at amortized cost is not materially different from the carrying value (i.e. amortized cost).

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

## B. Financial risk management

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

- Credit risk ;
- Liquidity risk ; and
- Market risk

### i Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has a well-defined Risk Management framework for reviewing the major risks and taking care of all the financial risks. The risk management framework aims to :

- create a stable business planning environment by reducing the impact of currency and interest rate fluctuation on company's business plan.
- achieve greater predictability to earnings by determining the financial value of the expected earning in advance.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee. The Board of Directors reviews and agrees policies for managing each of these risks.

### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities and loans given.

The carrying amount of following financial assets represents the maximum credit exposure:

**(a) Cash and Cash equivalent and Other Bank Balances**

The group maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

**(b) Trade and other receivables**

The group's exposure to credit Risk is the exposure that Company has on account of goods sold or services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's major customer base is paints, plastic, rubber and other misc industries.

The Commercial and Marketing department has established a credit policy.

The group raises the invoice for quantities sold based.

The group provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

Assets are written off when there are no reasonable expectation of recovery such as debtor declaring bankruptcy or failing to engage in a repayment plan with group. Where receivables have been written off the company continues to engage in enforcement activity to attempt to recover the receivables. where recoveries are made, these are recognised in profit and loss.

The maximum exposure to the credit risk at the reporting date from Trade Receivable is as amounts mentioned in Note No. 9.

**Movement in Allowance for bad and doubtful Trade receivable** (₹ in Lakhs)

Particulars	31-Mar-23	31-Mar-22
Opening Allowance for bad and doubtful Trade receivable	35.34	36.19
Provision during the year	4.99	39.38
Recovery/Adjustment during the year	(5.46)	(40.23)
<b>Closing Allowance for bad and doubtful Trade receivable</b>	<b>34.88</b>	<b>35.34</b>

The impairment provisions above are based on management judgment / assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward looking estimates at the end of each reporting period.

**iii. Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains the following lines of credit outstanding:

- The company has also accepted deposit from share holders amounting to ₹ 509.13 Lakhs as at March 31, 2023 (at amortised cost) of unsecured nature. Interest would be payable at the rate of varying from 7.00 % - 10.00%.
- For maintaining working capital liquidity company avails cash credit limit from bank that is secured as mentioned in Note 18.1. The amount availed as at March 31, 2023 is ₹ 1587.42 Lakhs (at amortised cost). The said loan is having rate of interest of 7.20% to 9.45%

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and exclude the impact of netting agreements.

and undiscounted, and exclude the impact of netting agreements.

	(₹ in Lakhs)				
March 31, 2023	Contractual cash flowms				Total
	Carrying amount	Less than 12 months	1-5 years	More than 5 years	
<b>Non-derivative financial liabilities</b>					
Non current borrowings	59.58	.0	59.58	.0	59.58
Current financial liabilities	1680.62	1680.62	.0	.0	1680.62
Trade and other payables	1104.89	1104.89	.0	.0	1104.89
Other current financial liabilities	730.52	730.52	.0	.0	730.52
	<b>3575.62</b>	<b>3516.03</b>	<b>59.58</b>	<b>.0</b>	<b>3575.62</b>

(₹ in Lakhs)

March 31, 2022	Contractual cash flows				Total
	Carrying amount	Less than 12 months	1-5 years	More than 5 years	
Non-derivative financial liabilities					
Non current borrowings	106.51	.0	106.51	.0	106.51
Current financial liabilities	1093.53	1093.53	.0	.0	1093.53
Trade and other payables	2711.84	2711.84	.0	.0	2711.84
Other current financial liabilities	469.66	469.66	.0	.0	469.66
	4381.53	4275.03	106.51	.0	4381.53

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to non-derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

#### iv. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and FVTOCI investments.

##### a) Currency risk

The functional currency of the group is Indian Rupee. The Group have transaction of import of materials, other foreign expenditures and export of goods. hence the group is exposed to currency risk on account of payables and receivables in foreign currency. Group have outstanding balances in USD.

