



Infrastructure **protector**

Poised to capitalise on India's
infrastructure revolution

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Hindcon Chemicals Limited
Annual Report 2023-24

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Achievements

18

Product types

216

Products

18

Dealers and distributors

300

Satisfied clients

23

Government approvals

25

Years of experience



Infrastructure **protector**

As India undertakes significant investments in infrastructure, a large side market is emerging.

This market will increasingly focus on protecting infrastructure - new and existing - from depreciation.

This priority is enhancing a focus on specialised companies like Hindcon that focus on the manufacture of construction chemicals.



‘Stay **befikar.**’

There is a growing conviction that the enduring success of structures – buildings, bridges and other structures – is derived from what happens during construction.

Especially comprising use of quality construction chemicals.

As unprecedented climate change and extreme impacts prioritise protection, there is emerging a deepening relevance of infrastructure protection.

Big numbers**68.50**Promoters' holding,
31st March, 2024 (%)**26,645**Market capitalisation,
31st March, 2024 (₹ in Lacs)**126**Team size,
31st March, 2024

This protection is being derived through the prudent and timely application of construction specialty chemicals.

The integration of product integrity and specialised application enhances infrastructure strength, reduces maintenance expenses and prolongs asset lifespan.

Hindcon Chemicals is one of few manufacturers with an expertise in enhancing infrastructure longevity, empowering the country to maximise construction value.

Our legacy



With 40 years of industry experience, Mr. Sanjay Goenka founded Hind Silicates Private Limited in 1998, later renamed Hindcon Chemicals Limited in 2012. The company has since diversified its operations to include the manufacture of construction chemicals and sodium silicate.

Our geographical presence



The company's factory is located in Jalan Industrial Complex on the outskirts of Kolkata. Most of its revenues (~40%) come from the Eastern region of India. The company's headquarters are in Kolkata, India.

Production scale



The company possesses an annual production capacity of 18,000 MT for sodium silicate and 12,000 MT for cement additives. In FY 2023-24, the manufacturing facility operated at 51.50% of its total capacity.

Our offerings



Specialising in construction-related products such as concrete and mortar admixtures, floorings, protective waterproofing coatings and adhesives, the company also offers comprehensive services including waterproofing, turnkey projects, repair services and retrofits for damaged structures. This approach has established the company as a respected provider of complete solutions in its field and also after sales service.

Our accreditation



The company maintains quality control and management by adhering to ISO 9001:2015, ISO 22716:2007, BIS 9103 and BIS 2645 accreditations. It is affiliated with industry organisations such as FOSMI, the Merchant Chamber of Commerce and the Indian Chamber of Commerce. The company is an active member of the Indian Green Building Council, which promotes eco-friendly products and practices in the construction industry.

Our clientele base



The company's products are trusted by leading construction firms such as Afcons Infrastructure Ltd., Apco Infratech Pvt. Ltd., Dinesh Chandra R Agarwal Infracon Pvt. Ltd., Dilip Buildcon Ltd., Hindusthan Construction Company Ltd., Jaiprakash Associates Ltd., Larsen & Toubro Ltd., Srijan Realty Pvt. Ltd. Paharpur Cooling Towers Ltd., SSNR Projects Pvt. Ltd., Megha Engineering & Infrastructures Ltd., Patel Engineering Ltd., S.P. Singla Constructions Pvt. Ltd., Tata Projects Ltd., Construction Development Corporation Ltd. (Bhutan), Navayuga Engineering Company Ltd. and Druk Green Power Corporation (Bhutan), among others.

Our employee base



Hindcon's dedicated research and development team is focused on advancing cutting-edge products. As of 31st March, 2024, Hindcon employed 126 permanent employees.

Our company's listing



The company was listed on the NSE main board in the second quarter of FY 2021-22 and had a market capitalisation of ₹26,645 Lacs as of 31st March, 2024.

Our client base



The company caters to business-to-business (B2B) and business-to-consumer (B2C) customers. In FY 2023-24, B2B customers contributed 78% of the company's revenue.

Our products range



- Concrete and mortar admixtures
- Floorings
- Protective waterproofing coatings
- Adhesives
- Green products for building projects
- Sealants

Our offered services



- Waterproofing
- Turnkey projects
- Repair services
- Retrofitting damaged structures

Our growth performance over the years



Revenue

Why this is measured

It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's success can be compared with sectoral peers.

What this means

Revenue is the total income a company earns from its business activities.

Performance: Aggregate revenues declined by 23.33% to ₹63.42 Cr during FY 2023-24 on account of lower demand.



EBITDA

Why this is measured

It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

What this means

Helps create a robust surplus, generating a growth engine that enhances reinvestment.

Performance: EBITDA increased by 43.02% to ₹8.91 Cr in FY 2023-24, following an improved product mix.



EBITDA margin

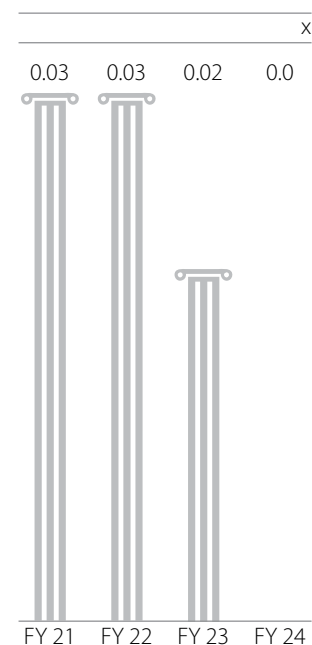
Why this is measured

The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

Performance: The company's EBITDA margin increased by 652 bps during FY 2023-24 on account of purchase of raw materials at decreased price in anticipation of an increase in prices as well as backward integration benefits.



Debt-equity ratio

Why this is measured

The debt-equity ratio measures financial leverage by comparing debt to equity. A higher ratio means more risk; a lower ratio indicates stability.

What this means

The debt-equity ratio compares a company's debt to its equity, indicating financial leverage and risk.

Performance: The company's gearing decreased marginally from 0.3 during FY 2020-21 to nil during FY 2023-24.

Chairman's message



The company's **growing** distribution footprint is expected to translate into enhanced revenues, margins and surplus across the foreseeable future.

Overview

I am pleased to present our performance during the last financial year. Even as revenues declined 23.33% to ₹63.42 Cr during the year under review, your company reported a 46.58% growth in cash profit and a 48.13% increase in profit after tax. This contrarian performance was the result of the company's commitment in addressing challenging markets with responsiveness.

The decline in the company's revenues was on account of a discontinuation in sodium silicate sales to a multinational customer during the last financial year. The product margins had progressively eroded, making it imperative to discontinue supply. Besides, a construction slowdown, extreme heat wave and the impact of an election year affected revenues.

The increase in profits was the result of a decline in raw material costs. This decline was derived from the manufacture of the raw material PCE at the company's newly commissioned factory on the outskirts of Kolkata. The backward integration – envisaged as a counter-competition initiative – widened the company's value chain, empowering the company to capture value from within. Besides, there was an increase in realisations that helped strengthen the company's margins during the last financial year.

The performance of the company during the last financial year has provided the optimism to enhance the manufacturing capacity of polycarboxylate ether (PCE). The company intends to increase the installed capacity of 125 TPM to 350 TPM. This expansion of ~₹8 Cr is being funded completely through accruals with the

objective to enhance shareholder value. A part of the raw material production will be consumed within and the rest sold to external buyers.

The decision of the company to enhance PCE manufacturing capacity was based on superior product characteristics. PCE is being increasingly preferred in construction applications that seek accelerated setting time and enhanced strength. This twin advantage has made PCE a preferred material in the manufacture of pre-cast concrete slabs.

At Hindcon, our optimism is derived from a complement of these competitive advantages: a consistent brand-enhancing focus on waterproofing chemicals, a comprehensive product basket, focus on niche import substitution products, addressing the need of specialists, validated product features, and delivered customised applications.

The expanded production of PCE is expected to be commissioned from the second half of the current financial year. This should translate into an appreciable improvement in turnover during the current financial year and graduate the company's topline in excess of ₹100 Cr during the next financial year.

At Hindcon, we believe that competition will increase for all our products. Your company is frugal in its overheads; it prospects micro markets across different States; it is widening its distribution footprint; it is engaged in job working for other manufacturers with the objective to

enhance capacity utilisation and amortise fixed costs effectively.

At Hindcon, our optimism is derived from a complement of these competitive advantages: a consistent brand-enhancing focus on waterproofing chemicals, a comprehensive product basket, focus on niche import substitution products, addressing the need of specialists, validated product features, and delivered customised applications.

The company is optimistic of prospects, given the growing relevance of the waterproofing market, increasing sophistication in requirements and a growing incidence of climate change.

The integration of the company's business model provides it with a competitive platform to enhance the relevance of its offerings. The company's growing distribution footprint is expected to translate into enhanced revenues, margins and surplus across the foreseeable future.

Sanjay Goenka
Managing Director

The big picture - 1

The **India** infrastructure story...

And how this is likely to widen the market for players like Hindcon



Overview

The infrastructure sector plays a vital role in driving India's overall development. It acts as a catalyst for economic growth by spurring allied sectors like housing, construction and townships.

Investments in infrastructure are essential for India to become a USD 26 Trillion economy by 2047. The government's emphasis on infrastructure development is demonstrated by initiatives like the USD 1.3 Trillion Gati Shakti National Master Plan. Prime Minister Narendra Modi highlighted infrastructure as a key pillar for

good governance. In the Interim Budget for FY 2024-25, a record allocation of ₹11,11,111 Cr was made for infrastructure, surpassing the ₹10 Lacs Cr allocated in FY 2023-24. This ambitious budget aims to achieve several goals, like faster access-controlled highways, highly efficient ports, safer and faster trains, and cleaner, less congested transportation systems

Hindcon has strategically invested in a business that capitalises on India's economic growth, thriving as the Indian economy strengthens. Broadly, Hindcon is positioned to benefit from India's

favourable macroeconomic conditions. As of FY 2023-24, India's population was approximately 1.44 Billion. India is poised to become the world's third-largest economy with a GDP of USD 5 Trillion within the next few years, potentially reaching USD 7 Trillion by 2030. A decade ago, India ranked 10th with a GDP of USD 1.9 Trillion. Currently, it stands as the 5th largest economy with an estimated GDP of USD 3.7 Trillion for FY 2023-24, overcoming the challenges of the pandemic and previous macroeconomic imbalances.



Ports

India, the seventh-largest country by land area and fifth-largest by economic scale, comprises a 7,500 km coastline with 12 major and more than 200 minor ports. Despite this, India's container penetration rate is low at 14 TEUs Twenty-Foot Equivalent Units per 1,000 people, compared to the global average of 109 TEUs. Strong port infrastructure and effective hinterland logistics are crucial for enhancing India's manufacturing competitiveness by accelerating, securing, and reducing goods movement costs.



Railways

India comprises the world's fourth largest railway system, trailing only the US, Russia and China. The Indian Railways network spans 126,366 km of track and encompasses 7,335 stations. In FY 2023-24 alone, 5,100 km of new track was laid, averaging 14 km per day. Each day, the railways operate 13,523 passenger trains and 9,146 freight trains. During FY 2023-24, Indian Railways transported over 1,500 million tonnes of cargo.



Airports

According to the IATA, India is poised to become the world's third-largest air passenger market by 2030, surpassing China and the United States. To support this growth, the Indian government plans to increase the number of operational airports from 148 in 2023 to 220 by 2025. FDI in India's air transport sector reached USD 3.85 Billion from April 2000 to March 2024, according to Department for Promotion of Industry and Internal Trade (DPIIT) data. In the Budget estimate for FY 2023-24, the Ministry of Civil Aviation was allocated ₹2,922.12 Cr. For the interim budget of FY 2024-25, the Ministry will receive ₹2,300 Cr, including a revenue component of ₹2,257.79 Cr.



Metro rail

Expanding metro rail infrastructure offers a cost-effective, eco-friendly alternative to private cars, reducing emissions and alleviating road congestion. Additionally, metro lines spur commercial real estate development. India's metro network spans 889 km, with 728 km under construction and 2,390 km in planning. Of 55 cities with populations over 1 million, eight metro projects totalling approximately 268 km have been approved under the Gati Shakti initiative. The Ministry of Urban Housing is also integrating 230 City Master Plans with PMGS, aiming for streamlined data centralisation and accelerated project implementation.

Vision 2040

In 2019, the Ministry of Civil Aviation (MCA) projected a sixfold increase in air passenger traffic to 1.1 Billion by 2040 (domestic: 821 million; international: 202 million). To accommodate this demand, the plan includes: 100 new airports, USD 50 Billion for airport modernisation and the addition of 2,359 aircraft.



Bridges and infrastructure

India's rapid growth in 2024 and beyond will significantly depend on advancements in key industries, with infrastructure development being crucial to this progress.

(Source: Economic Times, Hellenic Shipping, The Hindu, ibef.org, Morgan Stanley, research report)

The big picture - 2

Infrastructure development: Strengthening connectivity to catalyse the economy

**Big numbers****11**

₹ in Trillion earmarked for capital expenditure in FY 2024-25

6.7

₹ in Trillion allocated for infrastructure development in FY 2024-25

(Source: knightfrank.co.in/research)

143

India's infrastructure spending (₹ Trillion) by 2030

(Source: India Briefing)

Overview

Infrastructure development is crucial for driving India's economic growth. Studies show that a 1% increase in infrastructure spending relative to GDP leads to a 2.2% increase in overall GDP. To boost growth, the Central government increased infrastructure spending from 0.6% of GDP in FY 2014-15 to 2% in the FY 2024-25 budget. The share of infrastructure in aggregate capital expenditure rose from

33% in FY 2014-15 to an estimated 61% in FY 2024-25.

For FY 2024-25, ₹11 Trillion was earmarked for capital expenditure, with ₹6.7 Trillion allocated for infrastructure development in sectors like roads, railways, energy, and ports. This robust allocation underscored the government's commitment to strengthening the nation's infrastructure, a key step toward long-term economic prosperity.

Policy initiatives such as Bharatmala Pariyojana, National Infrastructure Pipeline (NIP), and the National Monetisation Plan (NMP) support this focus. To achieve an economic size of USD 10.3 Trillion by 2034, infrastructure spending needs to increase to 4.2% of GDP from 2%. Expanding cities, a growing population, and economic development will necessitate a continued emphasis on infrastructure.

Demand driver

Hindcon and pre-cast construction

And how this could broaden the Company's prospects



Overview

Precast construction methods are gaining traction due to labour shortages and the demand for faster, higher-quality building completion. This approach involves manufacturing building components offsite in a controlled environment and then transporting them to the construction site for assembly. By reducing a reliance on onsite labour, precast construction helps address labour shortages. Precast

construction is particularly advantageous for small and large projects with uniform designs, with the potential to cut construction time by up to 40%.

Structurally secure and highly efficient:

Precast concrete's high span-to-depth ratio supports heavy loads, minimising internal columns and supports. Its lightweight design enables smaller structural elements and shallower foundations, maintaining strength under extreme loads. Despite

being lightweight, precast components can sustain buildings up to 80 stories, offering structural uniformity and reduced vibrations.

Ready-to-use and pre-installed: Precast concrete allows for preinstallation of utility access, fixtures and service elements, reducing the need for on-site pouring into molds and facilitating easy access to utilities during and after construction. This minimises alterations and revisions to concrete structures.

Thermally efficient: Precast concrete serves as an excellent thermal insulator, maintaining comfortable indoor temperatures year-round by keeping buildings warm in winter and cool in summer. Its dense structure minimises heat conduction, providing cost-effective thermal insulation.

Easily customisable: Precast concrete elements are highly customisable, allowing for various shapes, curves, angles and intricate designs to meet specific aesthetic and structural needs of large-scale projects. This versatility enhances overall design and functionality.

Hindcon and climate change

How the company has adapted to the need for
'green' construction chemicals





Overview

Climate change is characterised by sudden and frequent changes in local weather patterns. Extreme weather events such as heavy rain and floods can overload infrastructure in cities, highlighting the need for specialised chemicals that can withstand these micro-climate extremes.

Temperature: Over two years, India has endured a staggering 329 heatwave days, a steep rise from the 42 days recorded in 2020. Particularly alarming was 2022, with 190 heatwave days, underlining a clear upward trend in frequency and intensity. The design and construction of structures could be altered by this rise in temperatures.

Cyclone: Tropical cyclones have disrupted growth across sectors by damaging infrastructure and capital. The Indian Ocean, a top cyclone hotspot with five to six annual cyclones, heavily affects India's vulnerable coastal regions. The Bay of Bengal experiences cyclones four times more often than the Arabian Sea.

The formation mechanism of cyclones remains unchanged, but recent weather conditions have led to faster intensification. Cyclones are now intensifying more rapidly due to not only increased sea-surface temperatures but also rising ocean heat content. Where it used to take 2-3 days for a system to develop into a tropical storm, it now often takes just a day.

These realities are projected to increase, leading to a warmer and wetter world over oceans. This will provide more energy for evaporation, facilitating increased tropical cyclonic activity and more rainfall. Although there may be fewer storms, they are expected

to be more intense, with a higher likelihood of Category 4 or 5 storms.

Cyclones today can retain their energy for extended periods, as demonstrated by Cyclone Amphan, which remained strong over land and caused significant devastation. As long as the oceans remain warm and winds are favorable, cyclones may maintain their intensity for longer durations.

Precipitation: In India, heavy rainfall is becoming more common, with cities experiencing over 50 mm per day and some areas exceeding 100 mm per hour. Urban flooding is likely to cause major losses in infrastructure, businesses, and lives, affecting local, regional, and national economies. Disruptions in city activities can lead to significant financial losses, with damage to roads, mobile networks, and electricity lines requiring extensive repairs or rebuilding.

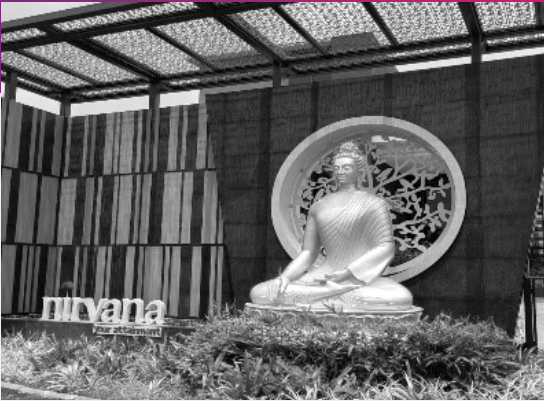
Green cement: Green cement, an environmentally friendly alternative, has a smaller carbon footprint due to its production process, which involves reusing industrial waste, implementing energy-efficient measures and reducing emissions. It also offers benefits such as increased strength, durability, resistance to cracking and low permeability to chlorides. The recycling of industrial waste in green cement production can reduce the carbon footprint by up to 40%. Green cement plays a crucial role in helping India achieve its emissions reduction goals. The Indian green cement market, valued at USD 2.31 Billion in 2023, is expected to grow significantly with a projected CAGR of 5.85% through 2029.

(Source: Hindustan Times, Economic Times, Times of India, TERI, Techsci Research)

Case study #1

Nirvana project

Comprehensive waterproofing by Hindcon



Objective: The objective of the Nirvana project was to provide a total waterproofing solution for a premium residential community consisting of 300 row house bungalows. This included ensuring the waterproofing of individual bungalow roofs and toilets, as well as larger community structures (underground water reservoir, a sewage treatment plant, swimming pool and community clubhouse). The project was set to be completed over three years, starting from January 2021, with an estimated budget of ₹85 Lacs for water proofing.

Challenge: Executing a comprehensive waterproofing project of this scale presented several challenges: The project involved waterproofing a variety of structures, each with unique complexities. Due to the monsoon, there was a three-month period during which no waterproofing could be implemented on surfaces exposed to the atmosphere. Despite seasonal interruptions, it was crucial to deliver the project on schedule.

Outcomes: The Nirvana project achieved its objectives within the client's timeline and budget. Waterproofing was completed in 280 of 300 row house bungalows (including roofs and toilets). Waterproofing the underground water reservoir, sewage treatment plant, swimming pool and community clubhouse were completed on schedule.

Case study #2

Botanica project

Extensive protection cover by Hindcon



Objective: The Botanica project comprised the need for comprehensive waterproofing solutions for a residential community consisting of 300 row house bungalows. The project was planned to span three years starting from April 2023.

Challenge: The Botanica project faced several challenges: diverse structures, monsoonal delay, and a stringent completion deadline.

Outcomes: The Botanica project made substantial progress in the first phase and remained on track to address its overall objectives. Waterproofing was completed in 83 of 300 row house bungalows as well as common premises. The project remains on schedule on account of careful planning, effective resource allocation and proactive strategies.

Case study #3

Commerce House

Roof waterproofing addressed by Hindcon



Objective: The primary objective of the Commerce House project was to implement a robust roof waterproofing solution using an APP membrane, complemented by screed concrete to ensure long-term protection of the membrane from potential damage. The project was planned for a duration of two months starting from May 2024.

Challenge: The project encountered challenges: administrative delays, temporary work suspension, and ensuring that the APP membrane was adequately protected with screed concrete to prevent future damage.

Outcomes: Despite setbacks, the Commerce House project was completed within the planned timeframe. The use of APP membrane and screed concrete provided a durable waterproofing solution. The project team navigated the 15-day suspension by adjusting schedules and optimising workflows.

Case study #4

The Royal Ganges project

Comprehensive cover by Hindcon



Objective: The Royal Ganges project aimed to deliver comprehensive waterproofing solutions for an extensive residential development consisting of 17 high-rise towers and 90 row house bungalows. The project, awarded in June 2024, was planned to span five years.

Challenges: The Royal Ganges project encountered the following challenges: seasonal interruptions, extensive co-ordination, and phased engagement.

Outcomes: Key achievements included: the completion of the initial part of the project on schedule.

Why Hindcon is poised for **growth**

The macro realities fuelling our business

Income growth: In 2024, India's per capita income is expected to grow by 2.85%. According to the Union government, this rise has graduated many households into higher income brackets. In FY 2023-24, the per capita income reached nearly ₹2 Lacs, a significant increase from ₹71,609 in 2012, marking a 175% growth over the past decade. (Source: cleartax.in)

Rising population: India, with a population of approximately 1.44 Billion, has seen a decline in the median age of homebuyers. This trend is driving growth in the real estate sector and accelerating the development of the construction chemicals industry. (Source: Worldometer)

Affordable housing: The government aims to provide affordable housing for 20 million Indians by 2024 under the 'Pradhan Mantri Awas Yojana' (PMAY) scheme. So far, 80.02 Lacs houses have been completed or delivered under PMAY-Urban and 2.58 Cr houses have been completed under PMAY-Gramin. (Source: Business Standard, The Print)

Infrastructure: India is anticipated to invest ₹111 Lacs Cr in infrastructure development by 2025, which could create a wider market for construction chemicals. (Source: Tribune India)

Cement consumption: The per capita consumption of cement was approximately ~270 kgs in India compared to the global average of 500 kgs, a gap that is likely to be plugged following increased cement consumption in India. (Source: financialexpress.com)

Smart cities: The government's focus on expanding smart cities to improve urban infrastructure and elevate the standard of living presents a significant market opportunity for Hindcon.

Smart buildings: India's urban population is anticipated to increase from 410 million in 2014 to 814 million by 2050. By 2030, India's plan to add four new megacities serves as a significant growth driver for smart buildings and sustainable urban infrastructure. This growth presents an opportunity for companies like Hindcon to expand their offerings and establish a reputation as a provider of eco-friendly products in the smart buildings sector.

Verticalisation: The government is addressing urban sprawl and its environmental impact by promoting the construction of multi-story buildings. Until 2023, 154 towers over 40 floors were completed. From 2024 to 2030, an additional 207 such towers are expected, marking a 34% increase. These skyscrapers, typically around 200 meters tall, will primarily offer residential spaces. This trend towards vertical construction has led to an increased use of protective chemicals.



Big numbers

Large headroom

~270

Kgs, India's per capita cement consumption in FY 2023-24
(Source: financialexpress.com)

500-550

Kgs, Global per capita cement consumption in FY 2023-24

Growing cement sector

3.96

Billion tonnes, size of India's cement sector in 2023
(Source: ibef.org)

5.99

Billion tonnes, projected size of India's cement sector by 2032

Growing population

1.44

Billion, population of India in 2024
(Source: Indian express.com)

1.70

Billion, the estimated population of India for 2065

Home demand

18.78

Million units estimated housing shortage in India by 2025
(Source: Hindustan Times)

Urbanisation headroom

36

% of the Indian population that was urban in 2023
(Source: Trading Economics)

57

% of the global population that is urban, 2023

Larger homes

1,050

Square feet, average flat size in India in 2019

1,300

Square feet, average flat size in India, 2023

Our **sales** and marketing review



Overview

Hindcon Chemicals Ltd specialises in developing and selling construction chemicals.

With over twenty five years of experience, the company has established a strong presence in the industry. Hindcon continuously enhances its products through ongoing improvement efforts, re-engineering and adjusting the material mix to increase eco-friendliness.

Challenges and performance, FY 2023-24

During the reviewed period, the company faced challenges in procuring new orders and experienced decreased revenues. To address this, the company implemented an aggressive marketing strategy by appointing sales engineers and area sales managers. These professionals conducted in-depth marketing of the company's products across various industries, successfully securing new orders. In the year under review, the company appointed 15 sales engineers and area sales managers.

Strengths

Hindcon offers products respected for their superior value, combining high quality with competitive pricing.

The company is recognised for its superior products and exceptional after-sales service.

The products are tailored to meet specific needs and align perfectly with downstream customer requirements.

Business-strengthening strategies

Products launched in the preceding years

- Hind Block Fix
- Hind Fix TA
- Hind Sealant PS
- Hind Anti Rust
- Hind Crete Plus – WPM
- Hind Hydraproof Ceramic
- Hind Plasto Guard
- Hind Crystal Seal
- Hind Patch R
- Hind Tile Grout
- Hind Plast EGA
- Hind Styrene BR
- Hind Hydrolast 2K

Our products

- Waterproofing Hind Crete Plus WPM
- Mortar for Brick/AAC Block Fixing Hind Block Fix
- Sealing Construction and Expansion Joints Hind Sealant PS
- Tile Fixing Adhesive Hind Fix TA
- Heat Insulation and Waterproofing Paint
- Hind Hydra Proof Ceramic
- Decorative Paint Hind Plasto Guard
- Rust-Proof Paint Hind Anti-Rust

Downstream industries addressed

- Chemicals
- Construction

Construction chemicals

Construction chemicals play a vital role in accelerating construction projects, whether ongoing developments or new ventures, by improving the strength and durability of structures. These chemicals are integrated into various construction materials to boost efficiency, enhance performance, optimise functionality and protect building components. They are indispensable in construction, enhancing traditional

materials' quality and promoting project sustainability.

As a crucial segment of the chemical industry, construction chemicals are pivotal in the infrastructure development. Their numerous benefits and advancements in construction practices are poised to drive growth in the Indian construction chemicals market in the coming years.

The rise in demand for construction chemicals is fuelled by larger and more complex structures seen in modern cities, including skyscrapers, customised bridges, hospitals, shopping malls, offices and factories. These chemicals are used for coatings, surface applications and repair materials.

Our **sodium** silicate operations



Overview

Sodium silicate serves as a crucial source of sodium in industrial applications, functioning as a binder in laundry detergents, a binder and adhesive and a flocculant in water treatment plants, among other uses. Its versatile applications span across industries including pulp and paper, paints and coatings, adhesives, soap and detergent manufacturing and construction.

Sodium silicate, also known as water glass, is an inorganic compound made of silicon, sodium, oxygen and water. It

is synthesised by melting silica sand and sodium carbonate at high temperatures. Known for its high alkalinity, water solubility and adhesive properties, sodium silicate is widely used in detergents, paper, textiles, construction, water treatment, soil stabilisation, fire protection and adhesives. It is a cost-effective, versatile and eco-friendly product offering strong bonding capabilities and resistance to acid and water.

(Source: Imarcgroup.com)

Sodium silicate is in demand across industries, including detergents, rubber, food and beverage and paper and pulp,

due to its reactive silica content. It can be modified into silica sols, gels and precipitated silica for diverse applications. In the electrode coating industry, sodium silicate acts as a binding agent, enhancing coating toughness and serving as a flux in welding rod covers. Its use is growing in waste treatment, soil stabilisation and textile manufacturing for peroxide bleach and dyes. Its alkaline properties make it valuable for emulsifying oils, neutralising acidic soils and dispersing proteins, making it a preferred ingredient in detergents and cleaning products. The paper industry also relies on sodium silicate as an adhesive,

bonding agent and sizing agent, catalysing its demand. (Source: IOP science)

The global sodium silicate market reached USD 7.9 Billion in 2023 and is projected to grow to USD 11.4 Billion by 2032, with a CAGR of 4.1% from 2024 to 2032. Key factors driving this growth include rapid industrialisation, stringent environmental regulations, increasing urbanisation and infrastructure development, extensive use in water treatment and rising adoption as an adhesive in automotive manufacturing.

Hindcon Chemicals possesses a production capacity of 18,000 TPA, the company offers a diverse range of sodium silicate grades tailored to meet varying customer needs. It introduced eco-friendly grades and holds registrations with the National Small Industries Corporation, as well as ISO 22716:2007 and ISO 9001:2015 certifications.

Performance, FY 2023-24

In FY 2023-24 the company reported a revenue growth in this segment, along with an increase in volumes.

The superior quality of the company's products led to heightened demand and recognition.

Through dedicated research and development, the company enhanced its brand, product quality and reputation.

The company emphasised product development without incurring significant capital expenditure.

Effective negotiations and proactive raw material procurement allowed the company to control production costs.

To secure its supply chain, the company stocked inventory in anticipation of price hikes.

Strengths

In FY 2023-24, the company commissioned a new plant in Munshirhat, West Bengal, with a capacity of 125 MT per month. This plant represents a strategic move towards backward integration. With an investment of ~ ₹8 Cr, fully funded from internal accruals, the new facility is expected to reduce production costs. Over 50% of the production will be used internally, with the remainder sold in the market, enhancing profitability and lowering manufacturing costs. The commissioning of this new plant is anticipated to drive growth in the coming years.

Outlook

Hindcon Chemicals, with its robust production capacity, eco-friendly products and strategic expansions, anticipates strong growth across diverse industrial sectors in the coming years.

Products used in different sectors

Sodium silicate in the construction sector:

Sodium silicate is extensively used in cement-based materials for diverse roles. It acts as an alkali activator in alkali-activated cements and accelerates setting in concrete. Applied as a silicate mineral paint, sodium silicate enhances the waterproofing and longevity of concrete structures. Its versatility extends to sectors like textiles, pharmaceuticals and construction, where it plays a crucial role in projects such as dams, canals, road construction and waterproofing.

Sodium silicate in the food sector:

Sodium aluminium silicate functions as an anticaking agent in dry foods, preventing lumps from forming during

food processing. When dry powders are mixed, anticaking agents absorb excess moisture and can coat particles to repel water, preventing clumping or the formation of solid lumps.

Sodium silicate in the paper sector:

Sodium silicate acts as an adhesive enhancer in multiple applications, including pulp, cardboard, cardboard tubes and glass wool barrels. It is particularly useful in detergent packaging lines and as an adhesive in cardboard boxes. In paper manufacturing, silicates are used to whiten paper, remove ink from fibers and prevent re-sedimentation of ink particles by keeping them suspended.

Cement additives

- Sodium silicate enhances exposed aggregate finishes on concrete surfaces.

- It creates a textured surface that promotes strong bonding between layers of concrete.

- Sodium silicate produces durable and visible exposed aggregate finishes, ideal for walkways and terrazzo.

- It is effective in achieving high-quality concrete in cold weather conditions.

- Sodium silicate is employed in structural repairs and engineering projects.

- It addresses waterproofing challenges in civil construction.

- Sodium silicate is preferred for concrete courtyards in real estate, industrial floors in manufacturing facilities (including automotive, pharmaceutical and food processing plants) and dam powerhouses.

PCE-based admixtures a game changer at Hindcon

Overview

Polycarboxylate-based admixtures (PCEs) represent the latest in high-performance concrete technology. Known as superplasticizers, these admixtures are composed of aqueous copolymers of carboxylic acids and offer superior efficiency even at low doses.

Key properties

High water reduction: PCEs lower the water-cement ratio while maintaining workability, resulting in a denser and stronger concrete mix.

High resistance: They enhance concrete durability against sulfate attacks, freeze-thaw damage and alkali-silica reactions.

Slump retention: By improving workability, PCEs reduce the water content required to achieve desired slump levels and minimise excessive bleed water.

Advantages

Enhanced workability: PCEs improve the ease of pumping and pouring, providing a more efficient and workable mix without compromising setting properties.

Reduced permeability: They decrease the risk of moisture penetration, enhancing concrete's longevity.

High-quality mixes: PCEs promote better cement hydration and improve overall mix quality, leading to increased strength and durability.

Reduced shrinkage: By absorbing and retaining water, PCEs help minimise shrinkage and cracking.

Improved finish: They contribute to a smoother, more consistent surface with

reduced water absorption and seepage. PCE-based admixtures are ideal for achieving high-performance concrete in various construction applications.

Business initiatives

The company invested in acquiring PCE technology. By the end of the second quarter of FY 2024-25, the plant is expected

to produce around 350 MT per month of PCE. More than 50% will be used internally and the balance quantity will be available for market distribution.

The company is optimistic that this investment will contribute to a revenue target of ₹100 Cr by the end of FY 2024-25.

Hindcon:

Our responsible HSE commitment

Overview

The increasing importance of sustainable practices has significantly mitigated water scarcity, resource depletion and pollution, while improving process safety through stringent adherence to environmental policies. Hindcon promotes HSE awareness among employees and stakeholders, reinforcing its dedication to environmental stewardship. Over time, TPM has strengthened environmental health and safety, shifting employees from a narrow focus on plant operations and maintenance to a comprehensive approach to plant and environmental well-being.

Our HSE policy

The company's HSE policy prioritises employee safety and ensures that environmental protection sustains product integrity. Embracing a philosophy of zero accidents, zero breakdowns, zero defects and zero losses, the company aims for positive outcomes.

A safe working environment enhances employee confidence, supported by the company's strategic investments in improving health and safety across all units.

Initiatives

- The company initiated monthly health checks for employees.
- It maintained records of major and minor accidents, conducting root cause analyses to prevent recurrence.
- Vaccination programs were implemented for employees, their families and associates.
- New fire safety pumps were installed, hydrant lines were replaced and the fire protection system was enhanced to increase resilience against chemical fires, alongside the installation of portable fire extinguishers.
- Safety helmets, hand gloves and other precautionary equipment were made mandatory to mitigate workplace hazards.
- Additional health and safety resources, including materials, infrastructure and fire equipment, were provided.
- Periodic mock drills were conducted to improve emergency preparedness.
- Daily meetings were held to prioritise and communicate health and safety initiatives.

Environment

Over the years, Hindcon has enhanced its industry leadership by strategically investing in technologies aimed at reducing the use of finite resources. The company has implemented measures for water conservation, notably through rainwater harvesting initiatives.