(₹ in Lakhs)

Details of foreign currency Transactions and balances	As at March 31, 2023	As at March 31, 2022
Trade and Other Payables		
USD & EURO	65.35	59.41
Trade Receivables and advances		
USD & EURO	185.42	176.82

##### Sensitivity analysis

Profit or loss is sensitive to higher/lower Exchange rate of currency. A possible 5% change in exchange rate would affect profit/loss at the reporting date by amount shown below:

##### As at 31st March 2023

(₹ in Lakhs)

Details of foreign currency Transactions and balances	Profit or (Loss)		Equity (net of tax)	
	5% increase	5% Decrease	5% increase	5% Decrease
Trade and Other Payables	(3.27)	3.27	(2.44)	2.44
Trade Receivables and advances	9.27	(9.27)	6.94	(6.94)

##### As at 31st March 2022

(₹ in Lakhs)

Details of foreign currency Transactions and balances	Profit or (Loss)		Equity (net of tax)	
	5% increase	5% Decrease	5% increase	5% Decrease
Trade and Other Payables	(2.97)	2.97	(2.22)	2.22
Trade Receivables and advances	8.84	(8.84)	6.62	(6.62)

##### b) Interest rate risk

Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the group's cash flows as well as costs. The Group's interest rate exposure is mainly related to debt obligation. On period under review the Group do not have any term loans at fixed rate and has not entered into interest rate swaps for its exposure to long term borrowings at floating rate. The group have accepted deposits from share holders which are fixed rate instruments.

(₹ in Lakhs)

Interest bearing instruments	As at March 31, 2023	As at March 31, 2022
Non current - Borrowings	152.78	167.61
Current portion of Long term borrowings	356.35	388.20
<b>Total</b>	<b>509.13</b>	<b>555.81</b>

### Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates

Based on the composition of debt a reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

Particulars	Profit or (Loss)		Equity (net of tax)	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
<b>March 31, 2023</b>				
Non current - Borrowings	(1.53)	1.53	(1.14)	1.14
Current portion of Long term borrowings	(3.56)	3.56	(2.67)	2.67
<b>Total</b>	<b>(5.09)</b>	<b>5.09</b>	<b>(3.81)</b>	<b>3.81</b>
<b>31st March 2022</b>				
Non current - Borrowings	(1.68)	1.68	(1.25)	1.25
Current portion of Long term borrowings	(3.88)	3.88	(2.90)	2.90
<b>Total</b>	<b>(5.56)</b>	<b>5.56</b>	<b>(4.16)</b>	<b>4.16</b>

### c) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw Material and other consumables. The group has risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The group's commodity risk is managed centrally through well established trading operations and control processes.

### d) Equity Price Risk

The group do not have any investment in quoted equity shares hence not expose to equity price risk.

## Note 38 Capital Management

The Group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group determines the amount of capital required on the basis of the annual business plan coupled with long term and short term strategic investments and expansion plans. The funding needs are met through equity, cash generated from operations, long terms and short term bank borrowings and deposits.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Group's adjusted net debt to equity ratio is as follows.

Particulars	As at	
	March 31, 2023	March 31, 2022
Interest bearing borrowings	2096.55	1588.23
Less : Cash and bank balances	(840.45)	(127.48)
<b>Adjusted net debt</b>	<b>1256.10</b>	<b>1460.75</b>
Borrowings	2096.55	1588.23
Total equity	4104.39	3596.13
Adjusted net debt to adjusted equity ratio	0.31	0.41
Debt equity ratio	0.51	0.44



### Note 39 Disclosure of Employee Benefits

The group has implemented Ind AS - 19 on "Employee Benefits".