Initiatives

- Implemented rainwater harvesting systems across all areas (plant and godown).
- Conducted green belt development activities, including planting trees in FY 2023-24.
- Initiated water recycling efforts in its plant premises.
- Installed dust collector vans outside the plant premises to mitigate noise pollution.
- Discontinued bore well water usage in the plant, opting for reprocessed and recycled water instead.

Hindcon's commitment to corporate social responsibility



Overview

Hindcon is dedicated to creating a positive social impact through its CSR initiatives. For 2023-24, the company's CSR activities focused on education, healthcare, hunger and poverty eradication and women empowerment.

Implementation and monitoring

The company's CSR activities are carried out in collaboration with carefully selected CSR partners. Detailed due diligence is conducted to onboard these partners and formal agreements are signed to ensure

the timely execution of projects. Regular monitoring and field visits assess the impact of the initiatives, and annual funds utilisation certificates are obtained from the CSR partners.

12.38

₹ Lacs, spent on CSR activities in
FY 2023-24

What we have **generated** from our business

Revenue visibility

~65

% Revenues from customers
of 3+ years

Sectoral broadbasing

~60

% of revenues from the
construction and paper
sectors, FY 2023-24

Geographic broadbasing

~61

% of offtake from outside
West Bengal, FY 2023-24

HINDCON CHEMICALS LIMITED

CIN: L24117WB1998PLC087800

Regd. Off. : 62B, Braunfeld Row, 1st Floor, Kolkata - 700027

Phone No.: 033-24490839. Fax No.: 033-24490849

Website: www.hindcon.com, e-mail: contactus@hindcon.com

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of **M/s. HINDCON CHEMICALS LIMITED** will be held at on **Tuesday, the 20th August, 2024 at 11:45 A.M. via Video Conferencing (VC) / Other Audio Video Means (OAVM)** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Financial Statement of the Company including Audited Balance Sheet as at **31st March, 2024**, Audited Statement of Profit and Loss and the Cash Flow Statement for the year ended as on that date together with Report of Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares for the financial year ended 31st March, 2024.
3. To appoint a Director in place of **Ms. Nilima Goenka (DIN: 00848225)**, retiring by rotation and being eligible, offered herself for re-appointment.
4. To appoint Ms. Anushka Gupta, Chartered Accountants, Peer Reviewed, (MRN No. 313960) as the Statutory Auditor of the Company in place of M/s. R. B. Roy & Co., Chartered Accountants and to fix her remuneration.

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

RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014, including any statutory enactment or modification thereof and in accordance with the recommendation of the Audit Committee, Ms. Anushka Gupta, Chartered Accountants, Peer Reviewed, (MRN No. 313960), be and is hereby appointed as the Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of 5 (five) consecutive AGMs and at a remuneration as may be decided by the Board of Directors for each of the financial year.

SPECIAL BUSINESS:

5. **APPOINTMENT OF MS. DIVYAA NEWATIA (DIN: 00347787) AS AN INDEPENDENT DIRECTOR**

Registered office:

62B, Braunfeld Row,
Kolkata – 700 027
Date: 16.07.2024

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

"RESOLVED THAT pursuant to Section 149, 152, 160, 161 and 197(5) read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Divyaa Newatia (DIN: 00347787), be and is hereby appointed as an Independent Director of the Company w.e.f. 26th August, 2023 to hold office for 5(five) consecutive years for a term upto 25th August, 2028 and shall not be liable to retire by rotation.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **APPROVAL OF LOANS, INVESTMENTS, GUARANTEE OR SECURITY UNDER SECTION 185 OF COMPANIES ACT, 2013**

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

"RESOLVED THAT pursuant to Section 185 of the Companies Act 2013 other applicable provisions of the Companies Act 2013 ("the Act") read with Companies (Meeting of Board and its Powers) Rules, 2014 and all other rules, regulations notifications and circular issued and the relevant provisions of Memorandum and Articles of Association of the Company, the consent of the members be and is hereby accorded for grant of loan or issue of Corporate Guarantee for issue Letter of Credit (LC) to lenders of providing Security for an amount not exceeding ₹2.00 Crores (Rupees Two Crores only) in aggregate to M/s. Vision Speed Works Pvt. Ltd. on such terms and conditions as may be mutually agreed.

FURTHER RESOLVED THAT for the purpose of giving effect to above, the Board of Directors be and is hereby authorised to take such steps, from time to time, as may be necessary and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate."

By Order of the Board of Directors
For Hindcon Chemicals Limited
sd/-

Ankita Banerjee
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS, 2015):

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act") and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, sets out all material facts relating to the business mentioned at Item Nos. 5 & 6 of the accompanying Notice dated 16th July, 2024:

Item No. 5

The Board at its meeting held on 26th August, 2023 had appointed Ms. Divyaa Newatia as an Additional Director (Independent Director) of the Company with immediate effect, pursuant to provisions of Section 149, 152, 160 and 161 of the Companies Act, 2013 and the Articles of Association of the Company.

As per provisions of the Act, she would hold office of Directors up to the date of the ensuing Annual General Meeting (AGM) unless appointed as a Director of the Company by the Shareholders. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, proposing the candidature of Ms. Newatia for the office of an Independent Director, to be appointed under the provisions of Section 149 of the Companies Act, 2013. In accordance to the verification made by the Company and its Nomination & Remuneration Committee, the aforesaid Director is not debarred from holding of office as Director pursuant to any SEBI Order.

However, pursuant to regulation 17(1)(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval as required has been obtained from the Shareholders by means of Postal Ballot within the prescribed time.

In the opinion of the Board, Ms. Newatia fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director and she is independent of the management. A brief profile of Ms. Newatia including nature of her expertise and shareholding in the Company are annexed to the notice.

Accordingly, the Board recommends the resolution in relation to appointment of Ms. Newatia an Independent Director upto 25th August, 2028, for approval by the shareholders of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. Further, she shall not be liable to retire by rotation.

Copy of the draft letter of appointment of Ms. Newatia as an Independent Director setting out the terms and conditions is available for inspection by members during working hours at the Registered Office of the Company.

Except Ms. Divyaa Newatia, no other Director, Key Managerial Personnel or their relatives, is in any way, financially or otherwise interested or concerned in the resolution.

The Board recommends the Special Resolution set forth in Item no. 5 of the Notice, for the approval by the shareholders of the Company.

Item No. 6

The Company is currently in the phase of growth by itself and through its subsidiaries and / or associates, for which there is an ongoing requirement for funds, loans by the subsidiaries/associates. Also, for various loans being obtained by subsidiaries/ associates, require the holding or group Companies to provide security or give guarantee to the lenders for issue Letter of Credit (LC) for the money borrowed.

M/s. Vision Speed Works Pvt. Ltd.(VSWPL), is a Company, where some of the Directors and or their relatives of Hindcon Chemicals Ltd. are deemed to be interested and as per provisions of Section 185 of the Companies Act, 2013 and rules made thereunder, for providing loan/guarantee/security to VSWPL, prior permission of the Shareholder is required.

On request of M/s. Vision Speed Works Pvt. Ltd. and in order to meet the fund requirements of the Company for accomplishing its main objects and to ensure necessary compliances of the provisions of the Act, the Board of Directors, hereby proposes to grant loans or provide guarantee/security for issue Letter of Credit (LC) in favour of the lenders for VSWPL upto an aggregate amount of ₹2.00 Crores (Two crores only).

The loan/guarantee/security as may provided would be utilized by the aforesaid Company for the following purpose:

- a) to meet fund requirements for buying and selling of different products in various segments of industries being the principal business activities; and
- b) to meet its working capital requirement meeting (which may include re-payment of their existing borrowings).

Therefore, the Board recommends for approval of the resolution by the shareholders of the Company.

Mr. Sanjay Goenka, being the Chairman & Managing Directors and / or relatives of the Directors of the Company would deem to be concerned or interested, financially or otherwise in the resolution.

No other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise in the resolution set out at Item No 6 of the notice.

ANNEXURE TO NOTICE OF AGM

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

[In pursuance to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Statement as per Schedule V (third proviso of Section II of Part II) and Secretarial Standard 2 issued by the Institute of Company Secretaries of India]

S I No.	Name of the Directors	Ms. Nilima Goenka	Ms. Divyaa Newatia
1.	DIN	00848225	00347787
2.	Date of Birth and Age	24 th August, 1969 54 years	23 rd March, 1980 44 years
3.	Nationality	Indian	Indian
4.	Date of appointment on Board	1 st June, 2017	26 th August, 2023
5.	Remuneration last drawn / Past Remuneration	36.00 lakhs	N.A.
6.	No. of shares held in the Company	73,12,470	80,000
7.	Qualification & Expertise in specific functional area / Background details / Job profile and his suitability	H.S. in Commerce and Expertise in Administration of Company	Chartered Accountant and having Expertise in handling statutory, internal audit and compliances
8.	Recognitions / Awards	NIL	NIL
9.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Board is of the opinion that the remuneration is commensurate with her role and responsibility as an Executive Director of the Company.	N.A.
10.	Pecuniary relationship directly or indirectly with the Company	No pecuniary relationship with the Company except Managerial Remuneration.	No pecuniary relationship with the Company
11.	No. of Board Meetings Attended	7 (Seven)	4 (Four)
12.	List of other listed Companies in which Directorships held as on 31 st March, 2024	NIL	1. Dollar Industries Ltd.
13.	List of other Companies in which Directorships held as on 31 st March, 2024	NIL	1. Sarthak Commotrade Pvt. Ltd. 2. Brown Rock Constructions Pvt. Ltd. 3. Ninestar Merchants Pvt. Ltd. 4. Splendour Tracom Pvt. Ltd.
14.	Chairman/ Member of the Committee of the Board of other Companies in which he/ she is a Director as on 31 st March, 2024	NIL	1
15.	Listed entities from which the Director has resigned in the past three years	NIL	NIL
16.	Disclosure of relationship between Directors inter-se/Managerial Personnel	Mr. Sanjay Goenka, Chairman & Managing Director-Spouse	N.A.

NOTES:

1. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular No. 09/2023 dated 25th September 2023, other Circulars issued by the Ministry of Corporate Affairs ("MCA") from time to time, Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 issued by SEBI ("the Circulars"), companies are allowed to hold AGM through video conference or other audio

visual means ("VC/OAVM") upto 30th September 2024, without the physical presence of members at a common venue. Accordingly, the AGM of the Company is being held through VC/OAVM, and video recording and transcript of the same shall be made available on the website of the Company. Central Depository Services (India) Limited ("CDSL") will be providing facility for voting through remote e-Voting, for participation in the AGM through VC/OAVM and e-Voting during the AGM.

Hence, Members can attend and participate in the AGM through VC/ OAVM only, the detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and available at the Company's Website www.hindcon.com.

In compliance with these Circulars, provisions of the Act and Listing Regulations, the 26th AGM (AGM) of the Company is being conducted through VC / OAVM facility, without the physical presence of Members at a common venue. The deemed venue for the 26th AGM shall be the Registered Office of the Company.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the business under Item no. 5 and 6 set out in this Notice and the details specified under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meeting issued by the Company Secretaries of India, is annexed hereto. Pursuant to the Companies Act, 2013, the documents related to aforesaid resolutions are open for inspection at the registered office of the Company during business hours till the conclusion of the ensuing AGM.
3. Since, the AGM is being conducted through VC/ OAVM, there is no provision for appointment of proxies. Accordingly, appointment of proxies by the members will not be available.
4. The Shareholders can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 shareholders on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The notice of AGM will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business on Friday July 19, 2024.
6. The attendance of the Shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
7. Members can raise questions during the meeting or in advance at contactus@hindcon.com. The members are requested to write to the Company at least 3 days before the AGM, through Email to contactus@hindcon.com.in for proper response in the AGM. However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.

8. Corporate members are requested to send at contactus@hindcon.com. or nichetechpl@nichetechpl.com before e-Voting/ attending AGM, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

10. Note for Institutional Shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

11. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
12. The profile of the Directors seeking appointment/re-appointment, as required in terms of applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered with the Stock Exchange is annexed hereto and forms part of this Notice.
13. In line with Circulars issued by the MCA and said SEBI, the Annual Report including Notice of the 26th AGM of the Company inter alia indicating the process and manner of e-Voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled.

Members (Physical/ Demat) who have not registered their email addresses with the company can get the same registered

with the company by requesting in member updation form by sending an email to nichetechpl@nichetechpl.com and contactus@hindcon.com. Please submit duly filled and signed member updation form to the above mentioned email. Upon verification of the Form the email will be registered with the Company.

Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 26th AGM of the Company will also be available on the website of the Company at www.hindcon.com. The same can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of CDSL i.e. www.evotingindia.com.

14. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-Voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-Voting are given herein below. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL"), who will provide the e-Voting facility of casting votes to a Shareholder using remote e-Voting system (e-Voting from a place other than venue of the AGM) ("remote e-Voting") as well as e-Voting during the proceeding of the AGM ("e-Voting at the AGM").
15. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 14, 2024 till Tuesday, August 20, 2024 (both days inclusive).
16. In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Tuesday, August 13, 2024 as the "cut-off date" to determine the eligibility to vote by remote e-Voting or e-Voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Tuesday, August 13, 2024, shall be entitled to avail the facility of remote e-Voting or e-Voting at the AGM. The Members desiring to vote through remote e-Voting are requested to refer to the detailed procedure given below. Members whose email ids are not registered with the depositories for procuring user id and password and registration of email-ids for e-Voting for the resolutions are requested to refer the instructions provided at serial no.30.
17. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. Tuesday, August 13, 2024 are requested to send the duly signed written / email communication to the Company at contactus@hindcon.com. and to the RTA at nichetechpl@nichetechpl.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-Voting.
18. Those Shareholders, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-Voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.
19. The Company has appointed Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary (Membership No.: 3811; CP No.: 3982), as the Scrutinizer to scrutinize the remote e-Voting and the e-Voting at the AGM in a fair and transparent manner.
20. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through e-mail at santibrewalla@gmail.com with a copy mark to contactus@hindcon.com. and helpdesk.evoting@cdslindia.com on or before Monday, August 19, 2024 upto 5.00 pm (IST) without which the vote shall not be treated as valid.
21. Shareholders holding shares in identical order of names in more than one folio, are requested to write to the Company or to the office of the Registrar and Share Transfer Agent (RTA), M/s Niche Technologies Private Limited, 3A, Auckland Place, Room Nos. 7A and 7B, 7th Floor, Kolkata- 700017, enclosing their share certificate to enable the Company to consolidate their holdings in one single folio.
22. The Dividend for the financial year ended March 31, 2024, as recommended by the Board, if approved, at the AGM, will be paid within 30 days of declaration, to those Members whose name appears in the Register of Members of the Company as on the record date, i.e. Tuesday, August 13, 2024. Members can submit details with the company for receiving dividend directly in their bank accounts through Electronic Clearing Services (ECS) by writing an email at contactus@hindcon.com. In case any member is unable to submit their details for remittance of dividend through ECS, there dividend warrants/cheque shall be dispatched in due course of time.
23. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/ bank details to the Company or to the office of the Registrar and Share Transfer Agent (RTA), M/s Niche Technologies Private Limited, quoting their folio number. The Members updation form forms a part of the Annual Report and is available on the website of the Company.
24. Pursuant to the provisions of the Companies Act, 2013, dividend for the year ended March 31, 2024 and thereafter, which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

25. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules") notified any the Ministry of Corporate Affairs effective September 7, 2016, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more would be transferred to the Investor Education and Protection Fund (IEPF) Suspense Account. The Company has no such shares on which dividend has not been claimed or paid for a consecutive period of seven years.
26. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to contactus@hindcon.com.
27. Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-Voting, shall be allowed to vote through e-Voting system during the meeting and until 15 minutes after conclusion of the AGM.
28. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of AGM of the Company.
- 29. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 1800-225-533.**
- 30. THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Saturday, August 17, 2024 and ends on Monday, August 19, 2024. During this period shareholders of the Company, holding shares either in

physical form or in dematerialized form, as on the cut-off date Tuesday, August 13, 2024 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 December 09, 2020, under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email-id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for individual shareholders holding securities in demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and New System Myeasi Tab.

Type of shareholders	Login Method
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System My easi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-Voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>➤ Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>➤ If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</p>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <**Hindcon Chemicals Limited**> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK"; else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at santibrewalla@gmail.com and to the Company at the email address contactus@hindcon.com, if they have voted from individual tab and not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM and E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to nichetechpl@nichetechpl.com.
2. For Demat shareholders - Please update your email id and mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual demat shareholders** – Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.
4. The Company/RTA shall co-ordinate with CDSL and would provide the login credentials to the above mentioned shareholders.

If you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Other Information:

1. Those persons, who have acquired shares and have become members of the Company after the dispatch of Notice of the AGM by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. Tuesday, August 13, 2024 shall view the Notice of the 26th AGM on the Company's website or on the website of CDSL. Such persons may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-Voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting at the AGM.
2. Voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, August 13, 2024. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
3. Every Client ID No./ Folio No. will have one vote, irrespective of number of joint holders.

Scrutinizer's Report and declaration of results

1. The Scrutinizer shall, after the conclusion of e-Voting at the AGM, first count the votes cast vide e-Voting at the AGM and thereafter shall, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 2 (two) working days of the conclusion of the AGM, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of the voting forthwith.
2. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hindcon.com. and on the website of CDSL i.e. www.evotingindia.com. The Company shall simultaneously forward the results to National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.

Dividend

1. The Board of Directors has recommended a dividend of 5 % i.e. ₹0.10 per Equity share of the nominal value of ₹2/- each for the year ended March 31, 2024 for consideration of the Shareholders.
2. The Register of Members and Share Transfer books of the Company will remain closed from Wednesday, August 14, 2024 to Tuesday, August 20, 2024 (both days inclusive), for the purpose of AGM and Dividend. The Dividend, if declared, will be payable on or after Tuesday, August 20, 2024, to those Shareholders whose names are registered as such in the Register of Members of the Company as on Tuesday, August

13, 2024 and to the beneficiary holders as per the beneficiary list as on Tuesday, August 13, 2024 provided by the NSDL and CDSL, subject to deduction of tax at source where applicable.

Payment of dividend through electronic means:

- (a) The Company provides the facility to the Shareholders for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). In view of difficulties involved in dispatching of physical dividend warrants, Shareholders holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), along with their Folio Number, to the Company. Shareholders holding shares in dematerialized form are requested to provide the said details to their respective Depository Participants.
 - (b) In line with the General Circular No. 20/ 2020 dated May 05, 2020 issued by the MCA, in case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), the Company/ RTA shall upon normalization of the postal services, dispatch the dividend warrant/ cheque to such shareholder by post.
 - (c) Shareholders holding shares in dematerialized form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company/ RTA for payment of dividend. The Company/ RTA cannot act on any request received directly from the Shareholders holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.
3. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of Shareholders with effect from April 01, 2020 and the Company is required to deduct tax at source from dividend paid to the Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and their respective Depository Participants (in case of shares held in dematerialized form). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by Email to contactus@hindcon.com. by August 20, 2024. Effective April 1, 2020, as per the Income Tax Act, 1961, the dividend income is taxable in the hands of shareholders. Accordingly, if any resident individual shareholder is in receipt of dividend exceeding ₹5,000 in a fiscal year, entire dividend will be subject to TDS @ 10%. The rate of

- 10% is applicable provided the shareholder has updated his/her Permanent Account Number (PAN) with the depository/Registrar and Transfer Agent (RTA). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Resident shareholders who are eligible for deduction of TDS at a concessional or Nil rate as per Section 197 of the Income-tax Act, 1961, can submit the certificate/letter issued by the Assessing Officer, to avail the benefit of lower rate of deduction or non-deduction of tax at source by Email to contactus@hindcon.com. by August 20, 2024. Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an Email to contactus@hindcon.com. The aforesaid declarations and documents need to be submitted by the Shareholders by August 20, 2024. The aforesaid Form No. 15G/15H can be downloaded from Company's website www.hindcon.com.
4. In terms of the provisions of Sections 124 and 125 of the Act, dividend which remains unpaid/ unclaimed for a period of 7 (seven) years from the date of declaration is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, in terms of the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), Equity Shares, in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of declaration, are also required to be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules. All equity shares of the Company on which dividend has not been paid or claimed for 7 (seven) consecutive years or more, shall be transferred by the Company to the IEPF from time to time. Details of unpaid / unclaimed dividend and equity shares transferred to IEPF are uploaded on the website of the Company as well as that of the Ministry of Corporate Affairs, Government of India ("MCA"), if any. No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF and IEPF Suspense Account, respectively, pursuant to the IEPF Rules. Shareholders can however claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making an online application in web Form No. IEPF-5, the details of which are available at www.iepf.gov.in.
- In terms of the provisions of Regulation 40 of SEBI Listing Regulations and various notifications issued in that regard, requests for effecting transfer of securities (except in case of transmission or transposition of securities) could not be processed since April 01, 2019 unless the securities are held in the dematerialized form with the depositories. In view of the same, Shareholders are requested to take action to dematerialize the Equity Shares of the Company/ RTA, promptly.
 - SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Shareholders holding shares in physical form should submit their PAN to the Company/ RTA.
 - Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, Email ID, telephone / mobile numbers, PAN, mandates, nominations, power of attorney, bank details (such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.), with necessary documentary evidence, to their Depository Participants in case the shares are held by them in dematerialized form and to the Company/ RTA in case the shares are held by them in physical form.
 - In terms of the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Shareholders holding shares in dematerialized form are requested to submit the said details to their Depository Participant(s) and the Shareholders holding shares in physical form, are requested to submit the said details to the Company or RTA. The aforesaid Form No. SH 13 can be downloaded from Company's website www.hindcon.com.
 - Shareholders are requested to quote their Folio No. or DP ID – Client ID, as the case may be, in all correspondence with the Company or the RTA.
 - Since the AGM will be held through Video Conferencing or Other Audio Visual Means, route map of venue of the AGM and admission slip is not attached to this Notice.

Board's Report

Dear Shareholders

Your Directors take pleasure in presenting the 26th (Twenty Sixth) Annual Report together with the Audited Annual Accounts of your Company for the year ended March 31, 2024.

FINANCIAL RESULTS

(₹ in lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	FY-2023-24	FY-2022-23	FY-2023-24	FY-2022-23
i. Gross Turnover	6167.01	8,165.00	6450.94	8,559.43
ii. Other Income	175.40	107.35	168.34	118.51
iii. Total Income	6342.41	8,272.35	6619.28	8677.94
iv. Expenses other than Finance Cost and Depreciation	5451.73	7,649.65	5741.25	8041.94
v. Earnings Before Interest, Depreciation, Taxation and Amortization (EBIDTA)	890.68	622.70	878.03	636.00
vi. Finance Cost	7.56	5.03	7.56	5.03
vii. Depreciation	35.38	28.69	35.38	28.69
viii. Profit/(Loss) before Tax & Exceptional Item	847.74	588.98	835.09	602.28
ix. Exceptional Items	-	-	-	-
x. Profit before Taxation (PBT)	847.74	588.98	835.09	602.28
xi. Tax including Deferred Tax	(209.34)	(158.02)	(211.89)	(166.69)
xii. Profit after Taxation (PAT)	638.40	430.96	623.20	435.59
xiii. Other Comprehensive Income	24.39	(51.29)	186.85	(57.84)
xiv. Total Comprehensive Income	662.79	379.67	810.05	377.75
xv. (Profit) / Loss of minority interest	-	-	5.14	3.69

STATE OF COMPANY'S AFFAIRS AND OPERATIONS

During the year under review, your Company on standalone basis has achieved an income of ₹6,342.41 lakhs which is 23.33% lower as compared with the previous financial year. Further, the Company has earned a net profit of ₹638.40 lakhs in the financial year 2023-24. The Company has produced 15,457.44 MT of Sodium Silicate and Construction Chemicals during the financial year as compared to 20,709.07 MT of Sodium Silicate and Construction Chemicals in the previous financial year which is 25.36% lower as compared with the corresponding previous financial year.

OUTLOOK

As a company in the construction chemicals industry with a diverse range of over 200 products, we have established ourselves as a one-stop solution for our customers. Our dedication to providing top-notch products is evident through our ISO 9001:2015 and ISO 22716:2007 certifications, highlighting our adherence to strict quality management standards.

Currently, only a small portion of our total revenue comes from the retail segment. However, our goal is to significantly increase this portion, aiming to grow the revenue contribution from retail by 10 times over the next 5 years. Our high-quality products and long-standing relationships with retailers fuel this ambition.

To further enhance our market presence, we plan to expand our product portfolio by adding 5 to 10 new products each year for the next 5 years. This strategic move will enable us to cater to broader customer needs and capture additional market segments.

Overall, with our dedication to quality, expansion of the product range and increased production capacity, our company is poised for significant growth and success in the coming years.

Your Company has set up a new plant at Munshihat, West Bengal at a Capital outlay of ₹8 Crores (Approx.). The Commercial production in the new plant has been commenced w.e.f. 13th February, 2024. This will provide impetus to backward Integration of the Chemical products of your Company resulting into sizable products in its cost and full effect of the same would be visible from the Financial Year 2024-25.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of business of the Company and the Company continues to concentrate on its own business.

DIVIDEND

The Board of Directors has paid an interim dividend of ₹0.50 (5% of the paid up value of ₹10/- each - pre-split) and has recommended a final dividend of ₹0.10 per equity share (5% of the paid up value of ₹2/- each - post split) for the financial year 2023-24. Total outgo on account of dividend is ₹1,02,38,125/-. The payment of dividend is subject to approval of members at the ensuing Annual General Meeting.

SHARE CAPITAL

The paid up equity share capital as on March 31, 2024 stood at ₹10,23,81,250/- comprising of 5,11,90,625 shares of ₹2/-each fully paid.

During the financial year 2023-24, your Company had sub-divided 1 (One) fully paid-up Equity Share of the face value of ₹10/- (Rupees Ten) each, into 5 (Five) fully paid-up Equity Shares of the face value of ₹2/- (Rupees Two) each. This will broad base the shareholders of the Company due to affordable investment tick size.

DEPOSITS

Your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

TRANSFER TO RESERVE

The Company has not transferred any amount in the general reserve for the financial year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Directors Responsibility Statement as referred to in section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) 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 the year ended on 31st March, 2024;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the

Company and for preventing and detecting fraud and other irregularities;

- iv) The Directors have prepared the annual accounts for the financial year ended 31st March, 2024 on a going concern basis;
- v) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Information related to Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo as required under section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014 are given in the '**Annexure-A**' as attached hereto and forming part of this Report.

CORPORATE GOVERNANCE

The Company's philosophy of Corporate Governance aims at establishing and practicing a system of good corporate governance which helps in achieving the goal of maximizing value of Company's stakeholders in a sustainable manner.

Your Company's Governance structure is built on transparency, integrity, ethics, honesty and accountability as core values, and the management believes that practicing each of the creates the right corporate culture attaining the purpose of Corporate Governance. Your Company strives to undertake best Corporate Governance practices for enhancing and meeting stakeholders' expectations while continuing to comply with the mandatory provisions of Corporate Governance under the applicable framework of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company has given its deliberations to provide all the information in the Directors Report and the Corporate Governance Report as per the requirements of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreement entered by the Company with the Stock Exchanges.

Pursuant to Regulation 34(3) read with Schedule V of The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the applicable Regulations as issued by Securities and Exchange Board of India and as amended from time to time. A report on Corporate Governance along with a certificate from Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary regarding compliance of conditions of Corporate Governance attached to this report and marked as '**Annexure -B & C**' respectively.

The certification by CEO& CFO as per regulation 15(2)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is attached and marked as '**Annexure –D**'.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and business principles for all the Board members including Executive/ Non-Executive Directors, senior management and all the employees of the Company and the same has also been placed on the weblink of the Company at <https://hindcon.com/wp-content/uploads/2020/12/Code-of-Conduct-Final.pdf>.

The Board Members and Senior Management have affirmed their compliance with the Code and pursuant to Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 a declaration signed by the Managing Director (CEO) to this affect is at '**Annexure-E**'.

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The Management Discussion and Analysis Report, in terms of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms the part of this Annual Report as enclosed at '**Annexure-F**'.

COMPANY'S WEBSITE

The website of your Company www.hindcon.com displays the Company's businesses up-front on the home page. The site carries a comprehensive database of information of all the Chemicals and Chemical products including the Financial Results of your Company, Shareholding Pattern, Directors' & Corporate profile, details of Board Committees, Corporate Policies and business activities of your Company.

All the mandatory information and disclosures as per the requirements of the Companies Act, 2013 and Companies Rules 2014 and as per the SEBI (LODR) Regulations, 2015 has been uploaded.

LISTING OF SECURITIES IN STOCK EXCHANGE

The shares of the Company are listed at the National Stock Exchange of India Limited (NSE). The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. The Company has paid Listing Fees to the Stock Exchange and the depositories.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

i) Retirement by Rotation:

Ms. Nilima Goenka (DIN: 00848225), Executive Director of the Company, pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, retiring

by rotation at the ensuing Annual General Meeting and being eligible, offered herself for re-appointment.

ii) Appointment /Re-appointment of Executive Directors / Independent Directors:

During the year under review Mr. Sudhir Kumar Bhartia (DIN: 00644721), Independent Director had resigned w.e.f. 12th July, 2023 due to his pre-occupation and Ms. Divyaa Newatia (DIN: 00347787) has been appointed as an Independent Director of the Company w.e.f. 26th August, 2023 in his place.

iii) Appointment and Resignation of Whole-time Key Managerial Personnel (KMP):

The present Whole-time Key Managerial Personnel of the Company are as follows:-

- i. Mr. Sanjay Goenka – Chairman & Managing Director
- ii. Mr. Kashi Nath Dey – Chief Financial Officer
- iii. Ms. Ankita Banerjee – Company Secretary & Compliance Officer

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

All members of the Board of Directors and senior management personnel affirmed compliance with the Company's Code of Conduct policy on an annual basis.

iv) Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that:

- a. they meet the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- b. they have registered their names in the Independent Directors' Databank pursuant to Sub-rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and amendments thereto.

AUDITORS AND THEIR REPORTS

(i) Statutory Auditors:

M/s R. B. Roy & Co., (Firm Registration No. 322805E), Chartered Accountants, were appointed as the Statutory Auditors of the Company at the 22nd Annual General Meeting (AGM) of the Company held on 25th August, 2020 for a period of 5 (five) years and continue to hold the office of Auditors till the conclusion of the 26th AGM of the Company to be held for the Financial Year 2023-24.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

The Board on recommendation of Audit Committee has proposed to appoint Ms. Anushka Gupta, Chartered Accountants, Peer Reviewed, (MRN No. 313960) as Statutory Auditor of the Company for a period of 5 (Five) years i.e. from the conclusion of ensuing Annual General Meeting till the conclusion of Annual General Meeting of the Company for the financial year 2028-29, subject to approval of Shareholders. The proposed new Auditor has expressed her willingness and declared that she is not disqualified for the appointment

The observations, if any, made by the Statutory Auditors in their Auditors Report together with the notes to accounts, as append thereto are self-explanatory and hence does not call for any further explanation. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

(ii) Internal Auditor:

M/s. Amit Ved Garg & Co., Chartered Accountants, continued to be the Internal Auditors of the Company to carry out the Internal Audit for the year 2023-24 under the provisions of section 138 of the Companies Act, 2013.

The Company has received consent letter from M/s. Amit Ved Garg & Co., Chartered Accountants, for their re- appointment as the Internal Auditors of the Company for the financial year 2024-25 and the Board, on recommendation of Audit Committee has re-appointed them accordingly.

(iii) Secretarial Auditors:

Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary (Peer Reviewed), continued to be the Secretarial Auditor of the Company to carry out the Secretarial Audit for the year 2023-24 under the provisions of section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The report of the Secretarial Auditor **MR-3** for the financial year 2023-24 is enclosed as '**Annexure G**' to this Board's Report, which is self-explanatory and hence do not call for any further explanation. However, the penalty for delayed information for fixation of record date for split of shares was delayed by one day as per NSE and had imposed penalty of rupees Ten thousand only. This was contested by the Company but to avoid procedural delay for split, the Company had paid the penalty.

The Company has received consent letter from Mr. Tibrewalla for his re-appointment as the Secretarial Auditor of the Company for the financial year 2024-25 and the Board has re-appointed him accordingly.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted the Code of Conduct to regulate, monitor and report trading by designated persons towards prevention of Insider Trading. Further, in accordance with the provisions of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has duly approved and adopted the code of practices and procedure for fair disclosure of Un-published Price Sensitive Information and formulated the code of conduct of the Company.

The code is applicable to Directors, Employees, Designated Person and other connected persons of the Company; the aforesaid code of conduct for prevention of Insider Trading is duly placed on the Website of the Company at www.hindcon.com.

DISCLOSURES AS PER APPLICABLE ACT AND SEBI (LODR) REGULATIONS, 2015

i) Related Party Transactions:

All transactions entered with related parties in the ordinary course of business during the F.Y.2023-24 on arm's length basis were done in accordance to omnibus approval of Audit Committee and other transactions which are not on arm's length basis are done with due approval of Audit Committee and Board in accordance to the provisions of Section 188(1) of the Act and applicable SEBI (LODR) Regulations, 2015.

There was no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 which may have potential conflict of interest with the Company at large. Details of contracts which are not on arm's length basis and material transaction on arm's length basis are detailed in **Form AOC-2** and annexed as '**Annexure -H**' to the Boards' Report.

The other disclosures regarding the related party transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

ii) Particulars of Employees and Managerial Remuneration:

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as '**Annexure -I**'

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report, which forms part of this Report.

iii) Number of Board Meetings:

During the financial year ended **March 31, 2024**, 7(Seven) Board Meetings were held on **26th May, 2023, 22nd July, 2023, 12th August, 2023, 26th August, 2023, 6th November, 2023, 26th December, 2023 and 29th January, 2024.**

The gap between any two consecutive meetings was in accordance to the Regulation 17(2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, Secretarial Standards and the provision of Companies Act, 2013.

Sl No.	Name of the Directors	No. of meetings held	No. of Board meetings attended
1.	Mr. Sanjay Goenka	7	7
2.	Mr. Ramsanatan Banerjee	7	7
3.	Ms. Nilima Goenka	7	7
4.	Mr. Binay Kumar Agarwal	7	6
5.	Mr. Girdhari Lal Goenka	7	6
6.	Mr. Sudhir Kumar Bhartia	7	1
7.	Ms. Divyaa Newatia	7	4

The meetings of the Board are generally held at the Registered Office of the Company.

Evaluation of the Board's Performance:

During the year under review, the Board, in compliance with the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has continued to adopt formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board, as a whole and the Chairman, who were evaluated on parameters such as their participation, contribution at the meetings and otherwise, independent judgements, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors, Committees of the Board and Board as a whole were carried out by the Independent Directors in their separate meeting.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

iv) Committees of the Board:

As on March 31, 2024 the Board had four Committees: the Audit Committee, the Nomination and Remuneration Committee,

the Stakeholder's Relationship Committee and Corporate Social Responsibility Committee.

a. Audit Committee:

The Board had constituted the Audit Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

Recommendation by Audit Committee

There were no such instances where the recommendation of Audit Committee has not been accepted by the Board during the financial year under review.