#### (a) Provident Fund - Defined Contribution Plan

All employees are entitled to provident fund benefits and amount charged to Statement of Profit and Loss during the period of 12 months ended is ₹ 32.90 Lakhs (Previous year ₹ 30.59 Lakhs)

#### (b) Gratuity and Leave Encashment - Defined Benefit Plans (payable in future)

Provision has been made for Gratuity as per Actuarial Valuation. The principal assumptions used in actuarial valuation and necessary disclosures are as below:

Assumptions	(₹ in Lakhs)	
	Gratuity As at 31 March, 2023	Gratuity As at 31 March, 2022
<b>A. Discount rate</b>	7.45%	7.15%
Rate of return on plan assets	7.45%	7.15%
Salary Escalation	6.00%	6.00%
<b>B. Change in Defined Benefit Obligations</b>		
Liability at the beginning of the year	22.89	14.69
Interest Cost	1.62	.92
Current Service Cost	9.70	6.65
Past service cost	.0	.0
Prior year Charge	.0	.0
Due to change in Financial assumptions	(.89)	(.75)
Due to change in Demographic assumptions	.0	.0
Due to experience adjustments	2.53	1.37
Benefits Paid	(.74)	.0
Actuarial loss/ (gain) due to experience adjustment	.0	.0
Actuarial (Gain) / Loss due to change in financial estimate	.0	.0
<b>Total Liability at the end of the year</b>	<b>35.11</b>	<b>22.89</b>
<b>C. Change in Fair Value of plan Assets</b>		
Opening fair Value of plan assets	23.30	13.20
Interest Income	2.00	1.05
Return on plan assets excluding amounts included in interest income	(.36)	(.95)
Contributions by employer	.0	10.00
Benefits Paid	(.74)	.0
<b>Closing fair Value of plan assets</b>	<b>24.19</b>	<b>23.30</b>
<b>D. Profit and Loss Account for the current Period</b>		
Current Service Cost	9.70	6.65
Net Interest Cost	(.38)	(.13)
Past service cost and loss/(gain) on curtailments and settlements	.0	.0
<b>Total included in 'Employee Benefit Expense'</b>	<b>9.33</b>	<b>6.53</b>
Other Comprehensive Income for the current Period		
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	(.89)	(.75)
Due to change in Demographic assumptions	.0	.0
Due to experience adjustments	2.53	1.37
Return on plan assets excluding amounts included in interest income	.36	.95
<b>Amount recognized in Other Comprehensive Income</b>	<b>2.00</b>	<b>1.57</b>
<b>E. Balance Sheet Reconciliation</b>		
Opening Net Liability	(.41)	1.50
Employee Benefit Expense	9.33	6.53
Amounts recognized in Other Comprehensive Income	2.00	1.57
Contributions to Plan Assets	.0	(10.00)
Benefits Paid	.0	.0
<b>Closing Liability</b>	<b>10.92</b>	<b>(.41)</b>

(₹ in Lakhs)

Assumptions	Gratuity	Gratuity
	As at 31 March, 2023	As at 31 March, 2022
F. Current/Non-Current Liability :		
Current*	9.75	(.41)
Non-Current	1.17	.0

\*The group liability is calculated as expected reduction in contributions for the next 12 months.

(c) Amounts recognised in current year and previous year

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
A. Gratuity		
Present value of Defined Benefit Obligation	35.11	22.89
Fair value of Plan Assets	24.19	23.30
(Surplus) / Deficit in the plan	10.92	(.41)
Actuarial (Gain) / Loss on Plan Obligation	1.65	.62
Actuarial Gain / (Loss) on Plan Assets	.36	.95

(d) Sensitivity analysis

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

Particulars	As at March 31, 2023	
	Increase Gratuity	Decrease Gratuity
Discount rate (0.5% movement)	33.72	36.61
Salary growth rate (0.5% movement)	36.54	33.79
Withdrawal rate (W.R.) Sensitivity	35.08	35.14

Particulars	As at March 31, 2022	
	Increase Gratuity	Decrease Gratuity
Discount rate (0.5% movement)	21.72	24.16
Salary growth rate (0.5% movement)	24.06	21.79
Withdrawal rate (W.R.) Sensitivity	22.86	22.91

(e) Gratuity Benefits Plan:

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20 Lakhs was applied.
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

(i) Entity responsibilities for the governance of the plan

**Risk to the Plan**

Following are the risk to which the plan exposes the entity :

**A Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

**D Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

- (ii) The company has participated in Group Gratuity Scheme Plan with SBI Life insurance to meet its gratuity liability. The present value of the plan assets represents the balance available at the end of the year.

- (a) Composition of the plan assets

Particulars	As at March 31, 2023	As at March 31, 2022
Bank balance	0.00%	0.00%
Policy of insurance	100.00%	100.00%
Others	0.00%	0.00%

- (b) The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

- (c) Expected benefit payments as on 31 March 2023.

Particulars	1-5 years	6-10 years
Cash flow (₹)	17.45	14.29
Distribution (in %)	18.30%	19.90%

- (g) Other Notes:

- (i) The expected rate of return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the group's policy for the Plan Assets management.
- (ii) The actuarial valuation takes into account the estimates of future salary increases, inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The management has relied on the overall actuarial valuation conducted by the actuary.

**Note 40 Related Party Transactions:**

Sr. No.	Name of Related Parties	Nature of Relationship
1	Shri. Chandresh Parikh	Director and relative of Key Management Personnel
2	Mrs. Ilaben Parikh	Director and relative of Key Management Personnel
3	Shri. Rajesh Parikh	Director and relative of Key Management Personnel
4	Shri. Atil Parikh	Directors-Key Management Personnel
5	Mr. Narendra Patel	Chief Financial Officer -Key Management Personnel
6	Ms. Komal Pandey	Company Secretary -Key Management Personnel (Till Date 03/01/2019)
7	Ms. Anuja K. Muley	Company Secretary -Key Management Personnel (From Date:07/02/2019)
8	Mr. Aditya Tillu	Company Secretary -Key Management Personnel (From Date:01/09/2022)
9	20 Microns Limited	Holding Company
10	Silicate Minerals (I) Private Limited	Subsidiary Company with effect from May 29, 2018
11	20 MCC Private Limited	Common Director and the Subsidiary of the holding company with effect from August 23, 2018.
12	Dorfner-20 Microns Private Limited	Holding Company is a JV Company
13	Eriez Industries Pvt Ltd	Director/s of the company are members in Eriez Industries Pvt Ltd

(₹ in Lakhs)

Sr. No.	Name of Related Party and nature of transactions	Relationship	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1	<b>20 Microns Limited</b>	Holding Company		
a	Sales of Materials		294.34	295.24
b	Sale of Fixed Assets		695.43	.0
c	Service Provided		.0	3.96
d	Rent Paid		446.92	395.74
e	Rent Received		9.15	7.91
f	Purchase of Goods		257.87	87.78
g	Purchase of Fixed Assets		.0	.0
h	Royalty Paid		251.48	251.70
i	Reimbursement of Expenses (Expenses Net)		1.05	.0
j	Reimbursement of Expenses (Income Net)		.0	.0
k	Purchase of Share		.0	.0
l	Salary Deputation Received		.0	.0
m	Salary Deputation Paid		.0	5.32
n	Service Received		.0	.0
	Balance as period end			
	Trade Payables		462.95	1078.93
2	<b>20 MCC Pvt Limited</b>	Common Director		
a	Sales of Materials	and The subsidiary	3.46	.0
b	Purchase of Goods	holding company	.91	.10
c	Rent Paid		.02	.0
d	Rent Received		.0	.12
e	Job Work Charges Received		17.79	65.83
	Balance as period end			
	Trade Payables		.0	.0
	Trade Receivables		2.83	.06
3	<b>Dorfner-20 Microns Private Limited</b>	Holding Company		
a	Sales of Materials	is a JV of Company	50.59	.0
b	Rent Received		.12	.06
	Balance as period end			
	Trade Receivables		20.75	.07
4	<b>Compensation paid to Key Management Personnel:</b>			
	<b>Key Management Personnel</b>			
a	<b>Atil parikh</b>	Director and Key		
	Short-term employee benefits *	management Personnel	13.77	11.77
b	<b>Mrs. Anuja Muley (Refer Note a below)</b>	Company Secretary -		
	<b>(From May-19)</b>	Key management Personnel		
	Short-term employee benefits *		.0	.74
c	<b>Chandresh Parikh</b>	Director and relative of		
	Director Remuneration	Key management Personnel	.0	.0
	Interest Paid		.0	2.56
	Commission Paid		.0	.0
	Balance as period end		.0	27.56
d	<b>Mrs. Ilaben Parikh</b>			
	Interest Paid		2.81	.0
	Balance as period end		27.81	.0