Vigil Mechanism Policy

By virtue of Vigil Mechanism Policy, the Directors and employees of the Company are encouraged to escalate to the level of the Audit Committee any issue of concerns impacting and compromising with the interest of the Company and its stakeholders in any way. The Company is committed to adhere to highest possible standards of ethical, moral and legal business conduct and to open communication and to provide necessary safeguards for protection of Directors or employees or any other person who avails the mechanism from reprisals or victimization, for whistle blowing in good faith. This policy also allows the direct access to the Chairperson of the Audit Committee. During the year under review, the Company has not reported any complaints under Vigil Mechanism.

Details of establishment of the Vigil Mechanism have been uploaded on the Company's website: www.hindcon.com.

b. Nomination and Remuneration Committee:

The Board had constituted the Nomination & Remuneration Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

Nomination, Remuneration and Evaluation Policy:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules made therein and the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (as amended from time to time), the Committee has formulated the Nomination and Remuneration Policy which broadly laid down the various principles of remuneration being support for strategic objectives, transparency, internal & external equity, flexibility, performance driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company.

The detailed Nomination & Remuneration Policy of the Company is placed on the Company's website and can be viewed at its weblink at: <http://www.hindcon.com/wp-content/uploads/2018/05/Nomination-Remuneration-Policy-Final.pdf>

c. Composition of Stakeholder's Relationship Committee:

The Board had constituted the Stakeholder Grievance Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report.

d. Composition of Corporate Social Responsibility Committee:

The Board had constituted the Corporate Social Responsibility Committee under the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee and other details of the Committee are given in the Corporate Governance Report, attached as Annexure to this Board's Report

Further, details regarding CSR Activities / Initiatives undertaken by the Company are mentioned in the 'Annual Report on CSR Activities' enclosed as "Annexure -J" to this Report. The CSR policy is also uploaded on the Company's website i.e. on www.hindcon.com.

v) Meeting of Independent Directors for FY 2023-24:

During the year under review, the Independent Directors of the Company met on 29th January, 2024 and carried out evaluation of the Non-Independent Director and the Board as a whole.

vi) Annual Return:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 and amendments thereof, the Annual Return of the Company is placed on the website of the Company at the following link www.hindcon.com

vii) Risk Analysis:

The Board has developed and implemented a risk management policy identifying therein the elements of risk that may threaten the existence of the Company. The Company has in place a mechanism to inform the Board members about the risk assessment, their comparison against benchmarks or standards, and determination of an acceptable level of risk and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.

viii) Internal Financial Control:

The Company has in place adequate internal financial control as required under section 134(5)(e) of the Act and the same was evaluated by the Audit Committee. During the year such controls were tested with reference to financial statements and no reportable material weakness in the formulation or operations were observed. The Statutory Auditors of the Company conducted audit on the Company's internal financial control over financial reporting and the report of the same is annexed with Auditors' Report.

ix) Disclosure Relating To Material Variations:

As per Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no such material variances in the Company.

x) Loans, Guarantees and Investments:

During the year under review, your Company has invested and deployed its surplus funds in Securities, Bonds, units of Mutual Funds, Fixed deposits, etc. which is within the overall limit of the amount and within the powers of the Board as applicable to the Company in terms of Section 179 and 186 of the Companies Act, 2013.

The particulars of loans, guarantees and investments have been disclosed in the notes of the Financial Statements for the year ended 31st March, 2024 and form a part of this Annual Report.

xi) Material changes and commitments, if any, affecting the financial position between the end of the financial year and date of the report:

There is no material change since the closure of the financial year till the date of the report affecting any financial position of the Company.

However, the Company has changed its Registrar and Share Transfer Agents (RTA) from Link Intime India Pvt. Ltd. to Niche Technologies Pvt. Ltd. for smooth functioning of the Investors Services.

xii) Subsidiaries, Associates or Joint Ventures:

As on 31st March, 2024 Company has only one Subsidiary Company viz. M/s. Hindcon Solutions Private Limited.

The consolidated financial statement in this Annual Report is as per the Accounting Standards as laid down by the Institute of Chartered Accountants of India. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information will also be available on our website including financial statement of Subsidiary Company. These documents will also be available for inspection during business hours at the Registered Office of the Company. The Company will also make available copy on specific request by any member of the Company, interested in obtaining the same.

Further a statement containing the salient features of the financial statement of our Subsidiary Company in the prescribed format **AOC-1** is appended as "**Annexure-K**" to this Board's Report.

xiii) Secretarial Standards

Secretarial Standards, i.e. SS-I, SS-II and SS-III, relating to 'Meetings of the Board of Directors', 'General Meetings' and 'Dividend' respectively, to the extent as applicable have been duly followed by the Company.

xiv) Internal Complaint Committee

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the

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

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 complaints with allegations of sexual harassment were filed.

INDUSTRIAL RELATIONS

The industrial relation during the year 2023-24 had been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There have been no significant & material orders passed by regulators / courts / tribunals impacting going concern status and Company's operations in future.

APPRECIATION

Your Directors take this opportunity to place on record their gratitude to the Central and State Governments, Bankers and Investors for their continuous support, co-operation and their valuable guidance to the Company and for their trust reposed in the Company's management. The Directors also commend the continuing commitment and dedication of the employees at all levels and the Directors look forward to their continued support in future.

On behalf of the Board of Directors
For Hindcon Chemicals Limited

Registered Office:

62B, Braunfeld Row,
Kolkata – 700 027
Date: 16.07.2024

sd/-

Sanjay Goenka
Chairman & Managing Director
DIN: 00848190

sd/-

Nilima Goenka
Whole time Director
DIN: 00848225

ANNEXURE –‘A’ to the Directors’ Report

Particulars pursuant to the provisions of Section 134 (3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014:

A) Conservation of Energy

(i) Steps taken or impact on conservation of energy

The conservation of energy is a continuous process for the Company and towards this endeavor; the company has taken various initiatives which are as under:

- Up gradation and modernization of equipments based on fuel or power efficiency.
- Installation of Gas Generating sets for generating power.
- Maintenance and overhauls of generators to achieve a high unit per liter delivery.
- Monitoring the maximum demand and power load factor on daily basis.
- Installation of power capacitors for efficient utilization of available power.
- Optimum power factor is being maintained to avoid surcharge on power factor as well as to get maximum rebate on electricity consumption bills.
- Condensed Bulbs is gradually replaced with LED Bulbs in the factory to reduce the energy consumption.
- Installation of Gas flow meter to save the power and fuel cost.

(ii) Steps taken by the Company for utilizing alternate sources of energy

The Company is committed to conserve energy at its various levels and has explored possibilities to exploit alternate source

of energy as well. The company is steadily progressing in this endeavor and is hopeful that improvements will be made going forward.

(iii) Capital investment on energy conservation equipments

Not ascertainable.

B) Technology Absorption

(i) Efforts, in brief, made towards technology

The Company undertakes regular efforts to upgrade and modernize its equipments through adoption of improved technology.

Managerial staffs often attend seminars and training program for quality improvement in their respective fields.

The Company conducts various workshop and interactive group discussions regularly duly complimented by efficient training of staff with specific approach towards development of efficiency.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution

The adoption of improved technology, regular up-gradation, modernization of equipments, conducting various workshops and implementation of organic technologies help in improving the quality of chemical. The Company is also exporter of its products to various countries.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)

- a) Details of technology imported
 - b) Year of import N.A.
 - c) Whether the technology been fully absorbed
 - d) If not fully absorbed, areas where absorption has not taken place, reasons thereof: and
- } N.A.

(iv) The expenditure incurred on Research and Development

Expenses incurred are charged to respective heads are not allocated separately.

The Company is keeping a close watch on the new product Development in Chemical sector, Upgradation and Automation is being done wherever.

FOREIGN EXCHANGE EARNING AND OUTGO

The Foreign exchange earned in terms of actual cash inflows during the year and the Foreign exchange outgo during the year in terms of actual outflows is as follows –

	2023-24	2022-23
	(₹ in lakhs)	
Total foreign Exchange Used and Earned:		
Earned (F.O.B.)	NIL	NIL
Used	1460.69	2131.13

On behalf of the Board of Directors
For Hindcon Chemicals Limited

Registered Office:

62B, Braunfeld Row,
Kolkata – 700 027
Date: 16.07.2024

sd/-

Sanjay Goenka

Chairman & Managing Director
DIN: 00848190

sd/-

Nilima Goenka

Whole time Director
DIN: 00848225

ANNEXURE – 'B' to the Directors' Report

Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company believes that a sound governance discipline enables the Board to direct and control the affairs of the Company in an effective manner and maximize stakeholder value, including the society at large. The Company's philosophy of Corporate Governance envisages at establishing and practicing a system of good corporate governance for attaining highest level of transparency and accountability towards fulfilling the corporate objectives and to meet the obligations and best sub serve the interest of its stakeholders. Your company has remained committed to follow best governance practices in its true spirit.

Keeping in view the Company's commitment to the principles of good corporate governance which strives to achieving efficiency and excellence in the operations of the Company with optimum blend of business practices and compliance with applicable laws and regulations leading to effective control and management of the organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value.

The Company in terms of applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has adopted practice of

Corporate Governance for ensuring and protecting the rights of its shareholders by means of transparency, integrity, accountability and checks at the different levels of the management of the Company.

Your Company is in compliance with the requirements of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

2. BOARD OF DIRECTORS:

Your Company has a balanced and diverse Board which includes eminent independent professionals in conformity to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. Your Company's Board is presently comprised of six directors, including independent professionals with relevant expertise in divergent fields, who play a crucial role in Board processes and provide independent judgement on issues of strategy and performance. The Composition of the Board comprises of judicious mix of three Executive Directors and three Independent Directors (including one Woman Director) as per the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The composition and category of Directors is detailed as follows:

Category	Name of the Directors
Executive – Chairman & Managing Director- Promoter	Mr. Sanjay Goenka
Executive – Whole Time Director- Promoter	Ms. Nilima Goenka
Executive – Whole Time Director - Non- Promoter	Mr. Ramsanatan Banerjee
Non – Executive Director- Independent	Mr. Binay Kumar Agarwal
Non – Executive Director- Independent	Mr. Girdhari Lal Goenka
Non – Executive Director- Independent*	Mr. Sudhir Kumar Bhartia
Non – Executive Director- Independent**	Ms. Divyaa Newatia

*Resigned w.e.f. 12th July, 2023

**Appointed w.e.f. 26th August, 2023

The aforesaid Directors meet all the criteria as stipulated in the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The appointment letters issued to the above Independent Directors sets out their roles, responsibilities, fiduciary duties in the Company and the expectation of the Board from them along with other terms of their appointment.

The Board critically evaluates strategic direction of the Company and exercises appropriate control to ensure that the business of the Company is conducted in the best interests of the shareholders and society at large. The directors are commonly acquainted with various informative programs to enable them to get familiarized with the Company's operational flow and practices. Quarterly presentations are made at Board and Committee Meetings on business and financial performance updates of the Company including business strategy and risk factors. Your Directors take active part at the Board and Committee Meetings and provide valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc.

The Company in accordance with applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has taken initiatives to familiarize its Independent Directors (IDs) with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through familiarization programme as posted on the website of the Company at its weblink at <https://hindcon.com/wp-content/uploads/2020/12/Familiarization-Programme-ID.pdf>

In terms of Companies Act, 2013 and rules made thereunder, none of the Directors held Directorship in more than 10 (ten) Public Limited Companies and/or were members of more than 10 (ten) Committees or acted as Chairperson of more than 5 (five) Committees across all Public Limited Companies in which they are Directors

In terms of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, none of the Independent Directors of the Company held Directorships in more than 7 (Seven) Listed Entities and none of the Independent Directors of the Company held Independent Directorship in 7(Seven) Listed Entities.

The Managing Director does not serve as Independent Director in any other listed Company.

The Board of Directors confirmed that as per their opinion, the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are independent of management.

The Board has carried out performance evaluation of Independent Directors and recommended to continue the term of their appointment.

(a) Attendance of each Director at the Board Meeting /Annual General Meeting held during the year 2023-24 and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in other various Companies:

Name of the Director	Attendance Particulars		Number of other Directorship and Committee membership/ Chairmanship		
	Board Meetings	Last AGM held on 26.08.2023	Other Directorship#	Committee Membership##	Committee Chairmanship##
Mr. Sanjay Goenka	7	Present	-	-	-
Ms. Nilima Goenka	7	Present	-	-	-
Mr. Ramsanatan Banerjee	7	Present	-	-	-
Mr. Binay Kumar Agarwal	6	Present	1	1	1
Mr. Girdhari Lal Goenka	6	Present	-	-	-
Mr. Sudhir Kumar Bhartia *	1	Absent	-	-	-
Ms. Divyaa Newatia **	4	Present	1	1	-

* Mr. Sudhir Kumar Bhartia resigned w.e.f. 12th July, 2023.

** Ms. Divyaa Newatia appointed w.e.f 26th August, 2023.

#Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

##Only two Committees viz. the Audit Committee and the Stakeholder Relationship Committee are considered for this purpose.

(b) The list of Companies where the persons are Directors and the category of Directorship are as follows:

Name of the Director	Name of the Listed Entity where the person is a Director	Category of Directorship
Mr. Sanjay Goenka	NIL	N.A.
Ms. Nilima Goenka	NIL	N.A.
Mr. Ramsanatan Banerjee	NIL	N.A.
Mr. Binay Kumar Agarwal	Dollar Industries Limited	Non-Executive, Independent Director
Mr. Girdhari Lal Goenka	NIL	N.A.
Ms. Divyaa Newatia	Dollar Industries Limited	Non-Executive, Independent Director

(c) During the year 2023-24, 7 (Seven) Board meetings were held on 26th May, 2023, 22nd July, 2023, 12th August, 2023, 26th August, 2023, 6th November, 2023, 26th December, 2023 and 29th January, 2024. The gap between any two consecutive meetings did not exceed one hundred and twenty days as required under of Regulation 17(2) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d) Expertise & Skills of the Board of Directors

The Board of Directors comprises of highly experienced members possessing required skills, expertise and competence in making effective contributions towards the overall growth of the Company.

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

List of core skills/ expertise/ competence	Brief Description	Name of the Directors having such skills/ expertise/ competence
Finance	Leadership in Corporate/ business finance is an important and inevitable function and efficient financial management is crucial for success and sustenance. It results in proficiency in financial management, procurement and utilisation of funds and controlling the financial activities and management of financial resources.	Mr. Sanjay Goenka Mr. Ramsanatan Banerjee Mr. Binay Kumar Agarwal Mr. Girdhari Lal Goenka Ms. Divyaa Newatia
Strategy & Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.	Mr. Sanjay Goenka Mr. Ramsanatan Banerjee Mr. Binay Kumar Agarwal Ms. Divyaa Newatia
Global Business	Understanding, of global business dynamics, across various geographical markets with an understanding of industry verticals, regulatory jurisdictions, economic conditions, cultures and a broad perspective on global market opportunities.	Mr. Sanjay Goenka Mr. Ramsanatan Banerjee Mr. Binay Kumar Agarwal Mr. Girdhari Lal Goenka Ms. Divyaa Newatia
Leadership	Leadership experience leads to maximize efficiency and to achieve Company goals by understanding the opportunities and threats, processes, strategic planning and risk management and discussing the financial performance and long-term growth.	Mr. Sanjay Goenka Ms. Divyaa Newatia
Procurement, Sales & Marketing	Experience in procurement of raw materials, production aspects, marketing technical aspect of production, quality control, purchase management and developing strategies to grow sales and market share, build brand awareness and enhance Company reputation.	Mr. Sanjay Goenka Mr. Ramsanatan Banerjee Ms. Divyaa Newatia
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining Board and management accountability, building long-term effective stakeholder engagements, driving corporate ethics and values and observing appropriate governance practices.	Mr. Binay Kumar Agarwal Mr. Girdhari Lal Goenka Ms. Divyaa Newatia
Administration	Leadership in administration of a Company, results in long-term growth by planning, organising, directing and controlling the operations, creating rules and regulations and making decisions towards achieving a common goal or objective of the Company.	Mr. Sanjay Goenka Mr. Ramsanatan Banerjee Ms. Nilima Goenka Ms. Divyaa Newatia
Risk Management	Expertise in identification, evaluation and mitigation of operational, strategic and environmental risks, monitoring and approving the risk policies and associated practices of the Company.	Mr. Sanjay Goenka Mr. Binay Kumar Agarwal Ms. Divyaa Newatia

(e) Separate Meeting of the Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and in terms of Regulation 25(3) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors held a separate meeting on **29th January, 2024** and inter alia has reviewed :-

- the performance of Non-Independent Directors and the Board as a whole ;
- assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Company's various functional levels and the Board and its Committees for effective and reasonable performance of their duties.

(f) Familiarisation Programme imparted to Independent Directors

As an on boarding exercise all new directors inducted in the board are taken through familiarisation process whereby information of the Company, its various divisions, plants, products and financials are shared and explained to the appointee Director. Independent Directors are also made aware of their role, rights, obligations and responsibilities at the time of their appointment in the Company, through a formal letter of appointment, which sets out various terms and conditions of their formal association with the Company. Familiarisation Programme imparted to the independent directors intends to provide insights into the Company so that the Independent Directors can understand the Company's business in depth and the roles, rights, responsibility that they are entrusted to perform/enjoy in the Company to keep them apprized on the operations and business of the Company thereby facilitating their active participation in managing the affairs of the Company.

As required under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company held various familiarisation programmes for the Independent Directors throughout the year on continuous basis with a view to familiarize the independent Directors with the Company's operations. The familiarisation programmes carried out during the year include: -

1. Presentations made by business and functional heads of the Company from time to time on different functions and areas.
2. Presentations made and deliberations held from time to time on major changes and developments in the Act and

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The familiarization programmes of the Company for its Independent Directors has been disclosed on the Company's website at its weblink at <https://hindcon.com/wp-content/uploads/2020/12/Familiarization-Programme-ID.pdf>

(g) Details of Directors Seeking Appointment / Re-Appointment:

The Details of Directors seeking appointment / re-appointment as required under Regulation 36(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in annexure to the notice which forms part of this Report.

(h) Resignation & Appointment of Director:

Mr. Sudhir Kumar Bhartia, Independent Director of the Company resigned from the office of Independent Directors with effect from 12th July, 2023 due to his personal reasons. Further, he confirmed that there were no other material reasons other than those mentioned above, for his resignation as Independent Director from the Company.

And Ms. Divyaa Newatia has been appointed as an Independent Director of the Company w.e.f. 26th August, 2023.

(i) Relationship between the Directors inter-se:

The disclosure of relationships between Directors inter-se as required under Regulation 34(3) and Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

Name of the Director	Name of Other Director	Nature of Relationship
Mr. Sanjay Goenka	Ms. Nilima Goenka	Spouse
Ms. Nilima Goenka	Mr. Sanjay Goenka	Spouse

Note: No Other Directors in the Board are inter-se related to each other.

- (j)** Ms. Divyaa Newatia, Non-Executive (Independent) Director of the Company holds 80,000 shares as on 31st March, 2024.

3. AUDIT COMMITTEE:

Pursuant to Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and Rules framed thereunder the Audit Committee has been constituted to monitor and supervise the Company's financial reporting process. The Audit Committee has been entrusted with review of quarterly and annual financial results/ financial statements before submission to the Board, review of observations of auditors and to ensure compliance of internal control systems authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board.

Mr. Binay Kumar Agarwal, Independent Director acts as the Chairman of the Committee, Mr. Girdhari Lal Goenka, Ms. Divyaa Newatia and Mr. Sanjay Goenka continues as the Members of the Committee. All the members of the Committee are financially literate.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 26th August, 2023.

The scope of the Audit Committee, inter alia, includes:

- a) Review of the Company's financial reporting process, the financial statements and financial/risk management policies ;
- b) Review of the adequacy of the internal control systems and finance of the internal audit team ;

- c) Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.
- d) Recommendation for appointment, remuneration & terms of appointment of Auditors, etc.

(a) Terms of reference:

The present terms of reference / scope and function of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same ;
 - c. Major accounting entries involving estimates based on the exercise of judgement by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings ;
 - e. Compliance with listing and other legal requirements relating to financial statements ;
 - f. Disclosure of any related party transactions ;
 - g. Qualifications, if any in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval ;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans/or advances from/ investment by the holding Company in the subsidiary exceeding 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments. Examining the financial statement and the auditor's report thereon;
21. Monitoring the end use of funds raised through public offers and related matters;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
24. To review -
- Management discussion and analysis of financial condition and results of operations;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses, etc.
 - Review the appointment, removal and terms of remuneration of the chief internal auditor.
 - Statement of deviation
 - » Quarterly Statement of deviation(s) including report of monitoring agency, if applicable, submitted to the Stock Exchange(s) in terms of Regulation 32(1) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - » Annual Statement of funds utilized for purposes other than those stated in the offer document/

prospectus/notice in terms of Regulation 32(7) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee is empowered to investigate any activities within its terms of reference, seek information from employees, obtain outside legal or other professional advice or secure attendance of outside experts of relevant field as and when necessitated. The Audit Committee also reviews such matters as referred to it by the Board.

The Committee regularly meets in every quarter to review all the risk assessment and mitigation process for the same for all the identified risks for the Company's business segment.

- (b) During the period under review, 5 (Five) Audit Committee meetings were held on **26th May, 2023, 12th August, 2023, 6th November, 2023, 26th December, 2023 and 29th January, 2024.**
- (c) The Committee was re-constituted on 26th August, 2023 and Ms. Divyaa Newatia was inducted as member in place of Mr. Sudhir Kumar Bhartia.

(d) The composition of the Audit Committee and attendance of its meetings are given below:

Constitution	No. of Meetings	
	Held	Attended
Mr. Binay Kumar Agarwal – Non-Executive – Independent –Chairman	5	4
Mr. Sudhir Kumar Bhartia - Non-Executive – Independent- Member *	5	1
Ms. Divyaa Newatia - Non-Executive – Independent- Member **	5	3
Mr. Girdhari Lal Goenka - Non-Executive – Independent- Member	5	4
Mr. Sanjay Goenka - Executive – Promoter- Member	5	5

* Mr. Sudhir Kumar Bhartia resigned w.e.f. 12th July, 2023.

** Ms. Divyaa Newatia appointed w.e.f. 26th August, 2023.

The Audit Committee meetings are held at Company's Registered Office and attended by members of the Committee, other Accounts Heads and Process Owners. Representative of the Statutory Auditors and Internal Auditors are also invited to the meeting for discussions on the concerned factors as and when required.

[Ms. Ankita Banerjee, Company Secretary and Compliance Officer of the Company act as the Secretary of the Committee.

4. NOMINATION & REMUNERATION COMMITTEE:

(a) Terms of reference:

The terms of reference of the Nomination & Remuneration Committee are as follows:

- i. To identify persons who are qualified to become Directors and who may be appointed in the Senior management in accordance with the criteria laid down and to recommend

to the Board their appointment, terms of appointment and/or removal;

- ii. To formulate a criteria for determining the qualification, positive attributes, independence of a Director and evaluation of Independent Directors and the Board;
- iii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- a. use the services of an external agencies, if required;

- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.
- iv. To evaluate every Directors performance;
- v. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi. To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- vii. To ensure that the level of composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- viii. To ensure that the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks;
- ix. To ensure that the remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- x. To devise a policy on Board diversity.
- xi. To recommend to the Board, all remuneration, in whatever form, payable to senior management;
- xii. To Carry out any other function as is mandated by the Board of Directors of the Company or prescribed by the Listing Agreement / applicable regulations of SEBI (LODR) Regulations, 2015 as amended from time to time ;
- xiii. To invite any employee or such document as it may deem fit for exercising of its functions;
- xiv. To obtain such outside or professional advice as it may consider necessary to carry out its duties.

During the year under review, 2 (Two) meetings of the Nomination and Remuneration Committee were held on **26th August, 2023 and 29th January, 2024.**

The Committee was re-constituted on 26th August, 2023 and Ms. Divyaa Newatia was inducted as member in place of Mr. Sudhir Kumar Bhartia.

The composition of the Nomination and Remuneration Committee and attendance of its meetings are given below:

Constitution	No. of Meetings	
	Held	Attended
Mr. Girdhari Lal Goenka - Non-Executive – Independent- Member	2	2
Mr. Binay Kumar Agarwal – Non-Executive – Independent –Chairman	2	2
Mr. Sudhir Kumar Bhartia - Non-Executive – Independent- Member *	2	-
Ms. Divyaa Newatia - Non-Executive – Independent- Member **	2	1

* Mr. Sudhir Kumar Bhartia resigned w.e.f. 12th July, 2023.

** Ms. Divyaa Newatia appointed w.e.f 26th August, 2023.

The Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company held on 26th August, 2023.

[Ms. Ankita Banerjee, Company Secretary and Compliance Officer of the Company act as the Secretary of the Committee.

(b) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out performance evaluation of its own performance and that of its committees and individual Directors as per the evaluation criteria formulated by the Nomination and Remuneration Committee.

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its committees. The

objective of the Board evaluation includes improvement in the effectiveness of Board, Committees and individual Directors, to enhance their strengths and to overcome the short comings, the evaluation process focuses on various issues facing the Company and their prioritization, quality of deliberations at Board and Committee meetings, review of specific issues of importance dealt during the evaluation period.

The process of Board Evaluation broadly comprises of following:

- The Board evaluates the performance of the Independent Directors excluding the Directors being evaluated.
- The Nomination and Remuneration Committee evaluates the performance of each Director with respect to the responsibility as entrusted on him/her.
- The Independent Directors evaluates the performance of the Non- Independent Directors taking into account the

views of the Executive and Non-Executive Directors and the Board as a whole.

- Performance Evaluation of the various Committee of the Board.

Performance evaluation criteria for Independent Directors:

The following criteria may assist in determining how effective the performances of the Independent Directors have been:

- Leadership & Managerial abilities.
- Contribution to the corporate objectives & plans.
- Communication of expectations & concerns clearly with subordinates.
- Obtaining adequate, relevant & timely information from external sources.
- Review & approval of strategic & operational plans of the Company, its objectives and budgets.
- Regular monitoring of corporate results against projection.
- Identification, monitoring & mitigation of significant corporate risks.
- Assessment of policies, structures & procedures followed in the Company and their significant contribution to the same.
- Direct, monitor & evaluate KMPs, senior officials.
- Regularity in attending meetings of the Company and inputs therein.
- Review & Maintenance of corporation's ethical conduct.
- Ability to work effectively with rest of the Board of Directors.
- Commitment to the promotion of equal opportunities, health and safety in the workplace.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The company has duly constituted its Stakeholders Relationship Committee pursuant to regulation 20 of the SEBI (LODR) Regulations, 2015 and section 178(5) of The Companies Act, 2013.

(a) Terms of reference:

The terms of reference of the Stakeholders Relationship Committee are as follows:

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(b) The Stakeholders Relationship Committee was re-constituted on 26th August, 2023 and Ms. Divyaa Newatia was inducted as member in place of Mr. Sudhir Kumar Bhartia.

(c) Stakeholders Relationship Committee presently comprised of Mr. Binay Kumar Agarwal as the Chairperson, Ms. Nilima Goenka and Ms. Divyaa Newatia as the members of the Committee.

The Chairperson of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company held on 26th August, 2023.

(d) Stakeholders Relationship Committee meet periodically to look into redressing of shareholders' and investors grievances like transfer of Shares, non-receipt of Balance Sheet, non-receipt of dividend, etc. During the period under review, 4 (Four) Stakeholder Relationship Committee meetings were held on **26th May, 2023, 12th August, 2023, 6th November, 2023 and 29th January, 2024.**

(e) Details of compliance officer: Ms. Ankita Banerjee, Company Secretary and Compliance Officer of the Company.

(f) Shareholders' Complaints

The numbers of shareholders'/ investors' complaints received, resolved/ replied and pending during the year under review are as under:

Nature of complaints	Received	Resolved/ Replied	Pending
Non-receipt of share certificates	Nil	Nil	Nil
Non-receipt of dividend	Nil	Nil	Nil
Non-receipt of annual reports	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total	Nil	Nil	Nil

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The CSR Committee is responsible for compliance of its scope mentioned in its term of reference in relation to CSR and to monitor the implementation of approved CSR policy and it meets periodically, to review & ensure orderly and efficient execution of the CSR project, programs or activities and issue necessary direction pertaining to it.

The CSR Committee comprised of Mr. Sanjay Goenka acts as the Chairman, Ms. Nilima Goenka and Mr. Binay Kumar Agarwal continues to be the members of the Committee.

The CSR Committee meet as and when required. During the year the Committee met 2 (two) times on **26th May, 2023 and 29th January, 2024.**

Ms. Ankita Banerjee, Company Secretary and Compliance Officer of the Company act as the Secretary of the Committee.

(a) Terms of reference :

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy related to the CSR activities to be undertaken by the Company as provided in the Schedule VII and any other related provisions, if any, of the Companies Act, 2013 and the rules made there under.
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- To recommend the amount of expenditure to be incurred on the CSR activities as per the requirement of the Companies Act, 2013 and the rules made there under.

- To carry out such other functions as may from time to time, be authorized by the Board and/or required by any Statutory Authority, by the way of amendment and/ or otherwise, as the case may be, to be attended by this Committee.

7. REMUNERATION OF DIRECTORS:

(a) Remuneration Policy / Criteria:

- **Executive Directors:** The Company follows the policy to fix remuneration of Managing Director & Whole-time Directors by taking into account the financial position of the Company, industrial trends, qualification, experience, past performance and past remuneration of the respective Directors in the manner to strike a balance between the interest of the Company and the Shareholders.
- **Non-Executive Directors:** The Non-executive Directors' (including Independent Directors) are paid sitting fees on a uniform basis.
- **KMPs & Senior Management Personnel:** The motive of determining policy for payment of remuneration to the KMPs and Senior Management Personnel are to motivate and retain them for longer term for the better perspective and growth of the Company. The criteria also oversee the industry trend, quality and experience of the personnel.

(b) Sitting Fees:

The sitting fees paid to the non-executive Directors for attending the Board and the Committee meetings for the financial year under review were duly recommended by the Board and were within the limits as specified in the Companies Act, 2013 and rules framed thereunder.

(c) Remuneration to Directors:

The statement of the remuneration paid /payable to the Managing /Whole-time /Executive Directors and Sitting Fees paid/ payable to Non-Executive Directors is given below:-

(₹ in Lacs)

Name of Directors	Remuneration paid/ payable for 2023-24				Service Contract	
	Salary	Benefits	Sitting Fees	Pay per month	Period	Effective from
Mr. Sanjay Goenka	87.00	-	-	7.25	5 years	01.04.2021
Ms. Nilima Goenka	36.00	-	-	3.00	5 years	01.06.2020
Mr. Ramsanatan Banerjee	10.20	-	-	0.85	5 years	04.02.2020
Mr. Binay Kumar Agarwal	-	-	0.32	-	-	-
Mr. Girdhari Lal Goenka	-	-	0.29	-	-	-
Mr. Sudhir Kumar Bhartia *	-	-	0.09	-	-	-
Ms. Divyaa Newatia **	-	-	0.25	-	-	-

* Mr. Sudhir Kumar Bhartia resigned w.e.f. 12th July, 2023.

** Ms. Divyaa Newatia appointed w.e.f. 26th August, 2023.

Notes:

- The appointment/ agreement of all Managing /Executive /Whole-time Directors can be terminated by giving three months' notice by either party.
- The Company has not entered into any other pecuniary relationship or transactions with the Non-Executive Directors.

8. GENERAL BODY MEETINGS :

a) Location and time of Annual General Meetings held in the last three years:

Year	Date	Venue	Time	Special Resolution passed
2022-23	26 th August, 2023	Hindusthan Club Limited, 4/1, Sarat Bose Road, 2 nd Floor, Kolkata-700 020	2:00 P.M.	No Special Resolution was passed.
2021-22	26 th August, 2022	62B, Braunfeld Row, Kolkata-700 027 (deemed venue) [the meeting was held through video conferencing/ other audio video means (OAVM)]	1:00 P.M.	1 (One) Special Resolution was passed: i. Appointment of Mr. Sudhir Kumar Bhartia (DIN: 00644721) as an Independent Director of the Company.
2020-21	4 th September, 2021	62B, Braunfeld Row, Kolkata-700 027 (deemed venue) [the meeting was held through video conferencing/ other audio video means (OAVM)]	1:00 P.M.	5 (Five) Special Resolution was passed: i. Re-appointment of Mr. Sanjay Goenka (DIN: 00848190) as a Chairman & Managing Director of the Company. ii. Re-appointment of Mr. Binay Kumar Agarwal (DIN: 01342065) as an Independent Director of the Company. iii. Re-appointment of Mr. Krishna Kumar Tantia (DIN: 00315796) as an Independent Director of the Company. iv. Re-appointment of Mr. Girdhari Lal Goenka (DIN: 00613725) as an Independent Director of the Company. v. Approval of loans, investments, guarantee or security under section 185 of Companies Act, 2013.

b) During the financial year 2023-24 one Postal Ballot was conducted. (End date of Postal Ballot was October 11, 2023)

One Special Resolution was passed through Postal Ballot, for appointment of Ms. Divyaa Newatia as an Independent Director of the Company to hold office for 5 (Five) consecutive years w.e.f from 26th August, 2023 to 25th August, 2028.

Two Ordinary Resolutions was passed through Postal Ballot, for (a) Sub-division of Equity shares of the Company & (b) Alteration of Capital Clause in Memorandum of Association of the Company.

Procedure of Postal Ballot through e-voting was as under:

Particular	Pending
Intimation of Board Meeting to NSE	August 09, 2023
Board Meeting to held for appointment of Scrutinizer	August 26, 2023
Intimation of Outcome of Board Meeting to NSE	August 26, 2023
Submission of Copy of Notice of Postal Ballot to NSE	September 11, 2023
Cut-off date for E-voting and Notice	September 08, 2023
Completion of dispatch of Postal Ballot Notice by CDSL	September 11, 2023
Advertisement for completion of Notice	September 12, 2023
E-voting Start date/ Date of commencement of Postal Ballot	September 12, 2023
E-voting End Date	October 11, 2023
Last date for casting of e-voting	October 11, 2023
Submission of Report by Scrutinizer	October 12, 2023
Date of submission of Result of Postal Ballot by Managing Director/ Chairman in NSE	October 12, 2023

Date of Extra ordinary General Meeting was deemed to be held on October 11, 2023.

Mr. Santosh Kumar Tibrewalla, Practicing Company Secretary (Membership No.:3811 ; CP No.: 3982), Peer Reviewed, was appointed by the Board of Directors at its meeting held on 26th August, 2023, as the scrutinizer for conducting Postal Ballot process in a fair and transparent manner

Voting Results of Postal Ballot was as follows:

Description of Resolution								
Resolution required: (Ordinary / Special)				Ordinary				
Whether promoter/promoter group are interested in the agenda/resolution?				No				
Description of resolution considered				Sub-Division of Equity Shares of the Company				
Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)= [(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	E-Voting	69,96,879	44,30,779	63.33%	44,30,779	-	100%	-
	Poll		-	-	-	-	-	
	Postal Ballot		-	-	-	-	-	
	Total		69,96,879	44,30,779	63.33%	44,30,779	-	100%
Public- Institutions	E-Voting	-	-	-	-	-	-	-
	Poll		-	-	-	-	-	
	Postal Ballot		-	-	-	-	-	
	Total		-	-	-	-	-	-
Public- Non Institutions	E-Voting	32,41,246	61,413	1.89%	61,151	262	99.57%	0.43%
	Poll		-	-	-	-	-	
	Postal Ballot		-	-	-	-	-	
	Total		32,41,246	61,413	1.89%	61,151	262	99.57%
Total		1,02,38,125	44,92,192	43.88%	44,91,930	262	99.99%	0.01%
Whether resolution is Passed or Not.				Yes				
Disclosure of notes on resolution				NA				

Declared and passed by Majority.

Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)= [(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	E-Voting	69,96,879	44,30,779	63.33%	44,30,779	-	100%	-
	Poll		-	-	-	-	-	
	Postal Ballot		-	-	-	-	-	
	Total		69,96,879	44,30,779	63.33%	44,30,779	-	100%
Public- Institutions	E-Voting	-	-	-	-	-	-	-
	Poll		-	-	-	-	-	
	Postal Ballot		-	-	-	-	-	
	Total		-	-	-	-	-	-

Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
Public- Non Institutions	E-Voting	32,41,246	61,413	1.89%	61,167	246	99.60%	0.40%
	Poll		-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total		61,413	1.89%	61,167	246	99.60%	0.40%
Total		1,02,38,125	44,92,192	43.88%	44,91,946	246	99.99%	0.01%

Whether resolution is Passed or Not.

Yes

Disclosure of notes on resolution

NA

Details of Invalid Votes

Category	No. of Votes
Promoter and Promoter Group	NIL
Public Institutions	NIL
Public - Non Institutions	NIL

Declared and passed by Majority

Description of Resolution								
Resolution required: (Ordinary / Special)				Special				
Whether promoter/promoter group are interested in the agenda/resolution?				No				
Description of resolution considered				Appointment of Mrs. Divyaa Newatia as an Independent Director				
Category	Mode of voting	No. of shares held	No. of votes polled	% of votes polled on outstanding shares	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)= [(2)/(1)]*100	(4)	(5)	(6)= [(4)/(2)]*100	(7)= [(5)/(2)]*100
Promoter and Promoter Group	E-Voting	69,96,879	44,30,779	63.33%	44,30,779	-	100%	-
	Poll		-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total		44,30,779	63.33%	44,30,779	-	100%	-
Public- Institutions	E-Voting	-	-	-	-	-	-	-
	Poll		-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total		-	-	-	-	-	-
Public- Non Institutions	E-Voting	32,41,246	61,413	1.89%	61,165	248	99.60%	0.40%
	Poll		-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total		61,413	1.89%	61,165	248	99.60%	0.40%
Total		1,02,38,125	44,92,192	43.88%	44,91,944	248	99.99%	0.01%

Whether resolution is Passed or Not.

Yes

Disclosure of notes on resolution

NA

Details of Invalid Votes

Category	No. of Votes
Promoter and Promoter Group	NIL
Public Institutions	NIL
Public - Non Institutions	NIL

Declared and passed by 3/4th Majority

9. MEANS OF COMMUNICATION:

- a. **Quarterly results:** The Company's quarterly / half-yearly / annual financial results are sent to the Stock Exchanges and generally published in both English and Regional newspapers viz, 'Financial Express' and 'Duranta Barta'. They are also available on the website of the Company.

No presentation has been made to Institutional Investors or Analysts.

- b. **NSE Electronic Application Processing System (NEAPS):** NEAPS is a web-based application designed by NSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS.
- c. **Website:** The Company's website display official news releases in a prompt manner. The Company presentations made to institutional investors or to the analysts are disseminated to Stock Exchanges and are also displayed in the website of the Company at www.hindcon.com.

10. GENERAL INFORMATIONS FOR MEMBERS:

a. **Annual General Meeting**

(Date, Time & Deemed Venue): Tuesday, 20th August, 2024 at 11:45 a.m. (IST) through video conferencing/other audio video means (OAVM) at its Registered Office of the Company at 62B, Braunfeld Row, 1st Floor, Kolkata - 700027 (deemed venue).

- b. **Financial Year:** April, 2023 – March, 2024.

- c. **Listing:** **The National Stock Exchange of India Ltd. (NSE)**

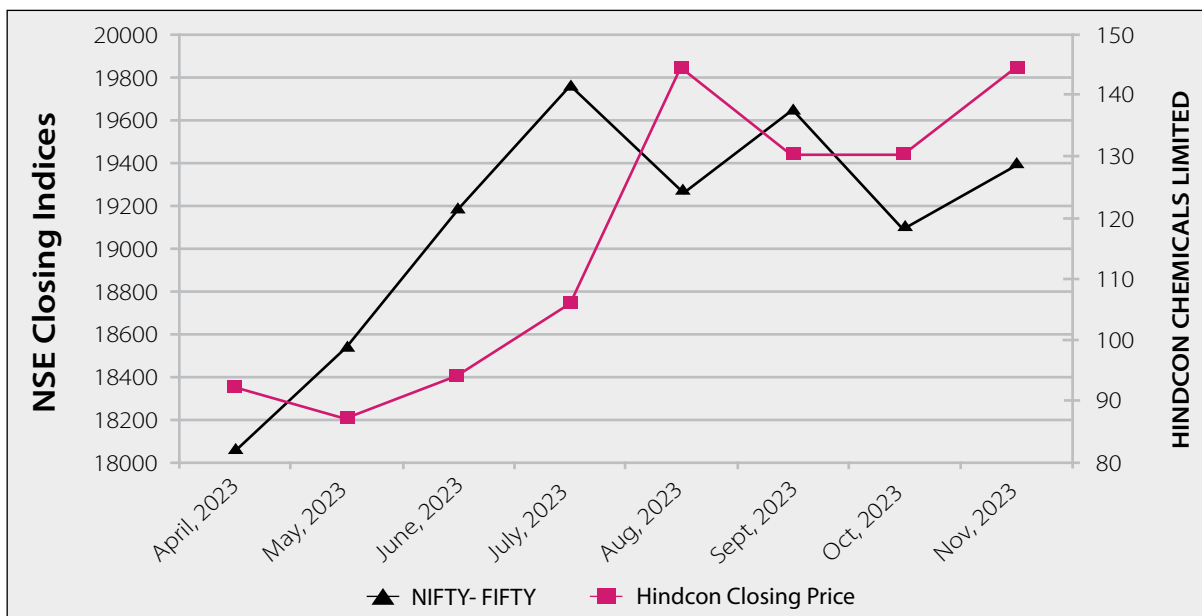
Exchange Plaza, 5th Floor, Plot No. C/1,
'G' Block, Bandra-Kurla Complex, Bandra (E),
Mumbai- 400 051
(Code : HINDCON)

No listing fees are due as on date to the aforesaid Stock Exchange.

- d. **Stock Market price Data :** Monthly High/ Low price during the last Financial Year at The National Stock Exchange of India Ltd. depicting liquidity of the Equity Shares is given hereunder :(Pre-split)

Month	Share Price (for face value of ₹ 10/- each – pre split)	
	High Price	Low Price
April, 2023	103.00	79.10
May, 2023	98.00	85.55
June, 2023	101.95	87.50
July, 2023	106.85	87.05
August, 2023	149.50	104.05
September, 2023	147.00	119.00
October, 2023	138.70	116.75
November, 2023 (up to 09.11.23)	144.15	130.00

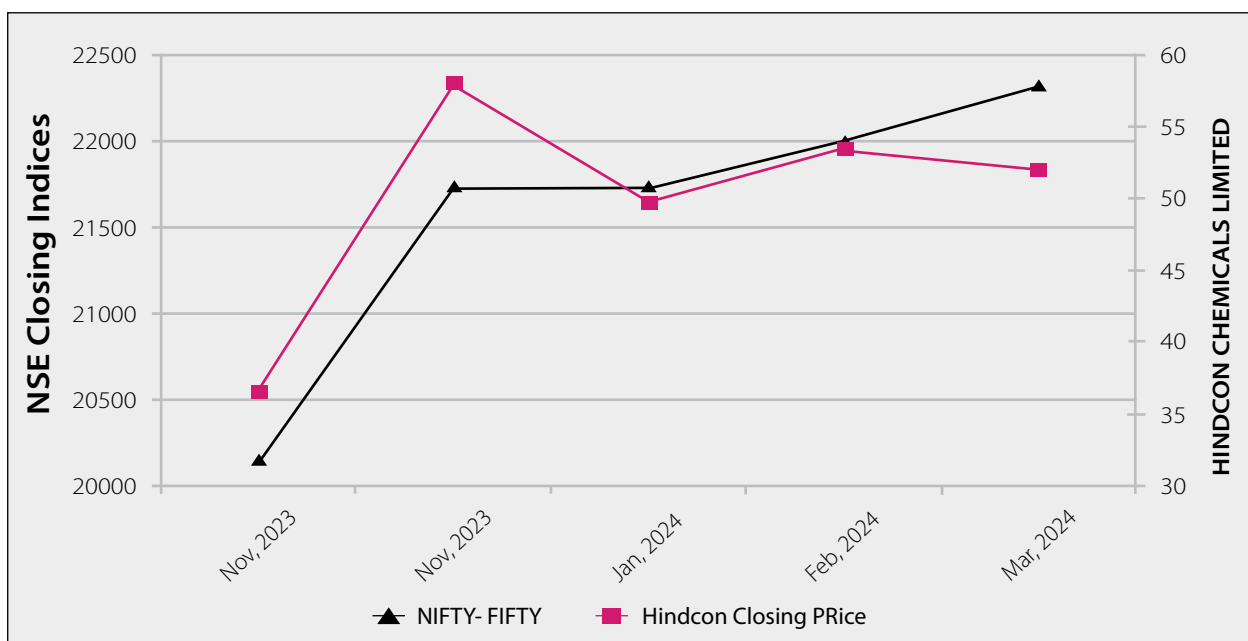
Performance in comparison: Share price performance in comparison to broad based indices – NSE Sensex is presented below :(Pre-split)



- e. **Stock Market price Data :** Monthly High/ Low price during the last Financial Year at The National Stock Exchange of India Ltd. depicting liquidity of the Equity Shares is given hereunder :(Post-split)

Month	Share Price (for face value of ₹ 2/- each – post split)	
	High Price	Low Price
November, 2023 (from 10.11.23)	32.15	29.10
December, 2023	69.70	33.90
January, 2024	61.35	48.60
February, 2024	62.65	48.20
March, 2024	53.05	45.00

Performance in comparison: Share price performance in comparison to broad based indices – NSE Sensex is presented below: (Post-split)



- f. **Registrar and Transfer Agent: Niche Technologies Pvt. Ltd.**
(SEBI Registration No.: INR INR000003290)
3A, Auckland Place, 7th Floor, Room No. 7A & 7B,
Kolkata - 700 017
Tele No — 033- 2234 3576 / 033- 22357270 / 7271
Fax No. - 033-2215 6823 Website: www.nichetechpl.com
- g. **Shares Transfer System :** Share Transfer System is entrusted to the Registrar and Share Transfer Agents. Share Transfer Committee Meeting is held as and when required to approve the share transfer, issue of duplicate certificate etc. and are endorsed by Directors/ Executives/ Officers as may be authorised by the said Committee. Request for transfers received from members and miscellaneous correspondence are processed/resolved by the Registrars within the stipulated time.
- h. **Unclaimed Dividends:** The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Central Government. During financial year 2023-24, there is no unpaid/ unclaimed dividend outstanding for seven years to be transferred to IEPF authorities.
- i. **Transfer of Shares to Investor: read Education & Protection Fund (IEPF) (in case Where Unclaimed Dividends have been transferred to IEPF for a consecutive period of Seven Years** In terms of Section 124 and 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting Audit, Transfer Refund) Rules 2016, all shares in to respect of which and dividends has remained unpaid/ unclaimed for a consecutive period of 7 (Seven) years or more from the date they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As required under the said Rules, the Company will publish notices in the newspapers inviting the members attention to the aforesaid Rules. The Company will also send out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter.

Further, it may also be noted that in terms of Section 124(6) and 125(3) of the Companies Act, 2013 read with Rule 7 of the IEPF Rules, shares and dividends which have been transferred, if any to the IEPF Authority may be claimed by making an online application in Form No. IEPF-5 which is available at www.iepf.gov.in

However, since there is no un-paid / un-claimed dividend as such no shares required to be transferred to IEPF Account.
- j. **Details of outstanding shares in the Unclaimed Suspense Account:** In terms of Regulation 39(4) read with Schedule VI of the Listing Regulations, there is no equity shares lying in the : suspense account which was issued in either demat form and physical form.
- k. **Distribution of Shareholding as on 31st March, 2024:**

Sl. No.	Shares Range	Number of Shareholders	% of Total Shareholders	Total shares for the range	% of issued capital
1	1 to 500	24791	86.7394	2812300	5.4938
2	501 to 1000	1976	6.9137	1562434	3.0522
3	1001 to 2000	916	3.2049	1372019	2.6802
4	2001 to 3000	320	1.1196	816424	1.5949
5	3001 to 4000	118	0.4129	420829	0.8221
6	4001 to 5000	126	0.4409	606362	1.1845
7	5001 to 10000	163	0.5703	1192482	2.3295
8	10001 to Above	171	0.5983	42407775	82.8429
	Total	28581	100	5,11,90,625	100

I. Share Holding Pattern as on 31st March, 2024:

Sl. No.	Category	No. of Shares	% of Holding
1	Promoters & Associates	3,50,74,905	68.51
2	Mutual Funds & UTI	-	-
3	Banks, Financial Institutions, Insurance Companies (Central/ State Govt., Institutions)	-	-
4	Foreign Portfolio Investors	2,664	0.01
5	Alternate Investment Funds	-	-
6	Corporate Bodies	28,71,943	5.61
7	Indian Public	1,22,84,338	24.00
8	NRI's / OCBs	4,54,385	0.89
9	Clearing Members	20	0.00
10	HUF	5,02,370	0.98
11	Trust	-	-
	Total	5,11,90,625	100.00

- m. **Dematerialization of Shares :** **ISIN: INE642Y01029 (post split)**
100% of the total equity share capital is held in dematerialized form with National Securities Depository Ltd. & Central Depository Services Limited as on 31st March, 2024.
- n. **Outstanding Instruments :** The Company has not issued any GDRs / ADRs / Warrants or any convertible Instrument. As such, there is no impact on Equity of the Company
- o. **Commodity Price Risk/ :** Not applicable to the Company as Company is not associated in Hedging Activities.
- p. **Plant Location:**
- | Location | State | Address |
|----------|-----------------|---|
| Plants | West Bengal | Jalan Complex, Gate No.: 3, Baniyara, P.O. Begri, P.S. Domjur, Howrah-711411. |
| | Munshirhat (WB) | Mouza- Narendrapur, P.O-Munshirhat, Dist-Howrah, Pin-711410 |
- q. **Address for Correspondence:** Hindcon Chemicals Limited
62B, Braunfeld Row, 1st Floor, Kolkata – 700 027
Phone Nos.: (033) 2449 0839. Fax No. (033) 2449 0849
E-mail: contactus@hindcon.com
- r. **Credit Ratings :** Your Company has not obtained credit ratings.

11. Other Disclosures:

- a. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of listed entity at large :**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- b. **Details of non-compliance by the Listed Entity, penalties, strictures imposed on the Listed Entity by Stock Exchange(s) or Securities and Exchange Board of India or any Statutory Authority, on any matter related to the capital markets, during the last three years :**

No penalty or strictures have been imposed on the Company by any of the aforesaid authorities during the last 3 years.

c. Vigil Mechanism / Whistle Blower Policy :

The Whistle Blower policy of the Company is in place and the Company had not denied access to Audit Committee to any personnel of the Company.

d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the Corporate Governance :

The Company has complied with all the applicable mandatory Regulations of SEBI (LODR) Regulations, 2015 and has adopted the following non-mandatory requirements of the aforesaid Regulations.

The Company has taken cognizance of other non - mandatory requirements as set out in applicable Regulations of SEBI (LODR) Regulations, 2015 and shall consider adopting the same at an appropriate time.

e. Policy for determining 'material' subsidiaries :

The Company does not have any material Subsidiary as defined in Regulation 24 of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. Web link where policy on dealing with related party transactions :

Policy on dealing with related party transaction is displayed at <https://hindcon.com/wp-content/uploads/2020/12/Related-Party-Transaction-Policy.pdf>

g. Disclosures of commodity price risks and commodity hedging activities :

The Company is not associated with any hedging activities.

h. Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A):

No such instance held during the year under review.

i. Certificate from Company Secretary in practice:

As required under the provisions of Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in Practice have been received stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

j. Disclosure of non-acceptance of recommendation of Committee:

The Company has accepted all the recommendation by the Committees during the period under review.

k. Fees of statutory auditors by the Company:

The total fees for all services paid by the Company to the statutory auditor M/s. R B Roy & Co (Firm Registration No. 322805E), Chartered Accountants was ₹2.15 lakhs. M/s. R B Roy & Co is not a part of any entity/firm which is in the same network of the Company.

l. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure regarding the complaints of sexual harassment are given in the Board's Report

m. Disclosure by the Company and its subsidiaries of loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount as mentioned below:

The Company has not provided any loan or advance to its subsidiary or firms/companies in which Directors are interested.

n. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

The Company does not have material subsidiaries as defined under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

o. Accounting Treatment in preparation of financial statement :

The Company has prepared its financial Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 and rules framed thereunder.

p. Risk Management :

The Company has identified risk involved in respect to its products, quality, cost, location and finance. It has also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.

q. CEO / CFO certification :

The CEO / CFO certification as required under Regulation 17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

r. Annual Secretarial Compliance Report:

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an

Annual Secretarial Compliance Report from Mr. Santosh Kumar Tibrewalla Practicing Company Secretary, confirming compliance of SEBI Regulations / Circulars /Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the report.

s. Management Discussion and Analysis Report :

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto which forms part of this report.

12. Disclosure of Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (12) above, with reasons thereof:

There is no non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (12) above, thus no explanations need to be given.

13. Disclosure of the extent to which the discretionary requirements as specified in part E Of Schedule II have been adopted:

a. Modified opinion(s) in Audit Report

The financial statement of the Company is continued to be with unmodified opinion(s) in Audit Report.

b. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

i. Separate posts of Chairperson & CEO: Mr. Sanjay Goenka, Mg. Director is also Chairperson of the Company.

c. Reporting of Internal Auditor

The Internal Auditors report directly to the Audit Committee.

14. Code of Conduct:

The Company has framed Code of Conduct for all the Board Members, Key Managerial Personnel and other Senior Executives of the Company who have affirmed compliance with the same as on 31st March, 2024. A duty of the Independent Directors has been duly incorporated in the code. The Code is displayed on the Company's website at its weblink at <https://hindcon.com/wp-content/uploads/2020/12/Code-of-Conduct-Final.pdf>. A declaration signed by the CEO is annexed as 'Annexure-E'.

In pursuance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992 (as amended), the Board has approved the 'Code of Conduct for prevention of Insider Trading' and entrusted the Audit Committee to monitor the compliance of the code. The Board had approved and adopted the SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to the code of practices and procedure for fair

disclosure of Unpublished Price Sensitive Information and formulated the code of conduct of the Company.

15. Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account

There is no Equity Shares lying in the suspense account/Unclaimed suspense account which was issued in either demat form or physical form.

16. Compliance Certificate from either the Auditors Or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance shall be annexed with the Directors' Report

A Certificate from Mr. Santosh Kumar Tibrewalla, (Membership No.:3811; CP No.: 3982), Practicing Company Secretary regarding compliance of Corporate Governance is annexed herewith and forms a part of Directors Report

17. Vigil Mechanism Policy:

As per the requirements of the Companies Act, 2013 and applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had established a mechanism for employees to report concerns for unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics. It also provides for adequate safeguards against the victimization of employees who avail the said mechanism. This policy also allows the direct access to the Chairperson of the Audit Committee. The Audit Committee is committed to ensure the flawless work environment by providing a platform to report any suspected or confirmed incident of fraud/misconduct.

18. Securities and Exchange Board of India ('SEBI') Complaints Redress System ("SCORES"):

As per the SEBI directive, the investors desirous of making complaints pertaining to the listed Companies has to be made electronically and sent through SCORES and the Companies or their appointed Registrar & Share Transfer Agent (R&TA) are required to view the pending complaints and submit 'Action Taken Report' ('ATRs') along with necessary documents electronically in SCORES. Further, there is no need to file any physical ATRs with SEBI. The Company is already registered under SCORES to efficiently and effectively redress the investors/shareholders complaints in time.

19. Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub - Regulation (2) of Regulation (46):

The Company is in compliance with the requirements of aforesaid Regulations.

ANNEXURE –‘F’ to the Directors’ Report

Management Discussion and Analysis

Global Economy

Overview: Global economic growth declined from 3.5% in 2022 to an estimated 3.1% in 2023. A disproportionate share of global growth in 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 as policy tightening takes effect. Emerging market and developing economies are projected to report a modest growth decline from 4.1 percent in 2022 to 4.0 percent in 2023 and 2024. Global inflation is expected to decline steadily from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

Global trade in goods was expected to have declined nearly US\$ 2 trillion in 2023; trade in services was expected to have expanded US\$ 500 billion. The cost of Brent crude oil averaged US\$ 83 per barrel in 2023, down from US\$101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States: Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022

China: GDP growth was 5.2% in 2023 compared to 3% in 2022

United Kingdom: GDP grew by 0.4% in 2023 compared to 4.3% in 2022

Japan: GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022

Germany: GDP contracted by 0.3% in 2023 compared to 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook: Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years

(Source: World Bank).

Indian Economy

Overview: The Indian economy was estimated to grow 7.8 percent in the 2023-24 fiscal against 7.2 per cent in 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.66 against the US dollar on the first trading day of 2023 and on 27 December was ₹83.35 versus the greenback, a depreciation of 0.8%.

In FY 2023-24, the CPI inflation averaged 5.4 percent with rural inflation exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5 percent, a sharp decline from 6.2 percent in FY 23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching \$645.6 billion. The credit quality of Indian companies remained strong between October 2023 and March 2024 following

deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in H2 FY24. UPI transactions in India posted a record 56 per cent rise in volume and 43 per cent rise in value in FY24.

Growth of the Indian economy

	FY 21	FY 22	FY 23	FY 24
Real GDP growth (%)	-6.6%	8.7	7.2	8.2

E: Estimated

Growth of the Indian economy quarter by quarter, FY 2023-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24
Real GDP growth (%)	8.2%	8.1	8.4	7.8

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald)

The FY 24 growth in the economy was the highest since FY17, excluding the 9.7% post-Covid rebound in gross domestic product (GDP) in FY22 from the 5.8% contraction in FY21.

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94 per cent of its long-term average rainfall. Despite this reality, wheat production was expected to touch a record 114 million tonnes in the 2023-24 crop year on account of higher coverage. Rice production was expected to decline to reach 106 million metric tons (MMT) compared with 132 million metric tonnes in the previous year. Total kharif pulses production for 2023-24 was estimated at 71.18 lakh metric tonnes, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5 per cent in 2023-24 compared to 1.3 per cent in 2022-23. The Indian mining sector growth was estimated at 8.1 per cent in 2023-24 compared to 4.1 per cent in 2022-23. Financial services, real estate and professional services were estimated to record a growth of 8.9 per cent in 2023-24 compared to 7.1 per cent in FY 2022-23.

Real GDP or GDP at constant prices in 2023-24 was estimated at ₹171.79 lakh crore as against the provisional GDP estimate of 2022-23 of ₹160.06 lakh crore (released on 31st May 2023). Growth in real GDP during 2023-24 was estimated at 7.3 per cent compared to 7.2 per cent in 2022-23. Nominal GDP or GDP at current prices in 2023-24 was estimated at ₹296.58 lakh crore against the provisional 2022-23 GDP estimate of ₹272.41 lakh crore. The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2 per cent as of September 2023, following a decline from 3.9 per cent at the end of March 2023.

India's exports of goods and services were expected to touch \$900 billion in 2023-24 compared to \$770 billion in the previous year despite global headwinds. Merchandise exports were expected

to expand between \$495 billion and \$500 billion, while services exports were expected to touch \$400 billion during the year. India's net direct tax collection increased 19 per cent to 14.71 lakh crore by January 2024. The gross collection was 24.58 per cent higher than the gross collection for the corresponding period of the previous year. Gross GST collection of ₹20.2 lakh crore represented an 11.7% increase; average monthly collection was ₹1,68,000 crore, surpassing the previous year's average of ₹1,50,000 crore.

The agriculture sector was expected to see a growth of 1.8 per cent in 2023-24, lower than the 4 per cent expansion recorded in 2022-23. Trade, hotel, transport, communication and services related to broadcasting segment are estimated to grow at 6.3 per cent in 2023-24, a contraction from 14 per cent in 2022-23. The Indian automobile segment was expected to close FY 2023-24 with a growth of 6-9 per cent, despite global supply chain disruptions and rising ownership costs.

The construction sector was expected to grow 10.7 per cent year-on-year from 10 per cent in 2023-23. Public administration, defence and other services were estimated to grow by 7.7 per cent in 2023-24 compared to 7.2 per cent in FY2022-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9 per cent, down from 7 per cent in 2022-23.

India reached a pivotal phase in its S-curve, characterized by acceleration in urbanization, industrialization, household incomes and energy consumption. India emerged as the fifth largest economy with a GDP of US\$3.6 trillion and nominal per capita income of INR 123,945 in 2023-24.

India's Nifty 50 index grew 30 percent in FY2023-24 and India's stock market emerged as the world's fourth largest with a market capitalization of US\$4 trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

Outlook: India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 trillion in 2024-25.

Union Budget FY 2024-25: The Interim Union Budget 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In 2024-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at ₹6,21,541 crore, accounting for 13% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%).

(Source: Times News Network, Economic Times, Business Standard, Times of India)

Global Construction Chemical Overview

The global construction chemicals market is poised for substantial growth, estimated at USD 90.51 billion in 2024 and projected to reach USD 130.52 billion by 2030, with a CAGR of 6.29% during the forecast period. These chemicals are vital additives used alongside cement and concrete. In 2022, the market witnessed a 4.37% increase, expected to continue at an annual rate of 5.57% in 2023, driven by rising demand from both industrial, institutional and residential construction sectors.

The industrial, institutional segment led consumption in 2022, comprising 34.8% of the global market. Investments in healthcare, education, and industrial infrastructure are set to strengthen growth, fuelled by global urbanization and industrialization trends. By 2030, the sector's new floor area is expected to expand from 9 billion sq. ft to 11 billion sq. ft, driving a projected USD 14 billion increase in demand for construction chemicals.

The residential sector is anticipated to be the fastest-growing segment with a CAGR of 6.90% during the forecast period, supported by sustained housing demand, increased investments, and favourable government policies. For instance, Indonesia aims to build 1 million housing units by 2025 to meet projected demand of 30 million units. Globally, the residential floor area is expected to grow by 3.81% annually, further boosting demand for construction chemicals.

Concrete admixtures, waterproofing solutions, flooring resins, anchors and grouts, are crucial components enhancing building functionalities. In 2022, the global market saw significant growth, with Asia-Pacific and Europe leading at 42.8% and 25.3%, respectively. Asia-Pacific dominated the market in 2023 with a 43.0% share, driven by escalating construction activities in both residential and industrial sectors. By 2030, the region's construction chemicals market is expected to grow by 62.2%, primarily fuelled by residential sector expansion, particularly in urban areas like India, where demand for affordable housing units is projected to create substantial growth opportunities.

(Source: Mordor Intelligence)

Indian Construction Chemical Overview

The Indian construction chemicals market is projected to grow significantly from an estimated USD 3.30 billion in 2024 to USD 5.02 billion by 2030, with a CAGR of 7.24% during this period. This promising outlook is driven by several key factors.

Rapid urbanization and extensive infrastructure projects, such as smart cities, highways, railways and affordable housing initiatives, are major demand drivers. The flourishing construction industry across residential, commercial, industrial, and other sectors further boosts the market. A noticeable shift towards green and sustainable construction practices fuels demand for eco-friendly construction chemicals.

In the commercial sector, India's Grade A office market is expected to expand to 1.2 billion sq. ft by 2030, spurred by significant growth

in new floor area driven by foreign direct investment. The residential sector saw a 9.4% increase in floor area in 2022, with continued growth expected as urbanization drives demand for housing units. Both sectors are forecasted to grow at CAGRs of approximately 7.4% and 2.95%, respectively, through 2030, supported by government initiatives and increased real estate investments.

The residential and commercial sectors are poised to remain the largest applications by value and volume in India's construction chemicals market, driven by population growth, rising middle-class incomes, and urbanization trends. The Indian government has significantly increased its capital expenditure, allocating US\$ 133.9 billion (₹11.11 trillion) for FY25 to boost infrastructure development, equivalent to 3.4% of GDP.

National highway construction has been robust, growing at a CAGR of 5.3% between FY14 and FY23 despite pandemic challenges. In FY22 alone, India constructed 10,457 km of highways, with FY23 seeing an additional 10,331 km by the Ministry of Road Transport and Highways. The government's March 2024 inauguration of 112 national highway projects valued at approximately US\$ 12.04 billion (₹1 lakh crore) underscores its commitment to infrastructure expansion.

Within the construction chemicals market, the concrete admixture segment is expected to experience accelerated growth in volume by 2030. This growth is further strengthened by India's housing deficit, with estimates suggesting a shortage of 10 million units in urban areas and a need for 25 million affordable housing units by 2030. Initiatives like PMAY-Gramin aim to construct 1.95 crore homes, significantly contributing to residential construction demand.

(Source: Mordor Intelligence, Persistence market research)

Growth Drivers

Rise in GDP: Real GDP, or GDP at constant prices, is projected to reach ₹173.82 lakh crore in 2023-24, up from ₹160.71 lakh crore in the first revised estimates (FRE) for 2022-23. This represents a growth rate of 8.2% in 2023-24, compared to 7.0% in 2022-23.

Surge in real estate: India's real estate sector is projected to reach USD 1 trillion by 2030, up from USD 200 billion in 2021, and contribute 13% to GDP by 2025. Retail, hospitality, and commercial real estate are growing significantly, supporting India's infrastructure needs. By 2047, the sector is expected to expand to USD 5.8 trillion, increasing its GDP contribution to 15.5% from the current 7.3%

Reduction of GST for building materials in the 28% category in budget 2024: Cost is a critical factor that influences both the construction industry and end consumers. To address this concern, we propose the reduction of the GST on certain building materials, particularly those still in the 28% category, such as cement. This measure will not only make construction more affordable but will also contribute to the growth of the building sector.

Demographic dividend: India, with a median age of 28.2 years in 2023, holds the distinction of having the largest population cluster

in the world. This youthful demographic underscores the nation's potential for dynamic economic growth and cultural vibrancy.

Technological advancements: Technological advancements in construction chemical formulations, including the development of high-performance admixtures, waterproofing compounds and advanced coatings, are driving market growth by offering improved properties and performance characteristics.

Environmental regulations and sustainability: The adoption of green rating systems like Leadership in energy and environmental design (LEED) and Indian green building council (IGBC) in India promotes the use of eco-friendly construction materials. Buildings certified under these systems earn points for sustainable practices, making them more appealing to tenants and investors.

(Source: pib.org, Ibef.org, Economic Times, Worldometer, Market Wide Research, USGBC-Leed, IGBC)

The India Commercial Real Estate Market

The commercial real estate market is set for significant growth, projected to reach USD 4.85 trillion in 2023 and expand to USD 8.36 trillion by 2028 at a CAGR of 11.50%.

Coworking spaces, reaching 47 million square feet in India by mid-2022 and expected to exceed 80 million square feet by 2025, offer flexible solutions for businesses.

Tier 2 cities like Nagpur, Vizag, Lucknow, Surat, Jaipur, Indore, and Mangalore are becoming attractive investment destinations due to affordability, infrastructure development, a growing middle-class population, and government support.

PropTech is reshaping the commercial real estate sector with innovations like online platforms, drones, 3D printing, data analytics and cloud-based software. It enhances property transactions and management. In coworking spaces, PropTech fosters collaboration, improves efficiency, and promotes sustainability through smart buildings and IoT, addressing broader urban challenges.

(Source: gototheaddress.com)

Indian Real Estate Housing Sector

In FY23, India's residential property market reached new heights, with home sales valued at an all-time high of ₹3.47 lakh crore (US\$ 42 billion), marking a robust 48% year-on-year increase. Sales volume also grew significantly, rising 36% to 379,095 units sold.

In 2023, Indian real estate developers in major urban centers are set to complete approximately 558,000 homes. Demand for residential properties surged across the top eight Indian cities, driven by strong interest in mid-income, premium, and luxury segments, despite challenges like high mortgage rates and property prices.

(Source: ibef.org)

Government Initiatives

Urban rejuvenation and smart cities mission: As for urban rejuvenation and smart cities mission, there is a 21% dip in allocation. As much as ₹13,200 crore was allocated in 2023-2024 and ₹10,400 crore has been allocated for 2024-2025.

The Pradhan Mantri Awas Yojana (PMAY) has been increased by 49% to ₹80,671 crore. As much as ₹54,103 cr. was allocated (as per revised estimates) in 2023-2024.

For metro projects: too there is a 9% increase in allocation and ₹19508 cr. was set aside in 2023-2024 (as per revised estimates) and ₹21336 cr. has been allocated for 2024-2025.

Capital investment: In the interim budget for 2024-25, the capital investment outlay for infrastructure has been raised by 11.1% to ₹11.11 lakh crore (US\$ 133.86 billion), which accounts for 3.4% of GDP. Specifically, the government has allocated ₹2.76 lakh crore (US\$ 33.4 billion) for the Ministry of Roads for the fiscal year 2024-25.

Swot Analysis

Strengths: The Indian chemical industry boasts a diverse manufacturing base, a robust domestic market, and strong growth potential. Its ability to innovate and produce high-quality chemicals at competitive costs, supported by favourable government policies and R&D investments, positions it as a global key player. India's strategic location and established trade networks enhance its export capabilities, ensuring resilience and dynamism.

Weakness: The Indian chemical industry faces several challenges, including weak export demand, high channel inventories, and the risk of Chinese dumping, which are expected to continue pressuring margins and causing inventory losses.

Opportunity: The demand for chemicals in India is expected to grow by 9% annually by 2025, with the industry projected to contribute US\$ 383 billion to the GDP by 2030. This robust growth trajectory underscores the dynamic expansion of the chemical industry, which is poised to make a substantial impact on the national economy.