<b>e</b>	<b>Rajesh Parikh</b>	Director and Key		
	Director Remuneration	management Personnel	.0	.0
	Commission Paid		.0	.0
	Balance as period end			
<b>f</b>	<b>Mr. Aditya Tillu</b>	Company Secretary - Key		
	short-term employee benefits *	management Personnel	1.97	.0
<b>g</b>	<b>Mr. Ram Devidayal</b>	Director and Key		
	Director Sitting Fees	management Personnel	2.20	.0
<b>h</b>	<b>Mrs. Darsha Kikani</b>	Director and Key		
	Director Sitting Fees	management Personnel	2.20	.0
<b>i</b>	<b>Mr. Sudhir Parikh</b>	Director and Key		
	Director Sitting Fees	management Personnel	1.20	.0

**Notes:**

The following are the list of Independent Directors with whom no transaction have been occurred during the period from April 01, 2022 to March 31, 2023 and Financial Year 2022-23 other than payment of sitting fees:

- Mr. Ram Devidayal
- Mr. Sudhir Parikh
- Mrs. Darsha Kikani

**Note 41**

**Segment Reporting**

The Group primarily operates in the segment of Micronized Minerals. The MD/CEO of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed.

Information about geographical areas

- The Company does not have geographical distribution of revenue and hence entitywide disclosure is not applicable to the Company.
- None of the company's assets are located outside India hence entitywide disclosure is not applicable to the Company.

**Information about major customers**

There is one customer to the company which accounts for more than 10% of aggregate sales. Net sales made to this customer amounts to ₹ 830.97 Lakhs

**Note 41.1**

**RESEARCH AND DEVELOPMENT EXPENDITURE**

Details of Research and development expenses incurred during the year, debited under various heads of statement of profit and loss is given below:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
<b>Revenue expenditure</b>		
Raw Material Consumption	12.34	16.87
Employee benefit expenses	236.14	213.85
Other expenses		
- Analysis Charges	11.48	10.75
- Laboratory expenses	25.65	22.17
- Other Manufacturing expenses	49.18	73.10
- Repairs Plant & Machinery	3.72	13.44
- Stores & Spares Consumed	4.08	2.23
- Other Administration expenses	53.88	2.68
Depreciation	22.63	27.48
<b>Total</b>	<b>419.10</b>	<b>382.57</b>

## Note 42 Disclosure of IND AS 115 “Contract with Customers”

### Contract Balances

(₹ in Lakhs)		
Particulars	March 31, 2023	March 31, 2022
Trade receivables	952.42	1089.44
Contract Assets	Nil	Nil
Contract Liabilities	30.82	8.03

### Reconciliation of the amount of revenue recognised in the statement of profit and loss and contracted price

(₹ in Lakhs)		
Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price	8805.56	8814.97
Adjustments		
Discounts	(.24)	(.24)
<b>Revenue from contract with customers</b>	<b>8805.32</b>	<b>8814.72</b>

### Meaning of the terms:

- Contract assets : Unbilled revenue if any. (not applicable in our case)
- Contract liabilities : Advance from customers.

## Note 43 Lease

### Note 43.1 Disclosures pursuant to Ind AS 116:

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

(₹ in Lakhs)			
Category of Right of use Assets	Gross Block	Accumulated Depreciation	Carrying Amount
<b>Buildings</b>			
Balance as at April 01, 2022	199.39	128.26	
Additions	317.02	83.17	
Deletions	(97.86)	(81.09)	
<b>Balance as at March 31, 2023</b>	<b>418.55</b>	<b>130.35</b>	<b>288.20</b>
<b>Plant &amp; Machinery</b>			
Balance as at April 01, 2022	.0	.0	
Additions	113.76	21.67	
Deletions	.0	.0	
<b>Balance as at March 31, 2023</b>	<b>113.76</b>	<b>21.67</b>	<b>92.10</b>

The aggregate depreciation expense amounting to ₹ 104.84 Lakhs on ROU assets is included under Depreciation and Amortization Expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2023:

Particulars	(₹ in Lakhs)
Current lease liabilities	98.48
Non current lease liabilities	274.79

The following is the movement in lease liabilities during the year ended March 31, 2023:

Particulars	(₹ in Lakhs)
Balance as at April 01, 2022	76.01
Additions	415.59
Finance cost accrued	26.81
Deletions	18.97
Payment of lease liabilities	126.16
<b>Balance as at March 31, 2021</b>	<b>373.27</b>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	(₹ in Lakhs)
Less than one year	98.48
One to five years	274.79
More than five years	.0
Rental expense for short-term leases recognised in the Statement of Profit and Loss was ₹ 126.16 Lakhs for the year ended March 31, 2023.	