Threats: Organized players in the Indian construction chemicals market encounter challenges stemming from rising imports from China and the general lack of industry organization.

(Source: IBEF, Economic Times)

Risk Management

Economy risk: Domestic challenges such as inflation, liquidity crunch, slower industrial growth, depreciating rupee, political instability, and rising commodity prices could impact performance.

Mitigation: Recognizing the critical importance of timely and affordable resource availability, Hindcon implemented backward integration strategies. These initiatives involve producing resources

internally for both internal use and sales, effectively reducing marketing and inventory costs and boosting overall profitability. By leveraging its captive supply, Hindcon has also managed to offer more competitive prices, enhancing its market position. This reliance on internal sources for a significant portion of its resources, raw materials, and power needs underscores Hindcon's competitive edge in the industry.

Demand risk: As the infrastructure industry develops, it drives demand in the construction chemicals sector; any weaknesses within the sector could impact the demand for construction chemicals.

Mitigation: The company is innovating and introducing unique products with potential applications across multiple sectors.

Competition risk: With rising competition, businesses may experience a decrease in profits.

Mitigation: The company aims to broaden its geographical market reach and attract new B2B clients while nurturing long-term partnerships that currently account for over 65% of its revenue. Additionally, it actively seeks to cultivate new business relationships. To meet changing customer needs, the company offers a diverse array of products. In the fiscal year 2023-24, B2B customers comprised 78% of the company's total revenues.

Quality risk: A decrease in product quality can impact the company's long-term revenue prospects.

Mitigation: The company maintains a vigilant approach to monitoring regulatory changes to ensure adherence to relevant regulations. Emphasizing compliance, it takes proactive measures to stay updated with applicable standards. The company has achieved accreditation for ISO 9001:2015 and ISO 22716:2007, focusing on quality control and management processes.

Environment risk: The risk of not meeting environmental standards includes the production of environmentally friendly products.

Mitigation: As a member of the Indian Green Building Council, the company focuses on prioritizing the production of eco-friendly products.

Portfolio risk: A decrease in sodium silicate sales could adversely affect the company's operations and profitability.

Mitigation: The company provides a diverse range of products including sodium silicate, concrete and mortar admixtures, floorings, protective waterproofing coatings, and adhesives. Additionally, it

offers services such as waterproofing and repair and retrofitting of distressed structures.

Financial Review

Revenues: Revenues during the year under review were ₹63.42 cr. as compared to ₹82.72 cr. during FY2022-23.

Profit after tax: The Company registered a profit after tax of ₹6.38 cr. during FY 2023-24 compared to ₹4.31 cr. during FY2022-23, which was 48.03% higher than the previous financial year.

Internal Control Systems and their Adequacy

The internal control and risk management system at our organization adheres to the principles and criteria outlined in our corporate governance code. It is integrated into the overall organizational structure of both the Company and the Group, involving coordinated efforts from various personnel in their respective roles. The Board of Directors provides strategic guidance and oversight to the Executive Directors and management, overseeing and supporting committees. The Control and Risk Committee, along with the head of the audit department, operate under the supervision of the Board-appointed Statutory Auditors.

Human Resources

Hindcon attributes its success to a motivated workforce. The company offers competitive salaries, cultivates a supportive work environment, and acknowledges employee achievements through a structured rewards and recognition system. Hindcon fosters a culture of personal growth by encouraging participation in voluntary projects that enrich individual learning experiences. As of March 31st, 2024, Hindcon employed a total of 126 employees.

Cautionary Statement

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

ANNEXURE –‘C’ to the Directors’ Report**CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE AS REQUIRED UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To
The Members of
M/s. HINDCON CHEMICALS LTD

I have examined the Compliance of Corporate Governance of M/s. Hindcon Chemicals Limited for the financial year 2023-24, as stipulated under applicable regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into by the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governances. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has generally complied with the condition of Corporate Governance as stipulated under applicable Regulations of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place: Kolkata
Date: 16.07.2024

sd/-
(Santosh Kumar Tibrewalla)
Practicing Company Secretary
Membership No.: 3811
Certificate of Practice No.: 3982
PR No.: 1346/2021
UDIN: F003811F000748709

ANNEXURE –‘D’ to the Directors’ Report**Certification by Managing Director – Chief Executive Officer (CEO) and Chief Financial Officer of the Company (CFO)**

To,
The Board of Directors,
Hindcon Chemicals Limited,
62B, Braunfeld Row, 1st Floor,
Kolkata – 700 027

Sub: Certification by Managing Director (CEO) and CFO of the Company

Dear Sirs,

In terms of Regulation-17(8) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Sanjay Goenka, Chairman & Managing Director (CEO) and Kashi Nath Dey, Chief Financial Officer (CFO), certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year 2023-24 (hereinafter referred to as ‘Year’) and to the best of our knowledge and belief–
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company’s Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
 - iii) that we have not come across any instances of significant fraud and the involvement therein of the management or an employee having significant role in the Company’s internal control system over financial reporting.

For Hindcon Chemicals Limited

Sd/-
Sanjay Goenka
Chairman & Managing Director (CEO)
DIN: 00848190

Sd/-
Kashi Nath Dey
Chief Financial Officer

Place: Kolkata
Date: 16.07.2024

ANNEXURE –‘E’ to the Directors’ Report**Declaration for Compliance with the Code of Conduct of the Regulation 26(3) read with Schedule V of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

I, Sanjay Goenka, Chairman & Managing Director (CEO) of **M/s. Hindcon Chemicals Limited** declare that as of 31st March, 2024 all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company.

For Hindcon Chemicals Limited

Place: Kolkata
Date: 16.07.2024

Sd/-
Sanjay Goenka
Chairman & Managing Director (CEO)
DIN: 00848190

SANTOSH KUMAR TIBREWALLA

B.Com(Hons.), LL.B., FCS.
Practicing Company Secretary
(Peer Reviewed)

5A, N.C. Dutta Sarani

3rd Floor, Kolkata – 700 001
Phone: (033) 4005 4842
email:santibrewella@rediffmail.com

ANNEXURE – ‘G’ to the Directors’ Report**SECRETARIAL AUDIT REPORT****for the Financial Year Ended on 31st March, 2024**

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

To
The Members

Hindcon Chemicals Limited

62B, Braunfeld Row, 1st Floor,
Kolkata – 700 027.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Hindcon Chemicals Limited** (hereinafter called ‘the Company’) bearing **CIN: L24117WB1998PLC087800**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024, has 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:

I have examined the books, papers; minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, to the extent Acts / provisions of the Acts applicable, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’), to the extent applicable :-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities and Sweat Equity) Regulations, 2021;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regards to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis and on representation made by the Company and its officers for compliances under other applicable Acts, laws and Regulations to the Company, the Company in addition to applicable general

manufacturing laws has complied with the following law specifically applicable to the Company:-

- i. Manufacture, Storage, Import of Hazardous Chemicals Rules, 1989

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the National Stock Exchange Ltd.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that –

The Company has delayed for one day in Compliance under regulation 42 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a penalty of Rupees Ten thousand only was imposed by Stock Exchange and the same was paid by the Company.

I 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 including a Woman Director. No changes in the composition of the Board of Directors took place during the period under review. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

I 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.

I further report that during the audit period the Company has no reportable specific events, actions having a major bearing on the Company's affairs in pursuance of the laws, regulations, guidelines, standards, etc. referred to above.

Place: Kolkata
Date: 16.07.2024

sd/-
Santosh Kumar Tibrewalla
Practicing Company Secretary
Membership No.: 3811
Certificate of Practice No.: 3982
PR No.: 1346/2021
UDIN: F003811F000748797

ANNEXURE –‘H’ to the Directors’ Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm’s length basis:

a.	Name(s) of the related party and nature of relationship	Mr. Sanjay Goenka, Chairman & Managing Director and Ms. Nilima Goenka, Whole Time Director.
b.	Nature of contracts/arrangements /transactions	Rent Agreement with the related parties.
c.	Duration of the contracts / arrangements/transactions	60 Months w.e.f. 1 st April, 2020.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	As per the Rent Agreements between both parties. Total rent paid / payable ₹25,000/- per month to both the related parties.
e.	Justification for entering into such contracts or arrangements or transactions	To maintain registered office of the Company.
f.	Date(s) of approval by the Board	8 th February, 2020
g.	Amount paid as advances, if any	N. A.
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N. A.

2. Details of material contracts or arrangement or transactions at arm’s length basis:

a.	Name(s) of the related party and nature of relationship	Bengal Silicates & Chemicals Private Limited– Mr. Sanjay Goenka is Director and also a shareholder holding 33% of the shares of the Company.
b.	Nature of contracts/arrangements /transactions	Sale of Goods.
c.	Duration of the contracts / arrangements/transactions	No Contract executed
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	No contract executed. Goods are sold at the prevailing market price.
e.	Date(s) of approval by the Board, if any	Not Applicable.
f.	Amount paid as advances, if any	Nil

On behalf of the Board of Directors
For Hindcon Chemicals Limited

Registered Office:

62B, Braunfeld Row,
 Kolkata – 700 027
 Date: 16.07.2024

sd/-

Sanjay Goenka

Chairman & Managing Director
 DIN: 00848190

sd/-

Nilima Goenka

Whole time Director
 DIN: 00848225

ANNEXURE –I’ to the Directors’ Report**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under:

Sl No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for financial year 2023-24 (₹ in lakhs)	% increase/ decrease in Remuneration in the financial year 2023-24	Ratio of remuneration of each Director/ to median remuneration of employees
a.	Mr. Sanjay Goenka Chairman & Mg. Director	87.00	-	701.61:1
b.	Ms. Nilima Goenka Whole Time Director	36.00	-	290.32:1
c.	Mr. Ramsanatan Banerjee Whole-time Director	10.20	10.39	82.26:1
d.	Mr. Kashi Nath Dey Chief Financial Officer	6.25	22.55	-
e.	Ms. Ankita Banerjee Company Secretary	2.37	-	-

Note:

- i) No other Director other than the Managing Director and Whole-time Director received any remuneration during the financial year 2023-24.
- ii) The median remuneration of employees of the Company during the financial year was ₹12,400/- compared to the previous year of ₹17,000/-.
- iii) In the financial year 2023-24, there was a decrease of 27.06% in the median remuneration of employees;
- iv) There were 126 permanent employees on the rolls of Company as on March 31, 2024;
- v) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2024 is as per the Remuneration Policy of the Company.

Statement pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. LIST OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN :

Sl No.	Name of the Employees	Designation of the employee	Remuneration drawn during the financial year 2023-24 (₹ in lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience	Date of commencement of employment	Age	Last employment held before joining the Company	% of equity shares held in the Company	Whether relative of any Director or Manager of the Company and if so, name of such Director or Manager
1.	Debasis De	Chief Marketing Manager	15.08	Permanent	B.SC	01.08.2019	46 years	NA	NO	NO
2	Dillip Kumar Sahoo	Factory Manager	7.92	Permanent	B.COM	01.12.2002	47 years	NA	0.00	NO
3	Bijaya Kumar Sahoo	Asst. Manager- Production & QC	7.33	Permanent	B.SC	01.12.2002	43 years	NA	NO	NO
4	Sanath Bhattacharya	Office Executive	5.43	Permanent	B.SC	01.06.2012	57 years	NA	NO	NO
5	Kashi Nath Dey	Chief Financial Officer	6.25	Permanent	B.COM	01.05.2006	47 years	NA	NO	NO
6	Sourav Dutta	HR Manager	5.89	Permanent	B.SC	01.02.2023	41 years	NA	NO	NO
7	Ujjwal Chanchal	Manager Technical	18.00	Permanent	B.SC	01.07.2023	36 years	NA	NO	NO
8	Rajat Das	Retail Manager	4.48	Permanent	B.COM	02.03.2023	45 years	NA	NO	NO
9	Vansh Goenka	President	12.00	Permanent	B.COM	09.02.2023	20 years	NA	NO	NO
10	Nasir Rashid	Sales Engineer	4.52	Permanent	B.SC	02.03.2020	48 years	NA	NO	NO

B. List of employees drawing a remuneration not less than ₹102.00 lakhs per annum or ₹8.50 lakhs per month, if employed for part of the year :

No employee in the Company has drawn remuneration falling under this category.

C. There is no employee in employment throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Executive Chairman or Manager and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.

D. There is no employee posted and working outside India not being directors or their relatives, drawing more than sixty lakhs rupees per financial year or five lakhs rupees per month.

Registered Office:
62B, Braunfeld Row,
Kolkata – 700 027
Date: 16.07.2024

On behalf of the Board of Directors
For Hindcon Chemicals Limited

sd/-
Sanjay Goenka
Chairman & Managing Director
DIN: 00848190

sd/-
Nilima Goenka
Whole time Director
DIN: 00848225

ANNEXURE –'J' to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

Policy of the Company:

Corporate Social Responsibility (CSR) is the contribution from the Corporate towards Social and Economic development of Society. CSR integrates Organization, Society and Planet. CSR policy should ensure activities which may include sustainable development by skill enhancement, sustainable environment, promotion to gender equality, prevention of health care and sanitation, care for senior citizens and differently able persons, promoting education, etc.

The policy lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large along with the Company's philosophy for delineating its responsibility as a corporate citizen. The Company had proposed to undertake the activities relating to social welfare, which includes activities eradicating poverty and malnutrition, providing safe drinking water and other social welfare. Our Corporate Social Responsibility (CSR) initiatives insure we never lose sight of what we are and what our obligations are to the communities where we operate.

The CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms.

The Company on recommendation of its CSR Committee has laid down a "Corporate Social Responsibility (CSR) Policy", in concurrence with the provisions specified in the Companies Act, 2013 and Rules made thereunder and the same has been uploaded to the website of the Company at www.hindcon.com.

2. Composition of CSR Committee:

SI No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Sanjay Goenka	Chairman- Managing Director	2	2
2.	Mr. Binay Kumar Agarwal	Member- Independent Director	2	2
3.	Mrs. Nilima Goenka	Member-Whole Time Director	2	2

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 at its weblink at : <https://hindcon.com/wp-content/uploads/2021/06/CSR-Policy.pdf>
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**
5. (a) Average net profit of the company as per sub-section (5) of section 135: **₹616.64 Lakhs**
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135: **₹12.33 Lakhs**
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **0.73 lakh**
 (d) Amount required to be set-off for the financial year, if any. **0.73 lakhs**
 (e) Total CSR obligation for the financial year : **₹11.60 Lakhs**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): An amount of ₹12.38 Lakhs was spent for the fy 2023-24 against ongoing projects

1 SI No.	2 Name of Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No)	5 Location of Project	6 Amount Spent for the project (In Lakhs)	7 Mode of Implementation -Direct (Yes/No)	8 Mode of Implementation through implementing agency	
				State/District			Name	CSR Registration Number
1.	Education	Promoting education, including special education	Yes	West Bengal	1.00	No	Kolkata Gives Foundation CSR00005958	
			Yes	West Bengal	2.00	No	The Goenka Foundation CSR00056071	
			Yes	West Bengal	0.12	Yes	Direct	
			Yes	West Bengal	1.00	No	Shree Goenka Kalyan Trust CSR00029879	
			Yes	West Bengal	3.10	No	Hindcon Foundation CSR00062367	
			Yes	West Bengal	0.44	No	Friends of Tribal Society CSR00001898	
			Yes	West Bengal	0.50	No	Pariwar Milan CSR00002247	
				Sub-Total	8.16			
2.	Animal Welfare	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	Yes	West Bengal	1.00	No	Akhil Bharat Goseva Santhan CSR00025352	
					Sub-Total	1.00		
3.	Malnutrition	Eradicating Hunger/ Poverty	Yes	West Bengal	0.50	Yes	Direct	
			Yes	West Bengal	0.29	Yes	Direct	
					Sub-Total	0.79		
4.	Healthcare	Promoting Health Care including preventive healthcare and sanitization	Yes	West Bengal	0.11	Yes	Direct	
			Yes	West Bengal	0.07	Yes	Direct	
			Yes	West Bengal	0.04	Yes	Direct	
			Yes	West Bengal	0.05	Yes	Direct	
			Yes	West Bengal	1.00	No	Lions North Calcutta Hospital & Medical Centre CSR00001722	
			Yes	West Bengal	0.48	Yes	Direct	
				Sub-Total	1.75			
5.	Rural Development Project	Eradicating Hunger/ Poverty group	Yes	West Bengal	0.26	Yes	Direct	
			Yes	West Bengal	0.27	Yes	Direct	
					Sub-Total	0.53		
6.	Rural Sports	Sports	Yes	West Bengal	0.05	Yes	Direct	
			Yes	West Bengal	0.10	Yes	Direct	
					Sub-Total	0.15		
				Total	12.38			

(b) Amount spent in Administrative Overheads: **No amount was spent in administrative overheads.**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹12.38 Lakhs**

(e) 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 sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹12.38 Lakhs	NA	NA	NA	NA	NA

(vi) Excess amount for set-off, if any: **NA**

SI No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹12.33 Lakhs
(ii)	Total amount spent for the Financial Year	₹12.38 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹0.05 lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	₹0.73 Lakhs
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹0.78 lakhs

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1 SI No.	2 Preceding Financial Year(s)	3 Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	4 Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	5 Amount Spent in the Financial Year (in ₹)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		7 Amount remaining to be spent in succeeding Financial Years (in ₹)	8 Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	FY-1	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.	FY-2	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	FY-3	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

1 SI No.	2 Short particulars of the property or asset(s)[including complete address and location of the property]	3 Pin Code of the property or asset(s)	4 Date of creation	5 Amount of CSR amount spent	6 Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Nil							

sd/-

Mr. Sanjay Goenka

Mg. Director & Chairman CSR Committee.

DIN: 00848190

ANNEXURE –‘K’ to the Directors’ Report

Form No. AOC-1

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

Statement containing salient features of the financial statement of Subsidiaries or Associate Companies or Joint Ventures

PART A: SUBSIDIARIES

The Company has 1 (One) Subsidiary Company as on 31st March, 2024.

Sl. No.	Particulars	
1.	Name of Subsidiary Company	Hindcon Solutions Private Limited
2.	Latest audited Balance Sheet Date	31.03.2024
3.	The date since when subsidiary was acquired	31 st March, 2011
4.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2023 to March 31, 2024
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Rupees
6.	Share Capital	₹40,35,000/-
7.	Reserves and Surplus	₹6,77,10,753/-
8.	Total Assets	₹7,33,96,803/-
9.	Total Liabilities	₹7,33,96,803/-
10.	Investments	₹6,67,43,395/-
11.	Turnover	₹3,05,44,112/-
12.	Profit before Taxation	₹15,92,082/-
13.	Provision for Taxation	₹2,54,643/-
14.	Profit after Taxation	₹13,37,439/-
15.	Proposed Dividend	NIL
16.	Extent of shareholding (in percentage)	97.52%

Other information:

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

PART B: ASSOCIATES AND JOINT VENTURES

The Company has no Associate Companies and Joint Ventures as on 31st March, 2024.

Other Information:

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

On behalf of the Board of Directors
For Hindcon Chemicals Limited

sd/-
Sanjay Goenka
Chairman & Managing Director
DIN: 00848190

sd/-
Nilima Goenka
Whole time Director
DIN: 00848225

Registered Office:

62B, Braunfeld Row
Kolkata – 700 027
Date: 16.07.2024

sd/-
Kashi Nath Dey
Chief Financial Officer

sd/-
Ankita Banerjee
Company Secretary

Standalone Financial Statements

Independent Auditors' Report

To
The Members of
Hindcon Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Hindcon Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2024**, the Standalone Statement of Profit and Loss (Including Other Comprehensive Income), the statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2024, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements, 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 such other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally

accepted in India and the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with the governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we

are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Standalone financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure – 'A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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.
 - The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
 - On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – 'B'; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - 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 for the year ended March 31, 2024 is in accordance with the provisions of section 197 read with Schedule V to the Act, and
 - With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 37 to the Standalone financial statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity (Intermediaries), with the understanding whether recorded in writing or otherwise that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (c) Based on our audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (v) (a) The dividend paid by the Company during the year in respect of dividend declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend.
- (b) The Board of Directors of the Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting as mentioned in Note 44 of the standalone financial statements. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- (vi) Reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2024.

Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same operated throughout the year for all relevant transactions recorded in the respective software :

- a. The feature of recording audit trail (edit log) facility was not enabled at the database level to

log any direct data changes for the accounting software used for maintaining the books of accounts relating to general ledger, inventory and payroll.

- b. The feature of recording audit trail (edit log) facility does not provide the details of the modification done in the books of accounts at the application level.

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

For R B ROY & CO.

Chartered Accountants
Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381
UDIN: 24062381BKGTCB7359

Kolkata
May 16, 2024.

Annexure – 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and regulatory Requirements' section our report to the members of Hindcon Chemicals Limited of even date)

- (1) a. The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were physically verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its fixed assets. 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 (other than immovable properties where the company is lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements 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 records of the Company, the company has not revalued its property, plant and equipment during the year.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (2) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the inventory (excluding material in transit) has been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable and procedure and coverage as followed by the management were appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks hence this clause is not applicable to the Company.
- (3) a. The company has made any investment during the year other than existing investments made in shares. The company has granted unsecured loans to other entities during the year. The aggregate of loan given during the year was ₹45,00,000/= and balance outstanding as on 31.03.2024 of such loans & advances was ₹3,55,00,000/=. The Company did not give guarantee, or provided security to any Company/Firm/Limited Liability partnership/other party during the year.
 - b. In respect of the investments made by the company, the terms and conditions under which such investments were made are not prejudicial to the company's interest.
Based on the information and explanations furnished to us, in respect of the advances in the nature of loans given by the company, the terms and conditions under which such advances were given are not prejudicial to the Company's interest.
 - c. All the Loans given by the company are repayable on demand and no repayment period is mentioned for these loans.
 - d. Based on the information and explanations furnished to us and on the basis of our examination of the records of the Company, all the loans given by the company are repayable on demand. No such loans were renewed or extended and no fresh loans were granted during the year to settle the old loan.

- e. Based on the information and explanations furnished to us and on the basis of our examination of the records of the Company, loans granted by the company which are repayable on demand or for which the terms or period of repayment has not been specified are given below:

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loan/advances in the nature of loans			
- Repayable on demand (A)	3,55,00,000.00	0.00	0.00
- Agreement does not specify any terms or period of repayment (B)		0.00	0.00
Total (A + B)	3,55,00,000.00	0.00	0.00
% of loans/advances in the nature of loan to the total loans	100%	0%	0%

- (4) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made, guarantees and security provided by it, as applicable.
- (5) Based on our scrutiny of the company's records and according to the information and explanations provided by the management, the company has not accepted deposits from public within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Rule 2(b) of the Companies (Acceptance of Deposit's) Rules, 2014 (as amended) during the year. Accordingly, provision of clause 3(v) of the Order are not applicable.
- (6) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (7) According to the information and explanations given to us and on the basis of our examination of the records of the Company:
- a) According to the books and records of the company produced to us, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income tax, wealth tax, sales tax, value added tax, GST, custom duty, excise duty, cess and other statutory dues as applicable. According to the information and explanations given to us and upon our enquiries in this regard, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Value Added Tax, GST, customs duty and excise duty were outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company and upon our enquiries in this regard, the details of disputed statutory dues including provident fund, employee's state insurance, service tax, duty of customs, value added tax, Cess, Goods and Services tax and other statutory dues (as applicable to the company) As at 31st March, 2024 are as follows :-

Sl. No.	Name of the Statute	Nature of Dues	Amount (₹)	Period to which the amount relates (F. Y.)	Forum where Dispute is pending
1.	Income Tax Act, 1961	Tax	6,107/=	2013-14	CIT (A)
2.	Income Tax Act, 1961	Tax	37,030/=	2017-18	CPC
3.	Income Tax Act, 1961	Tax	2,48,710/=	2022-23	CPC

- (8) According to the information and explanations given to us, there are no transactions which were not recorded by the Company in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 that has not been recorded in the books of accounts.
- (9) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any term loans during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no funds raised on short term basis have been used for long term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (f) of the Order is not applicable.
- (10) (a) According to the records of the company examined by us and on the basis of information and explanation given to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) is not applicable.
- (11) (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we report that neither fraud on the company by its officers or employees nor any fraud by the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and based on our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, a report under section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us, no whistle blower complaints were received by the company during the year.
- (12) In our opinion, and to the best of our information and according to the explanations provided by the management, the company is not a nidhi company. Hence, the requirements of clause 3(xii) of the Order do not apply to the company.
- (13) In our opinion and according to the information and explanations given to us, the transactions of the company with the related parties during the year are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable and the details of the related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (14) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of audit report for the period under audit have been considered by us.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions specified under section 192 of the Act with directors or persons connected with them, during the year and therefore, reporting under 3(xv) of the Order is not applicable to the Company.
- (16) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under 3(xvi) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not conducted any Non-Banking Financial/Housing Finance Activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) of the Order is not applicable to the Company.
- (17) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company has not incurred cash losses in the financial year 2023-24 and in the immediately preceding financial year 2022-23.

- (18) There has been no resignation of statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- (19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto 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.
- (20) There are no unspent amounts towards Corporate Social Responsibility ("CSR") requiring transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (21) The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For R B ROY & CO.

Chartered Accountants
Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381
UDIN: 24062381BKGTCB7359

Kolkata
May 16, 2024.

Annexure – ‘B’ to the Independent Auditors’ Report

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 **Hindcon Chemicals Limited** (“the Company”) as of **31st March, 2024** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s 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. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone 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 and to the best of the information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating

effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R B ROY & CO.

Chartered Accountants

Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTCB7359

Kolkata

May 16, 2024.

Standalone Balance Sheet as at 31 March, 2024

(₹ in Lacs)

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	4	624.88	256.81
(b) Capital work in progress	4	-	39.41
(c) Financial assets			
(i) Investments	5	91.98	90.25
(ii) Other financial assets	6	443.52	8.26
(d) Deferred tax assets (net)	7	64.84	61.49
(e) Non-Current tax Asset (net)	14	43.87	-
(f) Other non-current assets	8	7.08	2.84
Total Non-current assets		1,276.17	459.06
(2) Current assets			
(a) Inventories	9	153.17	332.08
(b) Financial assets			
(i) Trade receivables	10	2,224.04	2,618.01
(ii) Cash and cash equivalents	11	840.52	742.30
(iii) Bank balances other than cash and cash equivalents	12	303.03	271.24
(iv) Loans	13	355.00	310.00
(v) Other financial assets	6	20.32	39.40
(c) Current tax asset	14	219.77	157.02
(d) Other assets	8	136.68	159.53
Total Current assets		4,252.53	4,629.58
TOTAL ASSETS		5,528.70	5,088.64
EQUITY AND LIABILITIES			
(3) Equity			
(a) Equity share capital	15	1,023.81	1,023.81
(b) Other equity	16	3,606.72	2,995.12
Total Equity		4,630.53	4,018.93
Liabilities			
(4) Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	17	5.79	4.63
(b) Provisions	18	23.09	29.28
Total Non-Current liabilities		28.88	33.91
(5) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	98.15
(ii) Trade payables	20		
- Total Outstanding dues of Micro and small enterprises		8.79	28.64
- Total Outstanding dues of creditors other than micro and small enterprises		530.77	712.07
(iii) Other financial liabilities	17	1.91	1.85
(b) Other liabilities	21	84.50	23.09
(c) Provisions	18	20.32	-
(d) Current tax liabilities	22	223.00	172.00
Total Current liabilities		869.29	1,035.80
TOTAL EQUITY AND LIABILITIES		5,528.70	5,088.64

Notes Forming part of the Standalone Financial Statements

As per our report of even date attached

Note 1-45

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTBCB7359

Kolkata

May 16, 2024.

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Standalone Statement of Profit and Loss for the year ended 31 March, 2024

(₹ in Lacs)

Particulars	Note	Year Ended 31 March, 2024	Year Ended 31 March, 2023
I Revenue from operations	23	6,167.01	8,165.00
II Other income	24	175.40	107.35
III Total income (I + II)		6,342.41	8,272.35
IV Expenses			
a) Cost of materials consumed	25	3,201.60	5,010.87
b) Purchase of stock-in-trade	26	1,153.90	1,585.96
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	5.67	-1.06
d) Employee benefits expense	28	493.93	396.43
e) Finance costs	29	7.56	5.03
f) Depreciation and amortisation expenses	4	35.38	28.69
g) Other expenses	30	596.63	657.45
Total expenses (IV)		5,494.67	7,683.37
V Profit before tax (III-IV)		847.74	588.98
VI Tax expense:			
Current tax		223.06	176.04
Deferred tax		-13.72	-18.02
Total Tax Expense		209.34	158.02
VII Profit for the year (V-VI)		638.40	430.96
VIII Other comprehensive income/(loss)			
A. Items that will not be reclassified subsequently to profit and loss			
(a) Remeasurements gain/(loss) on post-employment defined benefit plans		-6.83	-26.04
(b) Fair value changes of Investments in Equity Shares		41.59	-36.76
B. Income taxes on items that will not be reclassified to profit and loss		-10.37	11.51
Total other comprehensive income/(loss)		24.39	-51.29
IX Total comprehensive income for the year (VII+VIII)		662.79	379.67
X Earnings per Share (Face Value ₹2 each)			
- Basic (₹)	32	1.25	0.84
- Diluted (₹)	32	1.25	0.84

Notes Forming part of the Standalone Financial Statements

Note 1-45

As per our report of even date attached

For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTCB7359

Kolkata

May 16, 2024.

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Standalone Statement of Changes in Equity for the year ended 31 March, 2024

A. Equity Share Capital

(₹ in Lacs)

Particulars	
Balance as at 1 April 2022	1,023.81
Changes in equity share capital during 2022-23	-
Balance as at 31 March, 2023	1,023.81
Changes in equity share capital during 2023-24	-
Balance as at 31 March, 2024	1,023.81

B. Other Equity

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained earnings	Equity Instruments through Other Comprehensive Income	
Balance at 1 April 2022	635.02	2,049.12	2.98	2,687.12
Profit or Loss	-	430.96	-	430.96
Other comprehensive income (net of tax)	-	-26.04	-25.25	-51.29
Total comprehensive income	-	404.92	-25.25	379.67
Dividend	-	-71.67	-	-71.67
Balance at 31 March, 2023	635.02	2,382.37	-22.27	2,995.12
Profit or Loss	-	638.40	-	638.40
Other comprehensive income (net of tax)	-	-5.11	29.50	24.39
Total comprehensive income	-	633.29	29.50	662.79
Dividend	-	-51.19	-	-51.19
Reclassification Adjustment for Profit on Sale of Equity Shares	-	14.71	-14.71	-
Balance at 31 March, 2024	635.02	2,979.18	-7.48	3,606.72

- (i) Dividend paid during the year ended March 31, 2024 for the Financial Year 2023-24 (Interim Dividend) is ₹0.50 per equity share of face value ₹10 each fully paid up (March 31, 2023: For the Financial Year 2021-22 Final Dividend of ₹0.70 per equity share of face value ₹10 each fully paid up)
- (ii) The Board of Directors of the Company have proposed a Final Dividend of ₹0.10 (i.e 5%) per equity share of face value ₹2 each fully paid up for the Financial Year 2023-24.

C. Notes Forming part of the Standalone Financial Statements

1-45

As per our report of even date attached

For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTCB7359

Kolkata

May 16, 2024.

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Standalone Statement of Cash Flow for the year ended 31 March, 2024

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024		Year Ended 31 March, 2023	
	Amount	Amount	Amount	Amount
A. Cash Flows from Operating Activities				
Profit before tax		847.74		588.98
Adjustment for:				
Depreciation	35.38		28.69	
Interest expense	7.56		5.03	
Provision for Bad Debts	43.99		132.16	
Profit on Sale of Investments	-		0.27	
Dividend Income	-16.14		-0.40	
Provision for Gratuity	13.48		11.10	
Interest Income	-134.90	-50.63	-101.02	75.83
Operating cash flows before working capital changes		797.11		664.81
Working capital adjustments:				
(Increase)/Decrease in Inventories	178.90		25.35	
(Increase)/Decrease in Trade Receivables	349.98		-114.34	
(Increase)/Decrease in Loans, Financial & Other Assets	-462.36		181.08	
Increase/(Decrease) in Trade Payables	-201.15		-48.02	
(Increase)/Decrease in Financial and Other Liabilities	56.37	-78.26	-8.56	35.51
Cash generated from Operating Activities		718.85		700.32
Income tax paid (net)		-224.32		-157.02
Net Cash generated from /(used in) Operating Activities (A)		494.53		543.30
B. Cash Flows from Investing Activities				
Purchase of Property, plant & equipment including CWIP	-364.04		-152.90	
Sale of Investments	39.86		2.63	
(Increase)/Decrease in Loans	-45.00		130.00	
(Increase)/Decrease in Other Bank balances	-31.73		-	
Dividend Income	16.15		0.40	
Interest Income	144.37		101.02	
Net Cash generated from /(used in) Investing Activities (B)		-240.39		81.15

Standalone Statement of Cash Flow for the year ended 31 March, 2024

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024		Year Ended 31 March, 2023	
	Amount	Amount	Amount	Amount
C. Cash Flow from Financing Activities				
Increase/ (Decrease) in Short-term Borrowings	-98.15		-25.51	
Dividend paid	-51.13		-71.67	
Interest Paid	-6.64		-5.03	
Net Cash generated from /(used in) Financing Activities (C)		-155.92		-102.21
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)		98.22		522.24
Opening Cash and Cash Equivalents		742.30		220.06
Closing Cash and Cash Equivalents (Refer Note No. 11)		840.52		742.30

Note :

- The above Statement of Cash Flow has been prepared under the "Indirect method" as set out in Ind AS - 7, 'Statement of Cash Flows'.
- Figures in (-) indicate cash outflow.
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

As per our report of even date attached

For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTCB7359

Kolkata

May 16, 2024.

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Notes to the Standalone Financial Statements for the year ended 31 March 2024

1. Company Overview

Hindcon Chemicals Limited (the "Company") is a public limited company incorporated in India on 25.08.1998 vide CIN No. L24117WB1998PLC087800. The shares of the Company are listed on the National Stock Exchange of India Ltd. The Company is primarily engaged in the business of manufacturing & sale of Sodium Silicate & construction chemicals. The Manufacturing units of the Company is located in Howrah and Munshirhat, West Bengal.

2. Basis of Preparation

2.1 Statement of Compliance

These Standalone Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis, except for certain financial instruments which are measured at Fair values, as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone Financial Statements have been prepared on accrual and going concern basis.

As the year end figures are taken from the source and rounded off to the nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reposted in this statement.

2.2 Functional and presentation currency

The financial statements have been presented in Indian Rupees (₹) which is also the Company's presentation currency. All financial information presented in ₹ has been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated.

2.3 Basis of measurement

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

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

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

2.4 Use of judgments and estimates

The preparation of the Standalone Financial Statements in conformity with Ind AS required the management to make estimates, assumptions and judgements. These estimates, judgement and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Standalone financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates, which involve complex and subjective judgements and the use of assumptions in these financial statements, have been disclosed in Note 2.5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

2.5 Critical accounting estimates and judgements

Preparation of the Standalone Financial Statements require the use of accounting estimates, judgements and assumptions which by definition will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Standalone Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements. This

Notes to the Standalone Financial Statements for the year ended 31 March 2024

note provides an overview of the areas that involve a higher degree of judgement or complexity and of items that 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 of Standalone Financial Statements.

The areas involving critical estimates or judgements are :

- i) Estimation of useful life of tangible assets : Note 3.1
- ii) Estimation of credit losses on trade receivables : Note 3.3
- iii) Fair value measurement : Note 3.3
- iv) Estimation of defined benefit obligations : Note 3.6
- v) Estimation of claims/liabilities : Note 3.7
- vi) Estimation of Income Tax : Note 3.10

2.6 Measurement of fair values

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

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments.

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.7 Operating Cycle

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

The asset/liability is classified as current if it satisfies any of the following conditions :

- a) The asset/liability is expected to be realised/settled in the Company's normal operating cycle;
- b) The asset is intended for sale or consumption;
- c) The asset/liability is held primarily for the purpose of trading;
- d) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- e) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date
- f) In case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

The Company classifies all other assets and liabilities as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

2.8 Recent accounting pronouncements

The 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 :

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

3. Significant Accounting Policies

3.1 Property, Plant and Equipment

i. Recognition and measurement

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any). Freehold Land is carried at Historical cost.

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

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

ii. Subsequent expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other non-current assets.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

iii. Depreciation and amortisation

Depreciation is provided on written down method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed off).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful lives used for computation of depreciation are as follows;

1) Building, Factory Shed & office premises	30 years
2) Computer and data Processing Units	3 to 6 years
3) Office Equipments	5 to 15 years
4) Furniture and fixtures	10 years
5) Plant & Machinery	15 years
6) Vehicles	8 to 10 years
7) Electrical Installations	10 years
8) Laboratory Equipments	10 years

iv. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

v. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.2 Investment in Subsidiary

Investment in subsidiaries are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments. Loan and other similar arrangements with subsidiaries which are probable to be settled for a fixed number of equity share of the borrower for a fixed price are classified as equity investment.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

3.3 Financial instruments

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

i. Financial Assets

Initial recognition and measurement

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

Notes to the Standalone Financial Statements for the year ended 31 March 2024

Subsequent measurement

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

- Measured at Amortised cost
- Measured at Fair value through other comprehensive income (FVTOCI)
- Measured Fair value through profit or loss (FVTPL)

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

Financial assets measured at amortised cost

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

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss.

Financial assets measured at FVTOCI

A debt instrument is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets measured at FVTPL

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

Other equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. 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. In case 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 P&L, even on sale of investment.

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

Derecognition

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

Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

ii. Financial Liability

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities measured through profit or loss (FVTPL)
- Financial liabilities measured at amortised cost

Financial liabilities measured through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Financial liabilities measured at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Derecognition

A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

iii. Offsetting of financial instruments

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

3.4 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Costs incurred in bringing each product to its present location and condition are as follows:

Raw materials, consumables, and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Work-in-progress and Finished goods: Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Assessment of net realisable value is made at each subsequent reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

3.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.6 Employee Benefits

i) Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

ii) Post-Employment Benefits

The Company operates the following post-employment schemes:

Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

Defined Contribution Plan

Defined contribution plans such as provident fund, ESI etc. are charged to the Statement of Profit and Loss as and when incurred.

3.7 Provisions, Contingent Liabilities and Contingent Assets

i) Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

ii) Onerous Contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

iii) Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other Notes to Financial Statements.

iv) Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.8 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

a) Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

b) Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

c) Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt/acceptance.

d) Interest Income

For all financial instruments measured at amortized cost, Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

e) Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.9 Leases

The Company assesses whether a contract is or contains a lease at inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- i) the contract involves the use of an identified asset,
- ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and
- iii) the Company has the right to direct the use of the asset.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 36 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

3.10 Income tax

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

ii. Deferred tax

Deferred Income Tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. These are expected to apply in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expenses in the period that includes the enactment or the substantive enactment date.

A Deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred income tax asset is reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balance relate to the same taxation authority. Current tax assets and liabilities are

Notes to the Standalone Financial Statements for the year ended 31 March 2024

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.

3.11 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange difference to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. The Company considers a period of 12 months or more as a substantial period of time. All other borrowing costs are recognised as an expense in the period in which they are incurred.

3.12 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.14 Foreign Currency Transactions

The financial statements of the Company are presented in Indian Rupees (₹) which is the functional currency of the Company and the presentation currency of the financial statements.

Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.15 Cash Flow Statement

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

3.16 Trade Receivables

Trade receivables are recognised at the amount of transaction price (net of variable consideration) when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

3.17 Trade and other payables

These amount represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.18 Dividend

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend is declared by the Board of Directors. Final dividend declared, if any, is recognised in the period in which the said dividend is approved by the Shareholders. Dividend payable is recognised directly in other equity.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

4. Property, Plant and Equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 were as follows: (₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1 st April 2023	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March, 2024	As at 1 st April 2023	For the Year	Deductions/ Adjustments	As at 31 March, 2024	As at 31 March, 2024
Owned Assets									
Freehold Land	132.86	1.00	-	133.86	-	-	-	-	133.86
Building	16.57	44.82	-	61.39	9.40	1.22	-	10.62	50.77
Factory Shed	39.61	230.85	-	270.46	16.04	5.04	-	21.08	249.38
Office	18.18	-	-	18.18	13.46	0.44	-	13.90	4.28
Furniture & Fixtures	6.14	3.69	-	9.83	3.78	1.03	-	4.81	5.02
Plant & Machinery	122.39	85.37	-	207.76	66.10	12.46	-	78.56	129.20
Motor Car	54.52	19.15	-	73.67	33.08	9.55	-	42.63	31.04
Motor Cycle	1.20	2.06	-	3.26	1.14	0.32	-	1.46	1.80
Electrical Installations	7.54	4.18	-	11.72	6.32	0.41	-	6.73	4.99
Laboratory Equipments	1.91	5.23	-	7.14	1.63	0.28	-	1.91	5.23
Office Equipments	18.74	2.43	-	21.17	14.82	1.54	-	16.36	4.81
Computer & Accessories	10.07	4.67	-	14.74	7.25	3.07	-	10.32	4.42
Fire Safety Equipments	0.39	-	-	0.39	0.29	0.02	-	0.31	0.08
Total	430.12	403.45	-	833.57	173.31	35.38	-	208.69	624.88
Capital Work-in-Progress	39.41	327.93	-367.34	-	-	-	-	-	-
Grand Total	469.53	731.38	-367.34	833.57	173.31	35.38	-	208.69	624.88

Capital Work-In- Progress

Ageing of capital work-in-progress as at March 31, 2024 is as follows :

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2024

4. Property, Plant and Equipment *Contd.*

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 were as follows: (₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1 st April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March, 2023	As at 1 st April 2022	For the Year	Deductions/ Adjustments	As at 31 March, 2023	As at 31 March, 2023
Owned Assets									
Freehold Land	44.53	88.34	-	132.87	-	-	-	-	132.87
Building	13.87	2.70	-	16.57	8.68	0.72	-	9.40	7.17
Factory Shed	39.51	0.10	-	39.61	13.57	2.47	-	16.04	23.57
Office	18.18	-	-	18.18	12.98	0.48	-	13.46	4.72
Furniture & Fixtures	6.14	-	-	6.14	2.99	0.79	-	3.78	2.36
Plant & Machinery	105.31	17.08	-	122.39	55.31	10.80	-	66.11	56.28
Motor Car	54.52	-	-	54.52	23.30	9.78	-	33.08	21.44
Motor Cycle	1.20	-	-	1.20	1.14	-	-	1.14	0.06
Electrical Installations	7.19	0.35	-	7.54	5.96	0.36	-	6.32	1.22
Laboratory Equipments	1.91	-	-	1.91	1.54	0.08	-	1.62	0.29
Office Equipments	16.42	2.32	-	18.74	13.49	1.34	-	14.83	3.91
Computer & Accessories	7.46	2.60	-	10.06	5.39	1.85	-	7.24	2.82
Fire Safety Equipments	0.39	-	-	0.39	0.27	0.02	-	0.29	0.10
Total	316.63	113.49	-	430.12	144.62	28.69	-	173.31	256.81
Capital Work-in-Progress									39.41
Grand Total									296.22

Capital Work-In- Progress

Ageing of capital work-in-progress as at March 31, 2023 is as follows :

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	39.41	-	-	-	39.41
Total	39.41	-	-	-	39.41

4.1 Refer Note 19 for hypothecation of property, plant and equipment against borrowing.

4.2 Title deeds for immovable properties are held in the name of the company.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

5. Non-Current Investments

(₹ in Lacs)

Particulars	Face Value per Share	Quantity (Nos.)		Amount	
		As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Unquoted					
Investments in Equity Instruments					
In Subsidiary at cost					
Hindcon Solutions Pvt Ltd	10	3,93,500	3,93,500	39.35	39.35
Quoted					
Investments in equity instruments					
At fair value through other comprehensive income					
Dollar Industries Ltd	2	10,000	13,269	51.48	46.15
Ejecta Marketing Ltd	10	-	25,000	-	-
Lanco Infratech Ltd	1	-	1,35,000	-	-
Life Insurance Corporation of India	10	126	126	1.15	0.67
Kritika Wires Ltd	2	-	50,000	-	4.08
Total				91.98	90.25
Aggregate carrying value of quoted investments				52.63	50.90
Aggregate carrying value of unquoted investments				39.35	39.35
Aggregate market value of quoted investments				52.63	50.90
Aggregate amount of Impairment in value of investments				-	-

6. Other Financial Assets

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Bank deposit*	433.28	-	-	-
Security deposit	10.24	-	8.26	9.08
Interest Receivables	-	20.32	-	30.32
Total	443.52	20.32	8.26	39.40

*Represents deposits with remaining maturity of more than 12 months from the Balance Sheet date.

7. Deferred Tax Assets (Net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Assets		
Property, Plant and Equipment	3.73	6.39
Retirement Benefit Obligations	10.92	7.37
Provision for Expected Credit Loss	52.29	44.30
Investments	-	3.43
Deferred Tax Liabilities		
Investments	-2.10	-
Total	64.84	61.49

Notes to the Standalone Financial Statements for the year ended 31 March 2024

7.1 Movement in deferred tax assets/(liabilities) balances during the year ended 31 March, 2024 (₹ in Lacs)

Particulars	Opening Balance	Charge/(Credited) to statement of Profit and Loss	Charge/(Credited) to OCI	Closing Balance
Deferred tax (liabilities)/assets in relation to:				
Property, Plant and Equipment	6.39	2.66	-	3.73
Provision for Doubtful Debts	44.30	-7.99	-	52.29
Provision for Employee Benefits	7.37	-8.38	4.83	10.92
Investments	3.43	-	5.53	-2.10
	61.49	-13.71	10.36	64.84

7.2 Movement in deferred tax assets/(liabilities) balances during the year ended 31 March, 2023

Particulars	Opening Balance	Charge/(Credited) to statement of Profit and Loss	Charge/(Credited) to OCI	Closing Balance
Deferred tax (liabilities)/assets in relation to:				
Property, Plant and Equipment	5.26	-1.13	-	6.39
Provision for Doubtful Debts	27.46	-16.84	-	44.30
Provision for Employee Benefits	1.01	-0.09	-6.27	7.37
Investments	-1.78	0.03	-5.24	3.43
	31.95	-18.03	-11.51	61.49

Deferred Tax Asset amounting to ₹0.17 Lacs as at March, 31 2024 (March 31, 2023 ₹0.75 Lacs) on Long Term Capital losses carried forward has not been recognised due to uncertainty surrounding availability of future long term capital gains against which such losses can be offset.

8. Other Assets

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
a) Advances other than Capital Advance				
i) Deposits (Carried at amortised cost)				
– With Statutory Authorities	2.10	-	2.10	-
– Others (Unsecured, considered good)	4.98	-	0.74	-
ii) Advance to Suppliers (Unsecured, considered good)	-	91.62	-	48.51
iii) Balances with Revenue Authorities	-	27.88	-	98.07
iv) Prepaid Expenses	-	7.31	-	4.19
v) Advance to Employees	-	9.87	-	8.76
Total	7.08	136.68	2.84	159.53

8.1 Deposits with Statutory authorities include deposits for obtaining registration under Indirect Taxes Act of the State.

8.2 Others include deposits with various parties against supply of services.

8.3 Balance with revenue authorities primarily relate to input credit entitlement, refunds and amounts paid under protest in respect of demands and claims from revenue authorities.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

9. Inventories

(₹ in Lacs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(Valued at the lower of cost and net realisable value)		
Raw materials	152.82	326.05
Work-in-progress	0.35	6.03
Total	153.17	332.08

10. Trade Receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
At amortised cost		
(a) Trade Receivables considered good – Secured	-	-
(b) Trade Receivables considered good – Unsecured	2,224.04	2,618.01
(c) Trade receivables which have significant increase in credit risk	207.77	176.00
Less: Allowance for expected credit loss	-207.77	-176.00
(d) Trade Receivables – credit impaired	-	-
Total	2,224.04	2,618.01
(a) Receivables from related parties (Refer note no. 34)	3.11	57.78
(b) Others	2,220.93	2,560.23
Total	2,224.04	2,618.01

Movement in allowance for expected credit losses of receivables :

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at beginning of the year	176.00	109.11
Charge/(release) during the year	31.77	66.89
Balance at end of the year	207.77	176.00

10.1 In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

10.2 The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2024 to be ₹2,224.04 Lacs (March 31, 2023- ₹2,618.01 Lacs), which is the carrying value of trade receivables after allowance for credit losses.

10.3 There are no outstanding receivables due from directors or other officers of the Company.

10.4 Trade receivables ageing schedule for the year ended March 31, 2024 were as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,737.74	324.82	138.68	18.76	4.05	2,224.05
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	24.43	24.43

Notes to the Standalone Financial Statements for the year ended 31 March 2024

10.4 Trade receivables ageing schedule for the year ended March 31, 2024 were as follows:

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	183.33	183.33
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-207.77
Total	1,737.74	324.82	138.68	18.76	211.81	2,224.04

10.5 Trade receivables ageing schedule for the year ended March 31, 2023 were as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,240.03	158.21	113.13	-	100.60	2,611.97
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	80.53	101.51	182.04
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-176.00
Total	2,240.03	158.21	113.13	80.53	202.11	2,618.01

10.6 There are no unbilled receivables as at March 31, 2024 and March 31, 2023.

11. Cash and Cash Equivalents

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with banks		
- In current accounts	12.75	-7.68
- In deposits accounts*	827.71	749.56
Cash on hand	0.06	0.42
Total	840.52	742.30

*Represents deposits with remaining maturity of 3 months or less from the Balance Sheet date.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

12. Bank Balances other than Cash and Cash Equivalents

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Balances with banks				
- In deposits accounts*		301.12		269.39
Earmarked balances with Bank				
- Unclaimed dividend		1.91		1.85
Total		303.03		271.24

*Represents deposits with remaining maturity of more than 3 months and less than 12 months from the Balance Sheet date

13. Loans

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Loan Given (unsecured, considered good)				
- To Others	-	355.00	-	310.00
Total	-	355.00	-	310.00

13.1 Loan primarily represents loans given to other entities to be used in the ordinary course of business. (Please see note no.39)

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

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

13.3 There are no outstanding loans/advances in the nature of loan to promoters, key management personnel or other officers of the Company.

14. Non-Current/Current Tax Assets

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Advance payment of Tax (including TDS & TCS)	43.87	219.77	-	157.02
Total	43.87	219.77	-	157.02

15. Equity Share Capital

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Authorised				
5,50,00,000 Equity Shares of ₹2 each (as at March 31, 2023 : 1,10,00,000 Equity Shares of ₹10 each)		1,100.00		1,100.00
		1,100.00		1,100.00
Issued, subscribed and fully paid-up				
5,11,90,625 Equity Shares of ₹2 each (as at March 31, 2023 : 1,02,38,125 Equity Shares of ₹10 each)		1,023.81		1,023.81
		1,023.81		1,023.81

Notes to the Standalone Financial Statements for the year ended 31 March 2024

15.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the period

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	1,02,38,125	1,023.81	1,02,38,125	1,023.81
Number of shares after sub-division of shares	5,11,90,625	1,023.81	-	-
Shares issued during the year	-	-	-	-
Balance as at the end of the year	5,11,90,625	1,023.81	1,02,38,125	1,023.81

15.2 Rights, preferences and restrictions attaching to Equity Shares

The Company has only one class of equity shares having a par value of ₹2 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupee. 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. In the event of liquidation, the equity shareholders of the company are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

15.3 The Company does not have any holding Company or ultimate holding Company.

15.4 No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment as at the balance sheet date.

15.5 No convertible securities has been issued by the Company during the year.

15.6 No calls are unpaid by any Director and officer of the Company during the year.

15.7 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	No of Shares	
	As at 31 March, 2024	As at 31 March, 2023
Equity Shares allotted as fully paid bonus shares	-	-
Equity Shares allotted as fully paid for consideration other than cash	-	-
Equity Shares bought back	-	-

15.8 Particulars of shareholders holding more than 5% shares of fully paid up equity shares :

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number	% of total shares in the class	Number	% of total shares in the class
Hindcon Solutions Pvt Ltd	1,28,30,500	25.06	25,66,100	25.06
Sanjay Goenka	94,87,500	18.53	18,82,500	18.39
Nilima Goenka	73,12,470	14.28	14,47,892	14.14
Vansh Goenka	28,89,435	5.64	5,70,387	5.57

15.9 Disclosure of share holdings of Promoters as at the end of the year :

Particulars	As at 31 March, 2024			As at 31 March, 2023		
	Number	% of total shares in the class	% change during the year	Number	% of total shares in the class	% change during the year
Sanjay Goenka	94,87,500	18.53	0.14	18,82,500	18.39	0.04
Nilima Goenka	73,12,470	14.28	0.14	14,47,892	14.14	0.03
Vansh Goenka	28,89,435	5.64	0.07	5,70,387	5.57	-
Sanjay Goenka & Others (HUF)	25,55,000	4.99	-	5,11,000	4.99	-
Hindcon Solutions Pvt Ltd	1,28,30,500	25.06	-	25,66,100	25.06	-

Notes to the Standalone Financial Statements for the year ended 31 March 2024

16. Other Equity

(₹ in Lacs)

Components	Note	As at 31 March, 2024	As at 31 March, 2023
Securities Premium	a	635.02	635.02
Retained Earnings	b	2,962.75	2,382.37
Other Comprehensive Income	c	8.95	-22.27
		3,606.72	2,995.12

Particulars	As at 31 March, 2024	As at 31 March, 2023
a) Securities Premium		
Balance at the Beginning of the year	635.02	635.02
Movement During the year	-	-
Balance at the end of the year	635.02	635.02
b) Retained Earnings		
Balance at the Beginning of the year	2,382.37	2,049.12
Profit for the year	631.57	404.92
Dividend	-51.19	-71.67
Balance at the end of the year	2,962.75	2,382.37
c) Other Comprehensive Income		
Balance at the Beginning of the year	-22.27	2.98
Changes during the year	31.22	-25.25
Balance at the end of the year	8.95	-22.27

The description of the nature and purpose of each reserve within equity is as follows:

- Securities premium:** This represents amount received towards issue of equity shares over their face value. This amount can be utilised in accordance with the provisions of Companies Act, 2013.
- Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends of other distributions paid to shareholders.

17. Other Financial Liabilities

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Security deposit	5.79	-	4.63	-
Unpaid dividend*	-	1.91	-	1.85
Total	5.79	1.91	4.63	1.85

*Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 126 of the Companies Act, 2013 or such amounts in respect of which Prohibitory/Attachment Orders are on record with the Company.

18. Provisions

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Provision for Gratuity	23.09	20.32	29.28	-
Total	23.09	20.32	29.28	-

Notes to the Standalone Financial Statements for the year ended 31 March 2024

19. Borrowings

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Secured				
Repayable on demand from bank	-	-	-	1.96
Buyer's Credit from Bank	-	-	-	96.19
Total	-	-	-	98.15

19.1 Nature of security

Working Capital loan and Buyer's Credit from bank are secured by way of hypothecation charge on all existing and future current assets of the Company. Further secured through first and exclusive mortgage on immovable properties being Land and Building owned by the Company and also by the personal guarantee of the directors of the Company, Mr Sanjay Goenka and Mrs Nilima Goenka.

19.2 Repayment Terms and the applicable rate of interest on the above loan during the year:

- Working capital loan from Bank is repayable on demand.
- Rate of Interest on Cash credit is 10.50% p.a. as on March 31, 2024

20. Trade Payables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total Outstanding dues of Micro and Small Enterprises	8.79	28.64
Total Outstanding dues of Creditors other than Micro and Small Enterprises	530.77	712.07
Total	539.56	740.71

20.1 Amount due to micro and small enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises (MSME) is as below:

Particulars	As at 31 March, 2024	As at 31 March, 2023
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year	8.79	28.64
b. Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2024

20.2 Trade payables ageing schedule for the year ended March 31, 2024 were as follows:

(₹ in Lacs)

Particulars	Outstanding as on March 31, 2024 from the date of transaction					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	8.79	-	-	-	8.79
(ii) Others	21.30	509.46	-	-	-	530.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	21.30	518.25	-	-	-	539.55

20.3 Trade payables ageing schedule for the year ended March 31, 2023 were as follows:

Particulars	Outstanding as on March 31, 2023 from the date of transaction					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	28.64	-	-	-	28.64
(ii) Others	14.20	697.87	-	-	-	712.07
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	14.20	726.51	-	-	-	740.71

21. Other Liabilities

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Statutory Dues	-	22.71	-	17.52
Advances received from customers	-	61.79	-	5.57
Total	-	84.50	-	23.09

21.1 Statutory dues primarily relates to payables in respect to Goods and Service Tax, provident fund, employee state insurance and tax deducted as source.

22. Current Tax Liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for Income Tax	223.00	172.00
Total	223.00	172.00

23. Revenue from Operations

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Sale of Products	6,042.47	6,356.74
Sale of Traded Goods	97.65	1,706.46
Sale of Services	26.89	101.80
Total revenue from operations	6,167.01	8,165.00

23.1 Nature of goods and services

The Company is engaged in the manufacturing of sodium silicate and construction chemicals and generates revenue from the sale of the same. It is also the only reportable segment of the Company.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

23.2 Disaggregation of revenue for the year

In the following table, revenue is disaggregated by primary geographical market and major products lines etc.

Disaggregation of revenue

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Based on Major Products		
- Sodium Silicate & Construction Chemicals	6,140.12	8,063.20
- Works Contract	26.89	101.80
	6,167.01	8,165.00
Based on Geographical Region		
- India	4,886.88	6,647.50
- Outside India	1,280.13	1,517.50
	6,167.01	8,165.00
Based on Timing of Revenue		
- At a point in time	6,167.01	8,165.00
- Overtime	-	-
	6,167.01	8,165.00
Based on Contract Duration		
- Long Term	-	-
- Short Term	6,167.01	8,165.00
	6,167.01	8,165.00

23.3 Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers .

Contract Balances

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Receivables, which are included in "Trade Receivables" (Refer Note No.10)	2,224.04	2,618.01
Contract Assets	9.26	15.98
Contract Liabilities	67.57	16.36

23.4 Other Information

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Transaction Price allocated to the remaining performance obligations	Nil	Nil
The amount of revenue recognised in the current period that was included in the opening contract liability balance	5.58	Nil

Performance Obligations - The Company satisfies the performance obligations for goods on shipment/despatch, as the case may be and in case of services, as the services are rendered. In case of service contracts, the company has given guarantee to the customer to make good any defect found in the performance of the service.

24. Other Income

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest income	134.91	101.02
Dividend income	16.15	0.40
Other non-operating income		
- Recovery of bad debts written off in earlier years	11.75	5.76
- Net Gain on Foreign Currency Transactions	11.49	-
- Other Income	1.10	0.17
Total	175.40	107.35

Notes to the Standalone Financial Statements for the year ended 31 March 2024

24. Other Income (Contd.)

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest income comprises interest from:		
a) Deposits with banks - carried at amortised cost	76.55	48.79
b) Other financial assets measured at amortised cost	57.82	52.23
c) On Income Tax Refund	0.54	-
Total	134.91	101.02
Dividend income comprises Dividend from:		
a) Investments carried at Fair Value through other comprehensive income	0.41	0.40
b) Investments carried at amortised cost	15.74	-
Total	16.15	0.40

25. Cost of Materials Consumed

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Inventory of Raw Materials at the beginning of the year	326.05	352.46
Add: Purchases (including in transit Purchases)	3,028.37	4,984.46
	3,354.42	5,336.92
Less: Inventory of Raw Materials at the end of the year	152.82	326.05
	3,201.60	5,010.87

26. Purchase of Stock-in-trade

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Purchase of Traded Goods	1,153.90	1,585.96
Total	1,153.90	1,585.96

27. Change in Inventories of Finished Goods and Work-in-Progress

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Inventories at the beginning of the year		
Work-in-Progress	6.02	4.96
Inventories at the end of the year		
Work-in-Progress	0.35	6.02
Total	5.67	-1.06

28. Employee Benefits Expense

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Salaries and Wages	460.44	367.84
Contribution to provident and other funds	32.35	27.19
Staff welfare expenses	1.14	1.40
Total	493.93	396.43

Notes to the Standalone Financial Statements for the year ended 31 March 2024

28.1 During the year, the Company has recognised an amount of ₹140.87 Lacs (Previous Year 2022-23 : ₹139.76 Lacs) as remuneration to Key Managerial Personnel on account of short-term employee benefits.

29. Finance Costs

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest on Borrowings from Banks	5.85	4.53
Interest on Statutory Dues	1.71	0.50
Total	7.56	5.03

30. Other Expenses

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Manufacturing Expenses		
Calibration Charges	0.60	0.25
Consumable Stores	0.71	0.70
Works Contract Charges	50.66	66.83
Power & Fuel	8.76	4.23
Repairs & Maintenance	8.32	4.72
Selling & Distribution Expenses		
Advertisement Expenses	3.76	2.88
Carriage Outward	257.93	253.14
Sales Promotion Expenses	9.91	3.50
Seminar Expenses	3.00	0.25
Commission	0.04	0.68
Establishment Expenses		
Electricity Charges	1.22	1.40
Contribution for CSR Activities	12.38	11.93
Travelling & Conveyance	45.33	29.11
Office Rent	3.88	3.38
Insurance Charges	2.66	2.03
Rates & Taxes	6.00	8.41
Professional Fees	68.25	27.66
Provision for Expected Credit Loss	43.99	132.17
Net Loss on Foreign Currency Transactions	-	41.79
Other Expenses	65.18	58.24
Internal Audit Fees	2.40	2.00
Auditors' Remuneration	1.65	2.15
Total	596.63	657.45

30.1 Details of Auditors' Remuneration is as below:

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Statutory Audit fees	1.65	1.65
Tax Audit Fees	-	0.50
	1.65	2.15

Notes to the Standalone Financial Statements for the year ended 31 March 2024

31. Income Taxes

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
A Amount recognised in Statement of Profit and Loss		
Current Tax		
Current period	223.00	172.00
Adjustment for current tax of prior periods	0.06	4.04
a	223.06	176.04
Deferred Tax		
Deffered tax for the year	-13.72	-18.02
b	-13.72	-18.02
Income tax expense reported in the Standalone Statement of Profit and Loss	209.34	158.02

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
B Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in Standalone Statement of Profit and Loss		
Profit/(loss) before tax	847.74	588.98
Indian statutory income tax rate	25.168%	25.168%
Estimated Income tax expense	213.36	148.23
Tax Effect of adjustments to reconcile expected tax expenses to reported tax expenses :		
Capital Gain taxable at different rates	2.63	0.15
Items not deductible	18.69	43.26
Changes in Fair Value of Investments Measured thru' FVTPL	-	0.08
Expense deductible on Actual Basis	-7.53	-18.94
Utilisation/credit of deferred expenses and other tax benefits	-4.06	-0.01
Tax effect of Temporary Differences	-13.72	-18.02
Others	-0.03	3.27
Total Income Tax Expense	209.34	158.02
Effective Income Tax Rate	24.69%	26.83%

32. Earnings per Share

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Earnings per share has been computed as under:		
(a) Profit for the year	638.40	430.96
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic/ diluted earnings per share (Face Value ₹2 per share)	5,11,90,625	5,11,90,625
(c) Earnings per share		
- Basic (a/b)	1.25	0.84
- Diluted (a/b)	1.25	0.84

Notes to the Standalone Financial Statements for the year ended 31 March 2024

33. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

(a) Defined Contribution Plans:

The amount recognised as an expense for Defined contribution plans are as under: (₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Employer's contribution to Provident Fund	13.84	12.68
Employer's contribution to ESIC	3.84	3.40
Total	17.68	16.08

(b) Defined Benefit Plans:

The following are the types of Defined Benefit Plans :

(i) Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

(ii) Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

c) Risk Exposure

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Interest rate risk, Salary risk and Demographic risk.

- Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

d) Details of the Gratuity Plan are as follows:

i) Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Balance at the beginning of the year	79.52	39.82
Current service cost	11.71	10.81
Interest cost on Defined Benefit Obligation	5.28	2.86
Actuarial gain and losses arising		
Due to change in financial assumptions	1.27	0.96
Due to unexpected experience adjustments	5.91	25.07
Benefits paid	-7.63	-
Balance at the end of the year	96.06	79.52

Notes to the Standalone Financial Statements for the year ended 31 March 2024

- ii) Changes in the Fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows :

(₹ in Lacs)

Particulars	2023-24		2022-23	
Fair Value of Planned Assets at the beginning of the year		50.24		35.81
Expected Return on Planned Assets		3.50		2.57
Contribution		6.19		11.88
Benefits Paid		-7.62		-
Acturial Gain/(Loss)		0.35		-0.02
Present Value of defined benefit obligation at the end of the year		52.66		50.24

- iii) Amount recognized in Balance Sheet :

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Present value of Defined Benefit Obligation	96.06	79.52
Fair Value of Plan assets	-52.66	-50.24
Net (Assets)/ Liability recognised in the Balance Sheet	43.40	29.28

- iv) Expenses recognized in statement of Profit and Loss

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Current service cost	11.71	10.81
Interest cost	1.78	0.29
Net Benefit Expense	13.49	11.10

- v) Remeasurement recognized in Other Comprehensive Income

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Actuarial (gain)/ loss on Defined Benefit Obligation	6.83	26.04

- vi) Actuarial Assumptions

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Financial Assumptions		
Discount rate	6.97%	7.17%
Salary escalation rate	6.00%	6.00%
Demographic Assumptions		
Mortality rate	IALM 2012-2015 Ultimate	
Withdrawal rate	5.00%	5.00%

- vii) Maturity Analysis

Weighted average duration of the retiring gratuity obligation is 11 years (March 31, 2023 - 9 years)

Notes to the Standalone Financial Statements for the year ended 31 March 2024

viii) Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

Variable	Sensitivity Level		Effect on Defined Benefit Obligations			
	March 31, 2024	March 31, 2023	March 31, 2024		March 31, 2023	
			Increase	Decrease	Increase	Decrease
Discount rate	+/- 0.5%	+/- 0.5%	92.86	99.52	76.76	82.49
Salary escalation rate	+/- 0.5%	+/- 0.5%	99.52	92.83	82.41	76.82
Attrition rate	+/- 0.5%	+/- 0.5%	96.05	96.07	79.53	79.51
Mortality rate	+/- 10%	+/- 0.5%	96.07	96.06	79.53	79.51

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

34. Related Party Disclosures

Subsidiary

Hindcon Solutions Pvt Ltd

Key Managerial Personnel (KMP)

Mr Sanjay Goenka	Managing Director/Director
Mrs Nilima Goenka	Whole Time Director
Mr Ramsanatan Banerjee	Whole Time Director
Mr Giridhari Lal Goenka	Independent Director
Mr Binay Kumar Agarwal	Independent Director
Mr Sudhir Kumar Bhartia	Independent Director (Resigned w.e.f. 12.07.2023)
Mrs Divyaa Newatia	Independent Director (Appointed w.e.f. 26.08.2023)
Mr Kashinath Dey	Chief Financial Officer
Ms Ankita Banerjee	Company Secretary
Ms Jaya Bajpai	Company Secretary (Resigned w.e.f. 01.09.2022)

Relatives of Key Managerial Personnel

Mr Vansh Goenka
Mr Rajiv Goenka
Mr Ravi Goenka

Enterprises over which Key Managerial Perosnnel are able to exercise significant influence

Bengal Silicates & Chemicals Pvt Ltd
RG's Fashions Pvt Ltd
Sanjay Goenka & Others (HUF)
Hindcon Foundation

Notes to the Standalone Financial Statements for the year ended 31 March 2024

The following transactions were carried out with related parties in the ordinary course of business:

(₹ in Lacs)

Particulars	Name of Related Party	Transaction for the year ended		Balances	
		31-03-2024	31-03-2023	31-03-2024	31-03-2023
		Amount	Amount	Amount	Amount
Salary & Perquisites	Sanjay Goenka	87.00	87.00	-	-
	Nilima Goenka	36.00	36.00	-	-
	Ramsanatan Banerjee	10.20	9.24	-	-
	Kashinath Dey	6.25	5.10	-	-
	Vansh Goenka	12.00	1.71	-	-
	Jaya Bajpai	-	0.90	-	-
	Ankita Banerjee	2.37	0.80	-	-
Director Sitting Fees	Binay Kumar Agarwal	0.32	0.34	-	-
	Giridhari Lal Goenka	0.29	0.21	-	-
	Sudhir Kumar Bhartia	0.09	0.16	-	-
	Divyaa Newatia	0.25	-	-	-
Office Rent	Sanjay Goenka	1.20	1.20	-	-
	Nilima Goenka	1.80	1.80	-	-
Donation Paid	Hindcon Foundation	3.10	1.01	-	-
Dividend Received	Hindcon Solutions Pvt Ltd	15.74	-	-	-
Sales	Bengal Silicates & Chemicals Pvt Ltd	25.12	1,175.31	-	-
	RG's Fashions Pvt Ltd	0.20	1.77	-	-
Staff Welfare Expenses	RG's Fashions Pvt Ltd	-	0.21	-	-
Trade Receivables	Bengal Silicates & Chemicals Pvt Ltd	-	-	2.88	57.46
	RG's Fashions Pvt Ltd	-	-	0.23	0.32
Investments in Equity Shares	Hindcon Solutions Pvt Ltd	-	-	39.35	39.35
Salary Payable	Nilima Goenka	-	-	0.23	-
	Ramsanatan Banerjee	-	-	0.80	-
	Kashinath Dey	-	-	0.45	-
	Ankita Banerjee	-	-	0.23	-
	Vansh Goenka	-	-	0.88	-
Dividend Paid	Sanjay Goenka & Other (HUF)	2.56	3.58	-	-
	Sanjay Goenka	9.44	13.15	-	-
	Nilima Goenka	7.31	10.11	-	-
	Vansh Goenka	2.85	3.99	-	-
	Hindcon Solutions Pvt Ltd	12.83	17.96	-	-
	Ravi Goenka	0.03	-	-	-

34.1 The sale to and purchases from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. The Company has recorded the receivable relating to amount due from Related parties net of impairment. This assessment is undertaken each Financial Year through examining the Financial Position of the Related parties and the market in which the Related Party operates.