#### Note 44 Borrowing based on security of current assets

(₹ in Lakhs)

Monthly	Name of Bank	Particulars of securities provided	Amount as per books of accounts	Amount as reported in Monthly return/statement	Amount of difference	Reason for material discrepancies
Apr-22	Bank of Baroda	Plot no 9,10 and 11 GIDC Industrial Area, Waghodia. Dist.Vadodara. Gujarat-391760	3028.05	3028.05	0.0	
May-22			3205.01	3205.01	0.0	
Jun-22			2898.50	2898.50	0.0	
Jul-22			2820.77	2820.77	0.0	
Aug-22			3690.99	3690.99	0.0	
Sep-22			3809.87	3809.87	0.0	
Oct-22			3339.77	3339.77	0.0	
Nov-22			3128.47	3128.47	0.0	
Dec-22			3051.34	3051.34	0.0	
Jan-23			3100.62	3100.62	0.0	
Feb-23			2960.41	2960.41	0.0	
Mar-23			2739.78	2817.39	(77.61)	Related party Amounting ₹ 2354375, & Goods in Transit ₹ 10115523 in creditors not considered in Stock statement

#### Note 45 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
1. Amount required to be spent by the company during the year	8.41	0.0
2. Amount of expenditure incurred	8.50	0.0
3. Shortfall/(Excess) at the end of the year	(0.09)	0.0
4. Total of previous years shortfall	0.0	0.0
5. Reason for shortfall	Not Applicable	Not Applicable
6. Nature of CSR activities	For helping blind and handicap people	
7. Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
8. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the should be shown separately	Not Applicable	Not Applicable

#### Note 46 Ratios

The ratios for the year ended March 31, 2023 and March 31, 2022 are as follows:

Sr No.	Ratios	Numerator Base	Denominator Base	Mar-2023	Mar-2022	Variance	Reason
1	Current Ratio	Current assets	Current liabilities	1.51	1.33	14%	
2	Debt - Equity Ratio	Short term Borrowings + Long term borrowings	Net worth	0.51	0.36	41%	Due to in creas in Deb.
3	Debt Service Coverage Ratio	Net operating income	Total Debt Service	4.33	4.89	-11%	
4	Return on equity	Net Income	Shareholder's Equity	0.57	0.57	0%	
5	Inventory Turnover Ratio	Cost of Goods Sold	Closing Inventory	1.22	0.93	31%	Due to substantial reduction inventory
6	Trade Receivables Turnover Ratio	Total sales	Trade receivables	9.25	8.09	14%	
7	Trade Payables Turnover Ratio	Net Purchase	Trade Payables	0.01	0.01	62%	Due to Reduction in trade payball
8	Net Capital Turnover Ratio	Net sales	Working Capital	4.96	6.12	-19%	
	<b>Working Capital in ₹</b>	Current assets	Current liabilities	1773504.02	1439246.36		
9	Net Profit Ratio	Net Profit After Tax	Total Revenue	0.06	0.06	-2%	
10	Return On Capital Employed	Earning before Interest And Tax	Capital Employed	0.20	0.23	-11%	
	<b>Capital employed in ₹</b>	Total Assets	Current liabilities	4638550.41	3982224.06		
11	Return On Investment	Net Profit	Total Assets	0.06	0.06	3%	

#### Note 47 Additional Disclosures

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The title deeds of immovable properties which are disclosed in financial statements (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- The Company has no transactions with the companies struck off under Companies Act, 2013.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The Company is not declared wilful defaulter by Bank or Financial Institution.
- The Company has not witnessed any delay in filing of registration of Charges.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

#### Note 48 Previous year figures

Previous year's figures have been regrouped or reclassified wherever necessary to confirm to the current period's presentation.

**The Accompanying Notes are an integral part of the financial Statements.**

As per our report attached.

**As per our report attached**

**For N C Vaishnav & Co.**

FRN - 112712W

Chartered Accountants

**CA. Jayesh Mehta**

Partner

M. No. - 037267

Place : Waghodia, Vadodara

Date : May 16, 2023

**For 20 Microns Nano Minerals Limited**

**Rajesh C. Parikh**

Director

DIN 00041610

**N R Patel**

Chief Financial Officer

Place : Waghodia, Vadodara

Date : May 16, 2023

**Atil C. Parikh**

Managing Director

DIN 00041712

**Aditya M. Tillu**

Company Secretary

Membership # A-69312





20 Microns Nano Minerals Limited

CIN # U15543GJ1993PLC020540

Regd. Office : 9-10, GIDC Industrial Estate, Waghodia - 391 760, Dist. : Vadodara, Gujarat

Mobile No. : +91 7574806350, E-mail : cs@20nano.com, Web : www.20nano.com

**ATTENDANCE SLIP**  
**30<sup>th</sup> Annual General Meeting**

Regd. Folio/DP & Client No.	
No. of Shares Held	

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the Shareholders of the Company on Thursday, the 10<sup>th</sup> Day of August, 2023 at 9-10, GIDC Industrial Estate, Waghodia - 391 760, Dist.: Vadodara, Gujarat at 10:00 am.

Name of Member/Proxy : \_\_\_\_\_

Signature of Member/Proxy : \_\_\_\_\_

**Note :**

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorised Representatives of Corporate Members shall produce proper authorization issued in their favour.



**Form No. : MGT - 11**  
**PROXY FORM**

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

Name of Member[s]	
Registered Address	
E-Mail ID	
Folio No./Client ID.	
DP ID	

I/We, being the Member[s] holding \_\_\_\_\_ shares of the above-named Company, hereby appoint -

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-Mail-ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

2. Name : \_\_\_\_\_

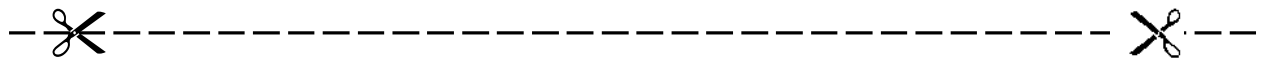
Address : \_\_\_\_\_

E-Mail-ID : \_\_\_\_\_ Signature \_\_\_\_\_ or failing him

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-Mail-ID : \_\_\_\_\_ Signature \_\_\_\_\_



of failing him as my/or proxy to attend and vote on a poll for me/us and on my/our behalf at the 30th Annual General Meeting of the Company to be held on Thursday, the 10<sup>th</sup> Day of August, 2023 at 10:00 am at 9-10, GIDC Industrial Estate, Waghodia - 391 760, Dist.: Vadodara, Gujarat and at any adjournment[s] thereof in respect of the following resolution[s] as are indicated below :

Sr. No.	ORDINARY BUSINESS	Tick Appropriately
1.	Adoption of Audited - Standalone & Consolidate - Financial Statements for the year ended 31.03.2023	For / Against
2.	Re-appointment of Mr. Sudhir R.. Parikh [DIN: 00041649] retiring by rotation being eligible for re-appointment	For / Against
3.	Appointment of Mr. Atul H. Patel as an Director [DIN # 00009587] for a period of 5 years from the date of this annual general meeting.	For / Against
4.	To consider and approve Circular of Unsecured Fixed Deposits Accepted by the Company from shareholders.	For / Against

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2023

Signature of Shareholder \_\_\_\_\_

Signature of  
Proxy  
Holder[s]  
Affix Re. 1  
Revenue  
Stamp

**Note :** This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of attorney, if any, under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting. For the resolutions, explanatory statement and notes please refer the Notice of the 25th Annual General Meeting.





**20 Microns Nano Minerals Limited**

For more information please contact:

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