35. Financial instruments and related disclosures

35.1 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

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 company specific estimates. The mutual fund units are valued using the closing net asset value. 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.

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, lease liabilities, short term borrowings and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

35.2 Financial instruments by category

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lacs)

	As at March 31, 2024					
	Current/ Non Current	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
(i) Investments	Non Current	-	52.63	39.35	91.98	52.63
(ii) Other financial assets	Non Current	-	-	443.52	443.52	-
(iii) Trade receivables	Current	-	-	2,224.04	2,224.04	-
(iv) Cash and cash equivalents	Current	-	-	840.52	840.52	-
(v) Other bank balances	Current	-	-	303.03	303.03	-
(vi) Loans	Current	-	-	355.00	355.00	-
(vii) Other financial assets	Current	-	-	20.32	20.32	-
Total		-	52.63	4,225.78	4,278.41	52.63
Financial Liabilities						
(i) Other financial liabilities	Non Current	-	-	5.79	5.79	-
(ii) Trade payables	Current	-	-	539.56	539.56	-
(iii) Other financial liabilities	Current	-	-	1.91	1.91	-
Total		-	-	547.26	547.26	-

	As at March 31, 2023					
	Current/ Non Current	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
(i) Investments	Non Current	-	50.90	39.35	90.25	50.90
(ii) Other financial assets	Non Current	-	-	8.26	8.26	-
(iii) Trade receivables	Current	-	-	2,618.01	2,618.01	-
(iv) Cash and cash equivalents	Current	-	-	742.30	742.30	-
(v) Other bank balances	Current	-	-	271.24	271.24	-
(vi) Loans	Current	-	-	310.00	310.00	-
(vii) Other financial assets	Current	-	-	39.40	39.40	-
Total		-	50.90	4,028.56	4,079.46	50.90

Notes to the Standalone Financial Statements for the year ended 31 March 2024

(₹ in Lacs)

	As at March 31, 2023					
	Current/ Non Current	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Liabilities						
(i) Other financial liabilities	Non Current	-	-	4.63	4.63	-
(ii) Borrowings	Current	-	-	98.15	98.15	-
(iii) Trade payables	Current	-	-	740.71	740.71	-
(iv) Other financial liabilities	Current	-	-	1.85	1.85	-
Total		-	-	845.34	845.34	-

Note: Investment in quoted shares and mutual funds are fair valued using L1 data. Also, refer Note 5.

35.3 Financial Risk Management

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

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk Management Framework

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

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

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

(i) Credit Risk

Credit risk is the risk of financial loss of 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. Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade Receivable

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to Credit Risks

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

Notes to the Standalone Financial Statements for the year ended 31 March 2024

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024		Year Ended 31 March, 2023	
	%	Amount	%	Amount
Revenue from Top Customer	14.49%	894	15.06%	1,230
Revenue from Top Five Customers	43.42%	2,678	48.17%	3,933

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. As per simplified approach, the Company makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

(ii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

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.

Exposure to Liquidity Risk

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

Particulars	On Demand	3-6 months	6-12 months	1-5 years	Above 5 years	Total
As at 31 March, 2024						
Borrowings	-	-	-	-	-	-
Trade payables	-	539.56	-	-	-	539.56
	-	539.56	-	-	-	539.56
As at 31 March, 2023						
Borrowings	1.96	96.19	-	-	-	98.15
Trade payables	-	740.71	-	-	-	740.71
	1.96	836.90	-	-	-	838.86

Note: Security Deposits contained under Other Non Current Financial Liabilities do not have any maturity date. These deposits are against the contract of service. The said deposits will be released only after the corresponding contract is cancelled and the company does not foresee the contract to be cancelled in the near future.

(iii) Market Risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

Exposure to Interest Rate Risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

(₹ in Lacs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Fixed rate instruments		
Financial assets	355.00	310.00
Financial liabilities	-	-
	355.00	310.00
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	98.15
	-	98.15

Sensitivity Analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Change	Profit or loss		Equity, net of tax	
		Strengthening	Weakening	Strengthening	Weakening
31 March, 2024					
Variable rate instruments	+ / (-) 50 Basis points	-	-	-	-
Cash flow sensitivity (net)		-	-	-	-
31 March, 2023					
Variable rate instruments	+ / (-) 50 Basis points	0.99	-0.99	0.73	-0.73
Cash flow sensitivity (net)		0.99	-0.99	0.73	-0.73

(b) Equity Price Risk

The Company's quoted equity investments carry a risk of change in prices. To manage its price risk arising from investments in equity securities, the Company periodically monitors the sectors it has invested in, performance of the investee companies and measures mark- to- market gains/(losses).

Particulars	Carrying value	Fair Value	Profit or Loss	
			1% increase	1% decrease
31st March, 2024				
Investment in Equity shares quoted	52.63	52.63	0.53	(0.53)
31st March, 2023				
Investment in Equity shares quoted	50.90	50.90	0.51	(0.51)

(c) Currency Risk

The Company has Foreign Currency Exchange Risk on imports of input materials in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Unhedged foreign currency exposure as at reporting date

(₹ in Lacs)

Particulars	March 2024		March 2023	
	USD	Amount	USD	Amount
Financial liabilities				
Borrowings and Trade payables	1.59	132.22	4.12	341.38
Net exposure in foreign currency	1.59	132.22	4.12	341.38

Sensitivity analysis

The analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Variable	Change	Impact on			
		March 2024		March 2023	
		Profit before tax	Other equity	Profit before tax	Other equity
USD sensitivity (Increase)	+ 5%	-6.61	-4.95	-17.07	-12.77
USD sensitivity (Decrease)	- 5%	6.61	4.95	17.07	12.77

36. Capital Management

The Company's management objective are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of carrying amount of equity including retained earnings as presented on the face of Balance Sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. There is no change in the overall capital risk management strategy as compared to the last year.

Particulars		As at 31 March, 2024	As at 31 March, 2023
Total debt (Bank and other borrowings)	A	-	98.15
Equity	B	4,630.53	4,018.93
Liquid investments including bank deposits	C	840.52	742.30
Debt to Equity (A / B)		-	0.02
Debt to Equity (net) [(A-C) / B]		-0.18	-0.16

37. Contingent Liabilities and Commitments

Particulars	As at 31 March, 2024	As at 31 March, 2023
i) Contingent Liabilities		
a) Demands/Claims by various government authorities and others not acknowledged as debts by the Company:		
(i) Income Tax Matters	2.92	87.40
(ii) Other statutory bodies	-	-
	2.92	87.40
ii) Commitments		
a) Capital Commitments	-	-
	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2024

38. Corporate Social Responsibility

As per the Companies Act, 2013, the gross amount required to be spent by the Company during the year is ₹12.33 Lacs (March 31, 2023 ₹11.20 Lacs) and amount spent by the company during the year is ₹12.38 Lacs (March 31, 2023 ₹11.93 Lacs). Details are as given below :

(₹ in Lacs)

Particulars	Year Ended	Year Ended
	31 March, 2024	31 March, 2023
1. Amount required to be spent by the Company during the year.	12.33	11.20
2. On purposes other than Construction/acquisition of any asset	12.38	11.93
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	N.A.	N.A.
6. Nature of CSR activities	Promoting health care, animal welfare, women empowerment and education and eradicating hunger, poverty and malnutrition	
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

39. Disclosure pursuant to Regulation 34(3) read with Para (A) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 read with Section 186(4) of the Companies Act, 2013

Particulars	Principal Outstanding As On		Interest Rate	Repayment Terms
	March 31, 2024	March 31, 2023		
i) Mainland Finance Ltd	-	100.00	12%	Repayable on Demand
ii) Nandini Steels & Securities Pvt Ltd	-	5.00	12%	
iii) Tyre Arcade	355.00	205.00	12%	
	355.00	310.00		

40. Financial Performance Ratios :

Particulars	Note No.	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance %
A. Performance Ratios						
Net Profit Ratio		Profit after tax	Revenue from operations	10.35%	5.28%	5.07%
Net Capital Turnover Ratio	(i)	Revenue from operations	Closing working capital	1.77	2.38	-25.63%
Return on Capital Employed		Profit before interest and tax	Closing capital employed	18.47%	14.43%	4.04%
Return on Equity Ratio		Profit after tax	Average Shareholder's Equity	14.76%	12.23%	2.53%
Debt Service Coverage Ratio	(ii)	Profit before interest, tax and depreciation and amortisation	Debt service = Interest & Lease Payments + Principal Repayments	6.97	19.87	-64.92%
Return on Investment		Dividend + Profit on Sale + Changes in Fair value	Average Investment	17.72%	0.36%	17.36%
B. Leverage Ratios						
Debt - Equity Ratio	(iii)	Total borrowings	Equity	0	0.02	-100.00%

Notes to the Standalone Financial Statements for the year ended 31 March 2024

Particulars	Note No.	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance %
C. Liquidity Ratios						
Current Ratio		Current assets	Current liabilities	4.89	4.47	9.40%
D. Activity Ratios						
Inventory Turnover Ratio		Cost of good sold	Average inventory	20.58	20.51	0.34%
Trade Receivables Turnover Ratio		Revenue from operations	Average trade receivables	2.55	3.11	-18.01%
Trade Payables Turnover Ratio		Net Credit Purchase	Average trade payables	7.38	9.26	-20.30%

Note : Explanation for change in ratio by more than 25%

- (i) Net Capital Turnover Ratio has decreased due to decrease in revenue from operations of the company during the year.
- (ii) Debt service coverage ratio has decreased due to repayment of borrowings made during the year.
- (iii) Debt equity ratio is decreased due to decrease in total debts of the company during the year.

41. Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.
- (viii) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

42. Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation/reconciliation. In the opinion of the management, the value of Trade Receivables, trade payables, security deposits and Loans & Advances realisable/payable in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

Notes to the Standalone Financial Statements for the year ended 31 March 2024

43. Segment Reporting

There is only one primary business segment i.e. "Sodium Silicate, Construction Chemicals and related services" and hence no separate segment information is disclosed in this financials. Secondary information is reported geographically.

Geographical segments

The Company primarily operates in India and therefore analysis of geographical segment is demonstrated into Indian and overseas operation as under:

(₹ in Lacs)

Particulars	March 31, 2024		March 31, 2023	
	India	Overseas	India	Overseas
Revenue from operations	4,886.88	1,280.13	6,647.50	1,517.50
Carrying value of Non-current assets* (other than financial instruments)	631.96	-	299.07	-

*Non-current assets for this purpose consists of Property, plant and equipment and Other non-current assets.

44. The Board of Directors at its meeting held on May 16, 2024 have recommended a payment of dividend of ₹0.10 per equity share of FV ₹2 each for the financial year ended March 31, 2024. The same amounts to ₹51,19,063/-. This is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

45. Figures for the previous periods have been regrouped and reclassified to confirm to the classification of the current period, wherever considered necessary.

The accompanying notes form an integral part of these Standalone financial statements

As per our report of even date attached

For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTCB7359

Kolkata

May 16, 2024.

For and on behalf of Board of Directors

of **Hindcon Chemicals Limited**

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Consolidated Financial Statements

Independent Auditors' Report

To
The Members of
Hindcon Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Hindcon Chemicals Limited** ("the Holding Company") and its subsidiary (Holding company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at **March 31, 2024**, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with 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 Group at March 31, 2024, their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone 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 such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with

the Ind AS and other accounting principles generally accepted in India. The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary which are incorporated in India, has adequate internal financial controls system with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 on our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statement of the subsidiary whose financial statement reflect total assets of ₹733.97 Lacs and net assets ₹717.46 Lacs as at March 31, 2024, total revenue of ₹305.33 Lacs, total net profit after tax of ₹13.37 lacs, total comprehensive income (comprising of profit and other comprehensive income) of ₹175.83 Lacs and net cash flows of ₹27.52 lacs for the year ended on that date, as considered in the consolidated financial statements. The Financial Statements of the subsidiary is audited by other auditor whose report have been furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of section 143 of the Act including report on Other Information in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on consideration of the reports of other Auditor on separate financial statements of the subsidiary company, referred to in the other matter paragraph above, we report to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other Auditor.

- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income) and the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.
- In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of its subsidiary company, none of the directors of the Group Companies are disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in 'Annexure A', which is based on the Auditor's Report of the Parent and subsidiary company to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of these companies.
- In our opinion, the managerial remuneration for the year ended March 31, 2024 paid by the Holding Company to its directors is in accordance with the provisions of section 197 read with Schedule V to the Act, and
- With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated financial statements has disclosed the impact of pending litigations on its consolidated financial position of the Group.
 - (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 Education and Protection Fund by the Group.
 - (iv) (a) The respective Managements of the holding company and its subsidiary which are incorporated in India whose Financial

Statements have been audited under the Act, have represented to us and to the other Auditor of the such subsidiary company respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company or by such subsidiary to or in any other person or entity, including foreign entity (Intermediaries), with the understanding whether recorded in writing or otherwise that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or of such subsidiary (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the company and its subsidiary which are incorporated in India whose financial statements have been audited under the Act, have represented to us and to the other Auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company or by such subsidiary company from any person any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company or such subsidiary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and the other Auditor of the subsidiary company whose Financial Statements have been audited under the Act, nothing has come to our or other

Auditor's notice that has caused us or the other Auditor to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (v) (a) The dividend proposed in the previous, declared and paid by the Holding Company during the year is in accordance with section 123 of the Companies Act, 2013, as applicable.
- (b) The Board of Directors of the Holding Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting as mentioned in Note 45 of the standalone financial statements. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us and based on the CARO report issued by the Auditor of the subsidiary company included in the Consolidated Financial Statements of the Holding Company, to which reporting under CARO is applicable, provided to us by the Management of the Holding Company and based on the identification of matters of qualifications or adverse report in its CARO report by the respective component auditor and provided to us, we report that the Auditor of such company has not reported any qualifications or adverse remarks in its CARO report.

For R B ROY & CO.

Chartered Accountants
Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTC1480

Kolkata

May 16, 2024.

Annexure – ‘A’ to the Independent Auditors’ Report

Referred to in paragraph 6 under ‘Report on other legal and regulatory requirements’ section of our report of even date.

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

In conjunction with our audit of the consolidated financial statements of **Hindcon Chemicals Limited** (“herein after referred to as “the Company”) as of and for the year ended **31st March, 2024**, we have audited the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary company incorporated in India as of date.

In our opinion, to the best of our information and according to the explanations given to us and based on the the consideration of the report of the other Auditor referred to in the other matters paragraph, the Company and its subsidiary company incorporated in India, in all material respects, an adequate internal financial control system with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March, 2024, based on the internal controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary company which are incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference consolidated financial statements of the Company and its subsidiary company incorporated in India, based on our audit. We conducted our audit in accordance with the

Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statement. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and whether 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 with reference to consolidated financial statement and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statement included obtaining an understanding of internal financial controls with reference to consolidated financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other Auditor of the subsidiary company which are incorporated in India, in terms of its report referred to in the other matters paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statement of the Company and its subsidiary company incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statement

A Company’s internal financial control with reference to consolidated financial statement 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 with reference to consolidated financial statement 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 Group are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statement

Because of the inherent limitations of internal financial controls with reference to consolidated financial statement, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

internal financial controls with reference to consolidated financial statement to future periods are subject to the risk that the internal financial control with reference to consolidated financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For R B ROY & CO.

Chartered Accountants
Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTC1480

Kolkata

May 16, 2024.

Consolidated Balance Sheet as at 31 March, 2024

(₹ in Lacs)

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	5	624.88	256.81
(b) Capital work in progress	5	-	39.41
(c) Financial assets			
(i) Investments	6	466.29	218.83
(ii) Other financial assets	7	443.52	8.26
(d) Deferred tax assets (net)	8	51.92	66.68
(e) Non-Current tax asset (net)	15	43.87	-
(e) Other assets	9	7.08	2.84
Total Non-current assets		1,637.56	592.83
(2) Current assets			
(a) Inventories	10	153.17	332.07
(b) Financial assets			
(i) Trade receivables	11	2,224.04	2,618.01
(ii) Cash and cash equivalents	12	875.86	750.13
(iii) Other bank balances	13	303.03	285.86
(iv) Loans	14	380.00	417.98
(v) Other financial assets	7	20.84	39.40
(c) Current tax asset	15	225.44	164.92
(d) Other assets	9	136.68	162.06
Total Current assets		4,319.06	4,770.43
TOTAL ASSETS		5,956.62	5,363.26
EQUITY AND LIABILITIES			
(3) Equity			
(a) Equity share capital	16	767.20	767.20
(b) Other equity	17	4,228.23	3,467.61
Equity Attributable to the Owners of the Company		4,995.43	4,234.81
Non- Controlling Interests	18	59.44	48.77
Total Equity		5,054.87	4,283.58
Liabilities			
(4) Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	19	5.79	4.63
(b) Provisions	20	23.09	29.28
Total Non-current liabilities		28.88	33.91
(5) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	98.15
(ii) Trade payables	22		
- Total Outstanding dues of Micro and small enterprises		8.79	28.64
- Total Outstanding dues of creditors other than micro and small enterprises		531.74	713.12
(iii) Other financial liabilities	19	1.91	1.85
(b) Other liabilities	23	84.56	23.16
(c) Provisions	20	20.32	-
(d) Current tax liabilities	24	225.55	180.85
Total Current liabilities		872.87	1,045.77
TOTAL EQUITY AND LIABILITIES		5,956.62	5,363.26

Notes Forming part of the Consolidated Financial Statements

Note 1-47

As per our report of even date attached

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTC1480

Kolkata

May 16, 2024.

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Consolidated Statement of Profit and Loss for the year ended 31 March, 2024

(₹ in Lacs)

Particulars	Note	Year Ended 31 March, 2024	Year Ended 31 March, 2023
I Revenue from operations	25	6,450.94	8,559.43
II Other income	26	168.34	118.51
III Total income (I + II)		6,619.28	8,677.94
IV Expenses			
a) Cost of materials consumed	27	3,201.60	5,010.87
b) Purchase of stock-in-trade	28	1,433.22	1,973.79
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	5.67	-1.06
d) Employee benefits expense	30	496.29	398.83
e) Finance costs	31	7.56	5.03
f) Depreciation and amortisation expense	5	35.38	28.69
g) Other expenses	32	604.47	659.51
Total expenses (IV)		5,784.19	8,075.66
V Profit before tax (III-IV)		835.09	602.28
VI Tax expense:			
Current Tax		225.61	184.72
Deferred Tax		-13.72	-18.03
Total Tax Expense		211.89	166.69
VII Profit for the year (V-VI)		623.20	435.59
VIII Other comprehensive income/(loss)			
A. Items that will not be reclassified subsequently to profit and loss			
(a) Remeasurements gain/(loss) on post-employment defined benefit plans		-6.83	-26.04
(b) Fair value changes of Investments in Equity Shares		222.16	-46.38
B. Income taxes on items that will not be reclassified to profit and loss		-28.48	14.58
Total other comprehensive income/(loss)		186.85	-57.84
IX Total comprehensive income for the year (VII+VIII)		810.05	377.75
Profit for the year attributable to :			
Owners of the Company		618.06	431.90
Non-controlling interests		5.14	3.69
Total comprehensive income attributable to :			
Owners of the Company		799.38	374.69
Non-controlling interests		10.67	3.06
X Earnings per Share (Face Value ₹2 each)			
- Basic (₹)	34	1.62	1.14
- Diluted (₹)	34	1.62	1.14

Notes Forming part of the Consolidated Financial Statements

As per our report of even date attached

Note 1-47

For and on behalf of Board of Directors
of Hindcon Chemicals LimitedFor **R B ROY & CO.**Chartered Accountants
ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381
UDIN: 24062381BKGTC1480
Kolkata
May 16, 2024.

sd/-

(Nilima Goenka)(Whole Time Director)
(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)(Chairman and Managing Director)
(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Consolidated Statement of Changes in Equity for the year ended 31 March, 2024

A. Equity Share Capital

(₹ in Lacs)

Particulars	
Balance as at 1 April 2022	767.20
Changes in equity share capital during 2022-23	-
Balance as at 31 March, 2023	767.20
Changes in equity share capital during 2023-24	-
Balance as at 31 March, 2024	767.20

B. Other Equity

Particulars	Reserves & Surplus				Other Comprehensive Income	Total	Non Controlling Interest	Net Total
	Securities Premium	Retained earnings	General Reserve	Capital Reserve on Consolidation	Equity Instruments through Other Comprehensive Income			
Balance at 1 April 2022	635.02	2,077.21	66.99	380.64	-13.24	3,146.62	45.71	3,192.33
Profit or Loss	-	431.90	-	-	-	431.90	3.70	435.60
Other comprehensive income (net of tax)	-	-19.33	-	-	-37.88	-57.21	-0.64	-57.85
Total comprehensive income	-	412.57	-	-	-37.88	374.69	3.06	377.75
Dividend	-	-53.70	-	-	-	-53.70	-	-53.70
Reclassification Adjustment for Profit on Sale of Equity Shares	-	20.32	-	-	-20.32	-	-	-
Balance at 31st March, 2023	635.02	2,456.40	66.99	380.64	-71.44	3,467.61	48.77	3,516.38
Profit or Loss	-	618.06	-	-	-	618.06	5.14	623.20
Other comprehensive income (net of tax)	-	-5.07	-	-	186.39	181.32	5.53	186.85
Total comprehensive income	-	612.99	-	-	186.39	799.38	10.67	810.05
Dividend	-	-38.76	-	-	-	-38.76	-	-38.76
Reclassification Adjustment for Profit on Sale of Equity Shares	-	41.58	-	-	-41.58	-	-	-
Balance at 31 March, 2024	635.02	3,072.21	66.99	380.64	73.37	4,228.23	59.44	4,287.67

(i) Dividend paid by the Holding Company during the year ended March 31, 2024 for the Financial Year 2023-24 (Interim Dividend) is ₹0.50 per equity share of face value ₹10 each fully paid up (March 31, 2023: For the Financial Year 2021-22 Final Dividend of ₹0.70 per equity share of face value ₹10 each fully paid up)

(ii) The Board of Directors of the Holding Company have proposed a Final Dividend of ₹0.10 (i.e 5%) per equity share of face value ₹2 each fully paid up for the Financial Year 2023-24.

As per our report of even date attached

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**

For **R B ROY & CO.**

Chartered Accountants
ICAI Firm Regn. No.322805E

sd/-
(CA. N. Krishnan)

Partner
Membership No.062381
UDIN: 24062381BKGTC1480
Kolkata
May 16, 2024.

sd/-
(Nilima Goenka)
(Whole Time Director)
(DIN : 00848225)

sd/-
(Ankita Banerjee)
(Company Secretary)

sd/-
(Sanjay Goenka)
(Chairman and Managing Director)
(DIN : 00848190)

sd/-
(Kashinath Dey)
(Chief Financial Officer)

Consolidated Statement of Cash Flow for the year ended 31 March, 2024

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024		Year Ended 31 March, 2023	
	Amount	Amount	Amount	Amount
A. Cash Flows from Operating Activities				
Net Profit/(Loss) before tax		835.09		602.28
Adjustment for:				
Depreciation	35.38		28.69	
Interest expense	7.56		5.03	
Profit on Sale of Investments	-		0.26	
Dividend Income	-3.96		-3.40	
Provision for Bad Debts	43.99		132.17	
Provision for Gratuity	13.48		11.10	
Interest Income	-140.02	-43.57	-107.25	66.60
Operating cash flows before working capital changes		791.52		668.88
Working capital adjustments:				
(Increase)/Decrease in Inventories	178.90		25.35	
(Increase)/Decrease in Trade Receivables	349.97		-114.34	
(Increase)/Decrease in Loans, Financial Assets & Other Assets	-26.55		171.06	
Increase/(Decrease) in Trade Payables	-201.23		-47.79	
(Increase)/Decrease in Financial Liabilities and Other Liabilities	56.38	357.47	-8.55	25.73
Cash generated from operations		1,148.99		694.61
Income tax paid (net)	-230.94	-230.94	-157.46	-157.46
Net Cash from / (used in) Operating Activities (A)		918.05		537.15
B. Cash Flows from Investing Activities				
Purchase of Property, plant & equipment including CWIP	-364.04		-152.90	
Purchase of Investments	-65.16		-	
Sale of Investments	39.86		55.09	
(Increase)/Decrease in Loans	37.98		62.02	
(Increase)/Decrease in Term Deposits with Bank	-450.40		-	
Dividend Received	3.96		3.40	
Interest Received	148.98		106.92	
Net Cash used in Investing Activities (B)		-648.82		74.53

Consolidated Statement of Cash Flow for the year ended 31 March, 2024

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024		Year Ended 31 March, 2023	
	Amount	Amount	Amount	Amount
C. Cash Flow from Financing Activities				
Increase/ (Decrease) in Short-term Borrowings	-98.15		-25.50	
Dividend paid	-38.70		-53.70	
Interest Paid	-6.65		-5.03	
Net Cash from Financing Activities (C)		-143.50		-84.23
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)		125.73		527.45
Cash and Cash Equivalents at the beginning of the year		750.13		222.68
Closing Cash and Cash Equivalents (Refer Note No. 12)		875.86		750.13

Notes Forming part of the Consolidated Financial Statements

1-47

Note :

- The above Statement of Cash Flow has been prepared under the "Indirect method" as set out in Ind AS - 7, 'Statement of Cash Flows'.
- Figures in (-) indicate cash outflow.
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

As per our report of even date attached

For **R B ROY & CO.**Chartered Accountants
ICAI Firm Regn. No.322805E**sd/-**
(CA. N. Krishnan)Partner
Membership No.062381
UDIN: 24062381BKGTC1480
Kolkata
May 16, 2024.For and on behalf of Board of Directors
of **Hindcon Chemicals Limited****sd/-**
(Nilima Goenka)
(Whole Time Director)
(DIN : 00848225)**sd/-**
(Ankita Banerjee)
(Company Secretary)**sd/-**
(Sanjay Goenka)
(Chairman and Managing Director)
(DIN : 00848190)**sd/-**
(Kashinath Dey)
(Chief Financial Officer)

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

1. Group Overview

Hindcon Chemicals Limited (the "Company") is a public limited company incorporated in India on 25.08.1998 vide CIN No. L24117WB1998PLC087800. The shares of the Company are listed on the National Stock Exchange of India Ltd. The Manufacturing unit of the Company is located in Howrah and Munshirhat, West Bengal.

The Company and its subsidiary company are referred to as the Group hereunder. The Group is primarily engaged in the business of manufacturing & sale of Sodium Silicate & construction chemicals and in trading activities.

2. Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its powers to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The Group reassesses whether or not it controls an investee, if facts and circumstances indicate that there are one or more changes to elements of controls described above.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiary company line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non- controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Change in ownership status

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in consolidated statement of profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated statement of profit or loss.

3. Basis of preparation

3.1 Statement of Compliance

The Consolidated Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act, as amended.

Accounting policies have been consistently applied to all the periods presented in the Consolidated Financial Statements, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Consolidated Financial Statements have been prepared on accrual and going concern basis.

As the year end figures are taken from the source and rounded off to the nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reposted in this statement.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

3.2 Functional and presentation currency

The Consolidated financial statements have been presented in Indian Rupees (₹) which is also the Group's presentation currency. All financial information presented in ₹ has been rounded off to the nearest lacs as per the requirements of Schedule III, unless otherwise stated.

3.3 Basis of measurement

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

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

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

3.4 Use of judgments and estimates

The preparation of the Consolidated Financial Statements in conformity with Ind AS required the management to make estimates, assumptions and judgements. These estimates, judgement and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates, which involve complex and subjective judgements and the use of assumptions in these financial statements, have been disclosed in Note 3.5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements re reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

3.5 Critical accounting estimates and judgements

Preparation of the Consolidated Financial Statements require the use of accounting estimates, judgements and assumptions which by definition will seldom equal the actual results. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone Financial Statements. This note provides an overview of the areas that involve a higher degree of judgement or complexity and of items that are more likely to be materially adjusted due to estimates and assumptions turning out to be different that those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of of calculation for each affected line item of Consolidated Financial Statements.

The areas involving critical estimates or judgements are :

- i) Estimation of useful life of tangible assets : Note 4.1
- ii) Estimation of credit losses on trade receivables : Note 4.2
- iii) Fair value measurement : Note 4.2
- iv) Estimation of defined benefit obligations : Note 4.5
- v) Estimation of claims/liabilities : Note 4.6
- vi) Estimation of Income Tax : Note 4.9

3.6 Measurement of fair values

A number of the Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

The management regularly reviews significant unobservable inputs and valuation adjustments.

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

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.7 Operating Cycle

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

The asset/liability is classified as current if it satisfies any of the following conditions :

- a) The asset/liability is expected to be realised/settled in the Group's normal operating cycle;
- b) The asset is intended for sale or consumption;
- c) The asset/liability is held primarily for the purpose of trading;
- d) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- e) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date
- f) In case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

The Group classifies all other assets and liabilities as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as 12 months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

3.8 Recent accounting pronouncements

The 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 :

- i) IND AS 1, Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.
- ii) IND AS 8, Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of "accounting estimates" and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.
- iii) IND AS 12, Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

4. Significant accounting policies

4.1 Property, Plant and Equipment

i. Recognition and measurement

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any). Freehold Land is carried at Historical cost.

Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

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

ii. Subsequent expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other non-current assets.

iii. Depreciation and amortisation

Depreciation is provided on written down method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed off).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful lives used for computation of depreciation are as follows;

1) Building, Factory Shed & office premises	30 years
2) Computer and data Processing Units	3 to 6 years
3) Office Equipments	5 to 15 years
4) Furniture and fixtures	10 years
5) Plant & Machinery	15 years
6) Vehicles	8 to 10 years
7) Electrical Installations	10 years
8) Laboratory Equipments	10 years

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

iv. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Consolidated Statement of Profit and Loss.

v. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

4.2 Financial instruments

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

i. Financial Assets

Initial recognition and measurement

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

- Measured at Amortised cost
- Measured at Fair value through other comprehensive income (FVTOCI)
- Measured Fair value through profit or loss (FVTPL)

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

Financial assets measured at amortised cost

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

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss.

Financial assets measured at FVTOCI

A debt instrument is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets measured at FVTPL

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

Other equity investments

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Derecognition

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

Impairment of Financial Assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial liability

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities measured through profit or loss (FVTPL)
- Financial liabilities measured at amortised cost

Financial liabilities measured through FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Financial liabilities measured at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Derecognition

A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

iii. Offsetting of financial instruments

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

4.3 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Costs incurred in bringing each product to its present location and condition are as follows:

Raw materials, consumables, and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Work-in-progress and Finished goods: Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

4.4 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.5 Employee Benefits

i) Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

ii) Post-Employment Benefits

The Group operates the following post-employment schemes:

Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

Defined Contribution Plan

Defined contribution plans such as provident fund, ESI etc. are charged to the Statement of Profit and Loss as and when incurred.

4.6 Provisions, Contingent Liabilities and Contingent Assets

i) Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

ii) Onerous Contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

iii) Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in other Notes to the Consolidated Financial Statements.

iv) Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

4.7 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

a) Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Group transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

b) Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

c) Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt/acceptance.

d) Interest Income

For all financial instruments measured at amortized cost, Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

e) Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

4.8 Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether

- i) the contract involves the use of an identified asset,
- ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and
- iii) the Group has the right to direct the use of the asset.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 36 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

4.9 Income tax

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

ii. Deferred tax

Deferred Income Tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. These are expected to apply in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expenses in the period that includes the enactment or the substantive enactment date.

A Deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred income tax asset is reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balance relate to the same taxation authority. Current tax assets and liabilities are offset where the Group 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.

4.10 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange difference to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. The Group considers a period of 12 months or more as a substantial period of time. All other borrowing costs are recognised as an expense in the period in which they are incurred.

4.11 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.12 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

4.13 Foreign Currency Transactions

The Consolidated financial statements of the Group are presented in Indian Rupees (₹) which is the functional currency of the Group and the presentation currency of the Consolidated financial statements.

Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

4.14 Cash Flow Statement

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

4.15 Trade Receivables

Trade receivables are recognised at the amount of transaction price (net of variable consideration) when the right to consideration becomes unconditional. These assets are held at amortised cost, using the effective interest rate (EIR) method where applicable, less provision for impairment based on expected credit loss.

4.16 Trade and other payables

These amount represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.17 Dividend

Interim dividend declared to equity shareholders, if any, is recognised as liability in the period in which the said dividend is declared by the Board of Directors. Final dividend declared, if any, is recognised in the period in which the said dividend is approved by the Shareholders. Dividend payable is recognised directly in other equity.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

5. Property, Plant and Equipment

(₹ in Lacs)

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2024 were as follows:

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1 st April 2023	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March, 2024	As at 1 st April 2023	For the Year	Deductions/ Adjustments	As at 31 March, 2024	As at 31 March, 2024
Owned Assets									
Freehold Land	132.88	1.00	-	133.88	-	-	-	-	133.88
Building	16.57	44.81	-	61.38	9.40	1.22	-	10.62	50.76
Factory Shed	39.61	230.85	-	270.46	16.04	5.04	-	21.08	249.38
Office	18.18	-	-	18.18	13.46	0.44	-	13.90	4.28
Furniture & Fixtures	6.14	3.69	-	9.83	3.78	1.03	-	4.81	5.02
Plant & Machinery	122.39	85.37	-	207.76	66.11	12.46	-	78.57	129.19
Motor Car	54.52	19.15	-	73.67	33.08	9.55	-	42.63	31.04
Motor Cycle	1.20	2.06	-	3.26	1.14	0.32	-	1.46	1.80
Electrical Installations	7.54	4.18	-	11.72	6.32	0.41	-	6.73	4.99
Laboratory Equipments	1.91	5.23	-	7.14	1.62	0.28	-	1.90	5.24
Office Equipments	18.73	2.43	-	21.16	14.83	1.54	-	16.37	4.79
Computer & Accessories	10.06	4.68	-	14.74	7.24	3.07	-	10.31	4.43
Fire Safety Equipments	0.39	-	-	0.39	0.29	0.02	-	0.31	0.08
Total	430.12	403.45	-	833.57	173.31	35.38	-	208.69	624.88
Capital Work-in-Progress	39.41	327.93	-367.34	-	-	-	-	-	-
Grand Total	469.53	731.38	-367.34	833.57	173.31	35.38	-	208.69	624.88

Capital Work-In- Progress

Ageing of capital work-in-progress as at March 31, 2024 is as follows :

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	-	-	-	-	-
Total	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

5. Property, Plant and Equipment *Contd.*

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2023 were as follows: (₹ in Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1 st April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March, 2023	As at 1 st April 2022	For the Year	Deductions/ Adjustments	As at 31 March, 2023	As at 31 March, 2023
Owned Assets									
Freehold Land	44.53	88.35	-	132.88	-	-	-	-	132.88
Building	13.87	2.70	-	16.57	8.68	0.72	-	9.40	7.17
Factory Shed	39.51	0.10	-	39.61	13.57	2.47	-	16.04	23.57
Office	18.18	-	-	18.18	12.98	0.48	-	13.46	4.72
Furniture & Fixtures	6.14	-	-	6.14	2.99	0.79	-	3.78	2.36
Plant & Machinery	105.31	17.08	-	122.39	55.31	10.80	-	66.11	56.28
Motor Car	54.52	-	-	54.52	23.30	9.78	-	33.08	21.44
Motor Cycle	1.20	-	-	1.20	1.14	-	-	1.14	0.06
Electrical Installations	7.19	0.35	-	7.54	5.96	0.36	-	6.32	1.22
Laboratory Equipments	1.91	-	-	1.91	1.54	0.08	-	1.62	0.29
Office Equipments	16.42	2.31	-	18.73	13.49	1.34	-	14.83	3.90
Computer & Accessories	7.46	2.60	-	10.06	5.39	1.85	-	7.24	2.82
Fire Safety Equipments	0.39	-	-	0.39	0.27	0.02	-	0.29	0.10
Total	316.63	113.49	-	430.12	144.62	28.69	-	173.31	256.81
Capital Work-in-Progress	-	39.41	-	39.41	-	-	-	-	39.41
Grand Total	316.63	152.90	-	469.53	144.62	28.69	-	173.31	296.22

Capital Work-In- Progress

Ageing of capital work-in-progress as at March 31, 2023 is as follows :

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	39.41	-	-	-	39.41
Total	39.41	-	-	-	39.41

5.1 Refer Note 21 for hypothecation of property, plant and equipment against borrowing.

5.2 Title deeds for immovable properties of the Group are held in the name of the Holding Company/Subsidiary Company, as the case may be.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

6. Non-Current Investments

(₹ in Lacs)

Particulars	Face Value per Share	Quantity (Nos.)		Amount	
		As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Quoted					
Investments in equity instruments					
At fair value through other comprehensive income					
Adani Ports & Special Economic Zone Ltd	2	1,600	1,500	21.47	9.48
Adani Power Ltd	10	2,000	2,000	10.68	3.83
Aditya Birla Capital Ltd	10	4,000	4,500	7.01	6.91
Aeroflex Industries Ltd	2	10,000	-	12.14	-
AJR Infra & Tooling Ltd	2	10,000	10,000	-	0.10
Aurum Proptech Ltd	5	-	2,000	-	2.07
Bajaj Hindusthan Sugar Ltd	1	2,000	-	0.58	-
Bharat Petroleum Corporation Ltd	10	2,000	2,000	12.05	6.89
Black box Ltd	2	-	2,500	-	2.33
Brightcom Group Ltd	2	10,000	-	1.38	-
Dollar Industries Ltd	2	10,000	13,269	51.48	46.15
Ejecta Marketing Ltd	10	-	25,000	-	-
Emami Realty Ltd	2	19,220	15,700	20.19	9.64
FCS Software Solutions Ltd	1	-	1,10,481	-	2.21
Filatex India Ltd	1	1,000	-	0.59	-
Foods & Inns Ltd	1	5,000	-	6.52	-
Gail (India) Ltd	10	27,450	18,300	49.70	28.86
GTL Infrastructure Ltd	10	1,00,000	1,00,000	1.60	0.70
Hathway Cales & Datacom Ltd	2	5,000	5,000	0.98	0.65
HDFC Bank Ltd	1	100	100	1.45	1.61
Himadri Speciality Chemicals Ltd	1	7,500	4,000	22.67	3.49
Hindustan Construction Company Ltd	1	5,000	5,000	1.58	0.69
HUDCO Ltd	10	5,000	5,000	9.36	2.16
Indiabulls Real Estates Ltd	2	-	10,000	-	4.89
Jagran Prakasham Ltd	2	5,000	-	5.13	-
Jaiprakash Associates Ltd	2	1,15,000	1,40,000	20.64	9.73
Jaiprakash Power Ventures Ltd	10	25,000	25,000	3.81	1.39
Jio Financial Services Ltd	10	2,000	-	7.08	-
Kritika Wires Ltd	2	-	50,000	-	4.08
Lanco Infratech Ltd	1	-	1,35,000	-	-
Larsen & Toubro Ltd	2	100	-	3.76	-
Life Insurance Corporation of India	10	126	126	1.15	0.67
Lincoln Pharmaceuticals Ltd	10	500	500	2.93	1.70
Lloyds Metals & Energy Ltd	1	5,000	-	2.45	-
Mcleod Russel Ltd	5	2,000	-	0.48	-
Mcnally Bharat Engineering Ltd	10	50,000	50,000	2.40	1.63
NMDC Ltd	1	1,500	1,500	3.03	1.67
Oil & Natural Gas Corporation Ltd	5	3,000	-	8.04	-
Orient Cement Ltd	1	18,000	18,000	35.24	19.79

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

6. Non-Current Investments

(₹ in Lacs)

Particulars	Face Value per Share	Quantity (Nos.)		Amount	
		As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Orient Greenpower Company Ltd	10	10,000	-	1.87	-
Paramount Communications Ltd	2	1,000	-	0.67	-
Punjab National Bank Ltd	2	2,500	2,500	3.11	1.17
R.P.P. Infra Projects Ltd	10	5,000	-	5.42	-
Radhe Developers (India) Ltd	1	9,446	-	0.30	-
Rail Vikas Nigam Ltd	10	2,500	5,000	6.32	3.43
Rattanindia Power Ltd	10	99,000	-	8.17	-
Reliance Power Ltd	10	10,000	-	2.82	-
Rushil Décor Ltd	10	1,444	1,000	4.21	2.62
SEPC Ltd	10	5,789	-	0.96	-
Shilpa Medicare Ltd	1	1,000	-	4.61	-
Shree Cements Ltd	10	35	35	8.99	9.17
Skipper Ltd	1	1,000	-	3.23	-
Star Cement Ltd	1	-	2,000	-	2.24
Sterling & Wilson Solar Ltd	1	500	500	2.62	1.46
Sula Vineyards Ltd	2	1,000	-	5.51	-
Tata Steels Ltd	1	2,000	200	3.12	2.09
The Indian Hume Pipe Company Ltd	2	10,000	13,000	25.47	15.78
The Tata Power Company Ltd	1	1,000	1,000	3.94	1.90
U. Y. Fincorp Ltd	5	50,000	35,000	12.09	4.53
Visco Trade Associates Ltd	10	12,000	-	28.79	-
Vishal Fabrics Ltd	5	2,325	2,325	0.43	0.37
Vishwaraj Sugar Industries Ltd	2	5,000	-	0.71	-
Yatharth Hospital & Trauma Care Services Ltd	10	1,000	-	4.20	-
Yes Bank Ltd	2	5,000	5,000	1.16	0.75
Total				466.29	218.83
Aggregate carrying value of quoted investments				466.29	218.83
Aggregate carrying value of unquoted investments				-	-
Aggregate market value of quoted investments				466.29	218.83
Aggregate amount of Impairment in value of investments				-	-

7. Other Financial Assets

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Bank deposit*	433.28	-	-	-
Security deposit	10.24	-	8.26	9.08
Interest accrued on Loans and Deposits	-	20.84	-	30.32
Total	443.52	20.84	8.26	39.40

*Represents deposits with remaining maturity of more than 12 months from the Balance Sheet date.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

8. Deferred Tax Assets (Net)

(₹ in Lacs)

Particulars	As At 31 March, 2024	As At 31 March, 2023
Deferred Tax Assets		
Property, Plant and Equipment	3.73	6.39
Provision for Expected Credit Loss	52.31	44.30
Retirement Benefit Obligations	10.91	7.37
Investments	-	8.62
Deferred Tax Liabilities		
Investments	-15.03	-
Total	51.92	66.68

8.1 Movement in deferred tax assets/(liabilities) balances during the year ended 31 March, 2024

Particulars	Opening Balance	Charge/(Credited) to statement of Profit and Loss	Charge/ (Credited) to OCI	Closing Balance
Deferred Tax (Liabilities)/assets in relation to:				
Property, Plant and Equipment	6.40	2.67	-	3.73
Provision for Expected Credit Loss	44.31	-8.00	-	52.31
Provision for Employee Benefits	7.36	-8.39	4.84	10.91
Investments	8.61	-	23.64	-15.03
	66.68	-13.72	28.48	51.92

8.2 Movement in deferred tax assets/(liabilities) balances during the year ended 31 March, 2023

Particulars	Opening Balance	Charge/(Credited) to statement of Profit and Loss	Charge/ (Credited) to OCI	Closing Balance
Deferred Tax (Liabilities)/assets in relation to:				
Property, Plant and Equipment	5.26	1.14	-	6.40
Provision for Expected Credit Loss	27.46	16.85	-	44.31
Provision for Employee Benefits	1.01	0.09	6.27	7.36
Investments	0.34	-0.03	8.30	8.61
	34.07	18.05	14.57	66.68

Deferred Tax Asset amounting to ₹46.17 Lacs as at March, 31 2024 (March 31, 2023 ₹48.78 Lacs) on Long Term Capital losses carried forward has not been recognised due to uncertainty surrounding availability of future long term capital gains against which such loss can be offset.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

9. Other Assets

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
a) Advances other than Capital Advance				
i) Deposits (Carried at amortised cost)				
– With Statutory Authorities	2.10	-	2.10	-
– Others (Unsecured, considered good)	4.98	-	0.74	-
ii) Advance to Suppliers (Unsecured, considered good)	-	91.62	-	48.51
iii) Balances with Revenue Authorities	-	27.88	-	98.07
iv) Prepaid Expenses	-	7.31	-	4.19
v) Advance to Employees	-	9.87	-	8.76
vi) Other Receivables	-	-	-	2.53
Total	7.08	136.68	2.84	162.06

9.1 Deposits with Statutory authorities include deposits for obtaining registration under Indirect Taxes.

9.2 Others include deposits with various parties against supply of services.

9.3 Balance with revenue authorities primarily relate to input credit entitlement, refunds and amounts paid under protest in respect of demands and claims from revenue authorities.

9.4 Other receivables relate to amount due from Share Broker and for Dividend receivable.

10. Inventories

Particulars	As at 31 March, 2024	As at 31 March, 2023
(Valued at the lower of cost and net realisable value)		
Raw materials	152.82	326.05
Work-in-progress	0.35	6.02
Total	153.17	332.07

11. Trade Receivables

Particulars	As At 31 March, 2024	As At 31 March, 2023
At amortised cost		
(a) Trade Receivables considered good – Secured	-	-
(b) Trade Receivables considered good – Unsecured	2,224.04	2,618.01
(c) Trade receivables which have significant increase in credit risk	207.77	176.00
Less: Allowance for expected credit loss	-207.77	-176.00
(d) Trade Receivables – credit impaired	-	-
Total	2,224.04	2,618.01
(a) Receivables from related parties (Refer note no. 36)	3.11	57.78
(b) Others	2,220.93	2,560.23
Total	2,224.04	2,618.01

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Movement in allowance for expected credit losses of receivables :

(₹ in Lacs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at beginning of the year	176.00	109.11
Charge/(release) during the year	31.77	66.89
Balance at end of the year	207.77	176.00

11.1 In determining allowance for credit losses of trade receivables, the Group has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

11.2 The Group considers its maximum exposure to credit risk with respect to customers as at March 31, 2024 to be ₹2,224.04 Lacs (March 31, 2023 - ₹2,618.01 Lacs), which is the carrying value of trade receivables after allowance for credit losses..

11.3 There are no outstanding receivables due from directors or other officers of the Group..

11.4 Trade receivables ageing schedule for the year ended March 31, 2024 were as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,737.74	324.82	138.68	18.76	4.05	2,224.05
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	24.43	24.43
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables— considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	183.33	183.33
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-207.77
Total						2,224.04

11.5 Trade receivables ageing schedule for the year ended March 31, 2023 were as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	2,240.03	158.21	113.13	-	100.60	2,611.97
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	80.53	101.51	182.04
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-	-	-	-	-176.00
Total						2,618.01

11.6 There are no unbilled receivables as at March 31, 2024 and March 31, 2023.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

12. Cash and Cash Equivalents

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Balances with banks				
- In current accounts		14.80		-0.67
- In deposits accounts*		860.21		749.56
Cash on hand		0.85		1.24
Total		875.86		750.13

*Represents deposits with remaining maturity of 3 months or less from the Balance Sheet date.

13. Other Bank Balances

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Balances with banks				
- In deposits accounts*		301.12		284.01
Earmarked balances with Bank				
- Unclaimed dividend		1.91		1.85
Total		303.03		285.86

*Represents deposits with remaining maturity of more than 3 months and less than 12 months from the Balance Sheet date.

14. Loans

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Loan Given (unsecured, considered good)				
- To Others	-	380.00	-	417.98
Total	-	380.00	-	417.98

14.1 Other Loan primarily represents loans given to other entities to be used in the ordinary course of business. (Please see note no.41)

14.2 The Group has not advanced or has not given any loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

14.3 There are no outstanding loans/advances in the nature of loan from promoters, key management personnel or other officers of the Group.

15. Non-Current/Current Tax Assets

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Advance payment of Tax (including TDS & TCS)	43.87	225.44	-	164.92
Total	43.87	225.44	-	164.92

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

16. Equity Share Capital

(₹ in Lacs)

Particulars	As at	
	31 March, 2024	31 March, 2023
Authorised		
5,50,00,000 Equity Shares of ₹2 each (as at March 31, 2023 : 1,10,00,000 Equity Shares of ₹10 each)	1,100.00	1,100.00
	1,100.00	1,100.00
Issued, subscribed and fully paid-up		
3,83,60,125 Equity Shares of ₹2 each (as at March 31, 2023 : 76,72,025 Equity Shares of ₹10 each)	767.20	767.20
	767.20	767.20

16.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number	Amount	Number	Amount
Balance at the beginning of the year	76,72,025	767.20	76,72,025	767.20
Number of shares after sub-division of shares	3,83,60,125	767.20	-	-
Shares issued during the year	-	-		
Balance as at the end of the year	3,83,60,125	767.20	76,72,025	767.20

16.2 Rights, preferences and restrictions attaching to Equity Shares

The Group has only one class of equity shares having a par value of ₹2 each. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupee. 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. In the event of liquidation, the equity shareholders of the Group are eligible to receive the remaining assets of the Group after distribution of all preferential amounts in proportion to their shareholding.

- 16.3** No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment as at the balance sheet date.
- 16.4** No convertible securities has been issued by the Group during the year.
- 16.5** No calls are unpaid by any Director and officer of the Group during the year.
- 16.6** Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	No of Shares	
	As at 31 March, 2024	As at 31 March, 2023
Equity Shares allotted as fully paid bonus shares	-	-
Equity Shares allotted as fully paid for consideration other than cash	-	-
Equity Shares bought back	-	-

16.7 Particulars of shareholders holding more than 5% shares of fully paid up equity shares :

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number	% of total shares in the class	Number	% of total shares in the class
Sanjay Goenka	94,87,500	24.73	18,82,500	24.54
Nilima Goenka	73,12,470	19.06	14,47,892	18.87
Vansh Goenka	28,89,435	7.53	5,70,387	7.43
Sanjay Goenka & Others (HUF)	25,55,000	6.66	5,11,000	6.66

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

16.8 Disclosure of share holdings of Promoters as at the end of the year :

Particulars	As at 31 March, 2024			As at 31 March, 2023		
	Number	% of total shares in the class	% change during the year	Number	% of total shares in the class	% change during the year
Sanjay Goenka	94,87,500	24.73	0.19	18,82,500	24.54	0.05
Nilima Goenka	73,12,470	19.06	0.19	14,47,892	18.87	0.04
Vansh Goenka	28,89,435	7.53	0.10	5,70,387	7.43	-
Sanjay Goenka & Others (HUF)	25,55,000	6.66	-	5,11,000	6.66	-

17. Other Equity

(₹ in Lacs)

Components	Note	As at 31 March, 2024	As at 31 March, 2023
Securities Premium	a	635.02	635.02
General Reserve	b	66.99	66.99
Capital Reserve On Consolidation	c	380.64	380.64
Retained Earnings	d	3,072.21	2,456.40
Other Comprehensive Income	e	73.37	-71.44
Total		4,228.23	3,467.61

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
a) Securities Premium		
Balance at the Beginning of the year	635.02	635.02
Changes during the year	-	-
Balance at the end of the year	635.02	635.02
b) General Reserve		
Balance at the Beginning of the year	66.99	66.99
Changes during the year	-	-
Balance at the end of the year	66.99	66.99
c) Capital Reserve On Consolidation		
Balance at the Beginning of the year	380.64	380.64
Changes during the year	-	-
Balance at the end of the year	380.64	380.64
d) Retained Earnings		
Balance at the Beginning of the year	2,456.40	2,077.21
Profit for the year	612.99	412.57
Dividend	-38.76	-53.70
Transfer within Equity *	41.58	20.32
Balance at the end of the year	3,072.21	2,456.40
e) Other Comprehensive Income		
Balance at the Beginning of the year	-71.44	-13.24
Changes during the year	186.39	-37.88
Transfer within Equity *	-41.58	-20.32
Balance at the end of the year	73.37	-71.44

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

17.1 The description of the nature and purpose of each reserve within equity is as follows:

- Securities premium** : This represents amount received towards issue of equity shares over their face value. This amount can be utilised in accordance with the provisions of Companies Act, 2013.
- General Reserve** : This represents the profit of the Group after allocation to Non-controlling Interest and adjustment due to cross holding at the time of consolidation under I-GAAP. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.
- Capital Reserve on Consolidation** : This represents excess of the value of net assets acquired over consideration paid in a business combination is recognised as capital reserve on consolidation. This reserve is not available for distribution.

* Represents gain/(loss) on sale of investments carried at fair value through other comprehensive income re-classified from OCI.

18. Non Controlling Interest

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Balance at the Beginning of the year		48.77		45.71
Share of Profit/(Loss) for the year		10.67		3.06
Total		59.44		48.77

Non-controlling interest represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly owned by the Company.

19. Other Financial Liabilities

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Security deposit	5.79	-	4.63	-
Unpaid dividend*	-	1.91	-	1.85
Total	5.79	1.91	4.63	1.85

*Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 126 of the Companies Act, 2013 or such amounts in respect of which Prohibitory/Attachment Orders are on record with the Company.

20. Provisions

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Provision for Gratuity	23.09	20.32	29.28	-
Total	23.09	20.32	29.28	-

21. Borrowings

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Secured				
Repayable on demand from bank	-	-	-	1.96
Buyer's Credit from Bank	-	-	-	96.19
Total	-	-	-	98.15

21.1 Nature of security

Working Capital loan and Buyer's Credit from bank are secured by way of hypothecation charge on all existing and future current assets of the Company. Further secured through first and exclusive mortgage on immovable properties being Land and Building owned by the Company and also by the personal guarantee of the directors of the Company, Mr Sanjay Goenka and Mrs Nilima Goenka.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

21.2 Repayment Terms and the applicable rate of interest on the above loan during the year:

- Working capital loan from Bank is repayable on demand.
- Rate of Interest on Cash credit is 10.50% p.a. as on March 31, 2024

22. Trade Payables

(₹ in Lacs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total Outstanding dues of Micro and Small Enterprises	8.79	28.64
Total Outstanding dues of Creditors other than Micro and Small Enterprises	531.74	713.12
Total	540.53	741.76

22.1 Amount due to micro and small enterprises as defined in the "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures relating to micro and small enterprises (MSME) is as below :

Particulars	As at 31 March, 2024	As at 31 March, 2023
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year	8.79	28.64
b. Interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. Interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

22.2 Trade payables ageing schedule for the year ended March 31, 2024 were as follows:

Particulars	Outstanding as on March 31, 2024 from the date of transaction					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	8.79	-	-	-	8.79
(ii) Others	22.28	509.46	-	-	-	531.74
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	22.28	518.25	-	-	-	540.53

22.3 Trade payables ageing schedule for the year ended March 31, 2023 were as follows:

Particulars	Outstanding as on March 31, 2023 from the date of transaction					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	28.64	-	-	-	28.64
(ii) Others	15.02	698.10	-	-	-	713.12
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	15.02	726.74	-	-	-	741.76

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

23. Other Liabilities

(₹ in Lacs)

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Non Current	Current	Non Current	Current
Statutory Dues	-	22.77	-	17.58
Advances received from customers	-	61.79	-	5.58
Total	-	84.56	-	23.16

23.1 Statutory dues primarily relates to payables in respect to Goods and Service Tax, provident fund, employee state insurance and tax deducted as source..

24. Current Tax Liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for Income Tax	225.55	180.85
Total	225.55	180.85

25. Revenue from Operations

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Sale of Products	6,042.47	6,356.74
Sale of Traded Goods	381.59	2,100.89
Sale of Services	26.88	101.80
Total revenue from operations	6,450.94	8,559.43

25.1 Nature of goods and services

The Group is engaged in the manufacturing of sodium silicates, construction chemicals and trading of pulses and generates revenue from the sale of the same. It is also the reportable segment of the Group.

25.2 Disaggregation of revenue for the year

In the following table, revenue is disaggregated by primary geographical market and major products lines etc.

Disaggregation of revenue

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Based on major products		
- Sodium Silicates & Construction Chemicals	6,140.13	8,063.20
- Works Contract	26.88	101.80
- Pulses	283.93	394.43
	6,450.94	8,559.43
Based on Geographical Region		
- India	5,170.81	7,041.93
- Outside India	1,280.13	1,517.50
	6,450.94	8,559.43
Based on Timing of Revenue		
- At a point in time	6,450.94	8,559.43
- Overtime	-	-
	6,450.94	8,559.43
Based on Contract Duration		
- Long Term	-	-
- Short Term	6,450.94	8,559.43
	6,450.94	8,559.43

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

25.3 Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers .

Contract Balances

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Receivables, which are included in "Trade Receivables" (Refer Note No.11)	2,224.04	2,618.01
Contract Assets	9.26	15.98
Contract Liabilities	67.57	16.36

25.4 Other Information

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Transaction Price allocated to the remaining performance obligations	Nil	Nil
The amount of revenue recognised in the current period that was included in the opening contract liability balance	5.58	Nil

Performance Obligations - The Company satisfies the performance obligations for goods on shipment/despatch, as the case may be and in case of services, as the services are rendered. In case of service contracts, the company has given guarantee to the customer to make good any defect found in the performance of the service..

26. Other Income

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest income	140.03	107.25
Dividend income	3.96	3.40
Other non-operating income		
- Recovery of bad debts written off in earlier years	11.75	5.76
- Net Gain on Foreign Currency Transactions	11.49	-
- Others	1.11	2.10
Total	168.34	118.51
Interest income comprises interest from:		
a) Deposits with banks - carried at amortised cost	78.79	50.18
b) Other financial assets measured at amortised cost	60.70	56.73
c) On Income Tax Refund	0.54	0.34
Total	140.03	107.25
Dividend income comprises Dividend from:		
a) Investments carried at Fair Value through other comprehensive income	3.96	3.40
Total	3.96	3.40

27. Cost of Materials Consumed

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Inventory of Raw Materials at the beginning of the year	326.05	352.46
Add: Purchases (including in-transit Purchases)	3,028.37	4,984.46
	3,354.42	5,336.92
Less: Inventory of Raw Materials at the end of the year	152.82	326.05
	3,201.60	5,010.87

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

28. Purchase of Stock-in-trade

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Purchase of Traded Goods	1,433.22	1,973.79
Total	1,433.22	1,973.79

29. Change in Inventories of Finished Goods and Work-in-Progress

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Inventories at the beginning of the year		
Work-in-Progress	6.02	4.96
Inventories at the end of the year		
Work-in-Progress	0.35	6.02
Total	5.67	-1.06

30. Employee Benefits Expense

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Salaries and Wages	462.80	370.24
Contribution to provident and other funds	32.35	27.18
Staff welfare expenses	1.14	1.41
Total	496.29	398.83

30.1 During the year, the Company has recognised an amount of ₹141.81 Lacs (Previous Year 2022-23 : ₹140.96 Lacs) as remuneration to Key Managerial Personnel on account of short-term employee benefits.

31. Finance Costs

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Interest on Borrowings from Banks	5.85	4.53
Interest on Statutory Dues	1.71	0.50
Total	7.56	5.03

32. Other Expenses

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Manufacturing Expenses		
Calibration Charges	0.60	0.25
Consumable Stores	0.71	0.70
Works Contract Charges	50.66	66.83
Power & Fuel	8.76	4.23
Repairs & Maintenance	8.32	4.72
Selling & Distribution Expenses		
Advertisement Expenses	3.76	2.88
Carriage Outward	257.93	253.14
Sales Promotion Expenses	9.91	3.50
Seminar Expenses	3.00	0.25
Commission	0.04	0.68

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

32. Other Expenses

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Establishment Expenses		
Electricity Charges	1.22	1.40
Contribution for CSR Activities	12.38	11.93
Travelling & Conveyance	47.18	29.49
Office Rent	3.88	3.38
Insurance Charges	2.66	2.03
Rates & Taxes	6.04	8.48
Professional Fees	68.40	27.91
Provision for Expected Credit Loss	43.99	132.17
Net foreign exchange loss	-	41.79
Other Expenses	70.21	58.83
Internal Audit Fees	2.40	2.00
Auditors' Remuneration	2.42	2.92
Total	604.47	659.51

32.1 Details of Auditors' Remuneration is as below:

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
- Statutory Audit fees	1.90	2.15
- Tax audit fees	0.50	0.50
- Other Matters	0.02	0.27
	2.42	2.92

33. Income Taxes

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
A Amount recognised in Statement of Profit and Loss		
Current Tax		
Current period	225.55	180.85
Adjustment for current tax of prior periods	0.06	3.87
a	225.61	184.72
Deferred Tax		
Deffered tax for the year	-13.72	-18.02
b	-13.72	-18.02
Income tax expense reported in the Consolidated Statement of Profit and Loss (a+b)	211.89	166.70

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
B Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in Standalone Statement of Profit and Loss		
Profit/(loss) before tax	835.09	602.28
Dividend Received within the Group	28.57	17.96
	863.66	620.24
Indian statutory income tax rate	25.168%	25.168%
Estimated Income tax expense	217.37	156.10
Tax Effect of adjustments to reconcile expected tax expenses to reported tax expenses :		
Capital Gain taxable at different rates	5.17	1.10
Items not deductible	18.69	43.34
Changes in Fair Value of Investments Measured thru' FVTPL	-	0.08
Expense deductible on Actual Basis	-7.53	-18.94
Utilisation/credit of deferred expenses and other tax benefits	-8.08	-0.10
Deferred Tax Impact	-13.73	-18.02
Others	-	3.14
Total Income Tax Expense	211.89	166.70
Effective Income Tax Rate	24.53%	26.88%

34. Earnings per Share

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Earnings per share has been computed as under:		
(a) Profit for the year	623.20	435.59
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic/ diluted earnings per share (Face Value ₹2 per share)	3,83,60,125	3,83,60,125
(c) Earnings per share		
- Basic (a/b)	1.62	1.14
- Diluted (a/b)	1.62	1.14

35. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

(a) Defined Contribution Plans:

The amount recognised as an expense for Defined contribution plans are as under:

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Employer's contribution to Provident Fund	13.84	12.68
Employer's contribution to ESIC	3.84	3.40
Total	17.68	16.08

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

(b) Defined Benefit Plans:

The following are the types of Defined Benefit Plans :

(i) Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

(ii) Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

c) Risk Exposure

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as: Interest rate risk, Salary risk and Demographic risk.

- Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality withdrawal disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

d) Details of the Gratuity Plan are as follows:

i) Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(₹ in Lacs)

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Balance at the beginning of the year	79.52	39.82
Current service cost	11.71	10.81
Interest cost on Defined Benefit Obligation	5.28	2.86
Actuarial gain and losses arising		
Due to change in financial assumptions	1.27	0.96
Due to unexpected experience adjustments	5.91	25.06
Benefits paid	-7.62	-
Balance at the end of the year	96.06	79.51

ii) Changes in the Fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows :

Particulars	2023-24	2022-23
Fair Value of Planned Assets at the beginning of the year	50.24	35.81
Expected Return on Planned Assets	3.50	2.57
Contribution	6.19	11.88
Benefits Paid	-7.62	-
Actuarial Gain/(Loss)	0.35	-0.02
Present Value of defined benefit obligation at the end of the year	52.66	50.24

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

iii) Amount recognized in Balance Sheet :

(₹ in Lacs)

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Present value of Defined Benefit Obligation	96.06	79.52
Fair Value of Plan assets	-52.66	-50.24
Net (Assets)/ Liability recognised in the Balance Sheet	43.40	29.28

iv) Expenses recognized in statement of Profit and Loss

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Current service cost	11.71	10.81
Interest cost	1.78	0.29
Net Benefit Expense	13.49	11.10

v) Remeasurement recognized in Other Comprehensive Income

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Actuarial (gain)/ loss on Defined Benefit Obligation	6.83	26.04

vi) Actuarial Assumptions

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Financial Assumptions		
Discount rate	6.97%	7.17%
Salary escalation rate	6.00%	6.00%
Demographic Assumptions		
Mortality rate	IALM 2012-2015 Ultimate	
Withdrawal rate	5.00%	5.00%

vii) Maturity Analysis

Weighted average duration of the retiring gratuity obligation is 11 years (March 31, 2023 - 9 years)

viii) Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

Variable	Sensitivity		Effect on Defined Benefit Obligations			
	March 31, 2024	March 31, 2023	March 31, 2024		March 31, 2023	
			Increase	Decrease	Increase	Decrease
Discount rate	+/- 0.5%	+/- 1%	92.86	99.52	76.76	82.49
Salary escalation rate	+/- 0.5%	+/- 1%	99.52	92.83	82.41	76.82
Attrition rate	+/- 0.5%	+/- 1%	96.05	96.07	79.53	79.51
Mortality rate	+/- 0.5%	+/- 1%	96.07	96.06	79.53	79.51

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

36. Related Party Disclosures

Key Managerial Personnel (KMP)

Mr Sanjay Goenka	Managing Director/Director
Mrs Nilima Goenka	Whole Time Director
Mr Ramsanatan Banerjee	Whole Time Director
Mr Giridhari Lal Goenka	Independent Director
Mr Binay Kumar Agarwal	Independent Director
Mr Sudhir Kumar Bhartia	Independent Director (Resigned w.e.f. 12.07.2023)
Mrs Divyaa Newatia	Independent Director (Appointed w.e.f. 26.08.2023)
Mr Kashinath Dey	Chief Financial Officer
Ms Ankita Banerjee	Company Secretary
Mr Kalyan Ghosh	Director (Retired w.e.f. 11.12.2023) (Due to Death)
Ms Jaya Bajpai	Company Secretary (Resigned w.e.f. 01.09.2022)

Relatives of Key Managerial Personnel

Mr Vansh Goenka
Mr Rajiv Goenka
Mr Ravi Goenka

Enterprises over which Key Managerial Personnel are able to exercise significant influence

Bengal Silicates & Chemicals Pvt Ltd
RG's Fashions Pvt Ltd
Sanjay Goenka & Others (HUF)
Hindcon Foundation

The following transactions were carried out with related parties in the ordinary course of business:

(₹ in Lacs)

Particulars	Name of Related Party	Transaction for the year ended		Balance at the year ended	
		31-03-2024	31-03-2023	31-03-2024	31-03-2023
		Amount	Amount	Amount	Amount
Salary & Perquisites	Sanjay Goenka	87.00	87.00	-	-
	Nilima Goenka	36.00	36.00	-	-
	Ramsanatan Banerjee	10.20	9.24	-	-
	Kashinath Dey	6.25	5.10	-	-
	Vansh Goenka	12.00	1.71	-	-
	Kalyan Ghosh	0.94	1.20	-	-
	Jaya Bajpai	-	0.90	-	-
	Ankita Banerjee	2.37	0.81	-	-
Director Sitting Fees	Binay Kumar Agarwal	0.32	0.34	-	-
	Giridhari Lal Goenka	0.29	0.21	-	-
	Sudhir Kumar Bhartia	0.09	0.16	-	-
	Divyaa Newatia	0.25	-	-	-
Office Rent	Sanjay Goenka	1.20	1.20	-	-
	Nilima Goenka	1.80	1.80	-	-
Donation Paid	Hindcon Foundation	3.10	1.01	-	-
Sales	Bengal Silicates & Chemicals Pvt Ltd	25.12	1,175.31	-	-
	RG's Fashions Pvt Ltd	0.20	1.77	-	-
Staff Welfare Expenses	RG's Fashions Pvt Ltd	-	0.21	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

The following transactions were carried out with related parties in the ordinary course of business:

(₹ in Lacs)

Particulars	Name of Related Party	Transaction for the year ended		Balance at the year ended	
		31-03-2024	31-03-2023	31-03-2024	31-03-2023
		Amount	Amount	Amount	Amount
Dividend Paid	Sanjay Goenka & Other (HUF)	2.56	3.58	-	-
	Sanjay Goenka	9.84	13.15	-	-
	Nilima Goenka	7.31	10.11	-	-
	Vansh Goenka	2.85	3.99	-	-
	Ravi Goenka	0.03	-	-	-
Trade Receivables	Bengal Silicates & Chemicals Pvt Ltd	-	-	2.88	57.46
	RG's Fashions Pvt Ltd	-	-	0.23	0.32
Salary Payable	Kalyan Ghosh	-	-	-	0.10
	Nilima Goenka	-	-	0.23	-
	Ramsanatan Banerjee	-	-	0.80	-
	Kashinath Dey	-	-	0.45	-
	Ankita Banerjee	-	-	0.23	-
	Vansh Goenka	-	-	0.88	-

36.1 The sale to and purchases from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. The Group has recorded the receivable relating to amount amount due from Related parties net of impairment. This assessment is undertaken each Financial Year through examining the Financial Position of the Related parties and the market in which the Related Party operates.

37. Financial instruments and related disclosures

37.1 Fair value measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The Group has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities.

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 company specific estimates. The mutual fund units are valued using the closing net asset value. 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.

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, lease liabilities, short term borrowings and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

37.2 Financial instruments by category

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position. The table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value..

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

(₹ in Lacs)

	As at March 31, 2024					
	Current/ Non Current	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
(i) Investments	Non Current	-	466.29	-	466.29	466.29
(ii) Other financial assets	Non Current	-	-	443.52	443.52	-
(iii) Trade receivables	Current	-	-	2,224.04	2,224.04	-
(iv) Cash and cash equivalents	Current	-	-	875.86	875.86	-
(v) Other bank balances	Current	-	-	303.03	303.03	-
(vi) Loans	Current	-	-	380.00	380.00	-
(vii) Other financial assets	Current	-	-	20.84	20.84	-
Total		-	466.29	4,247.29	4,713.58	466.29
Financial Liabilities						
(i) Other financial liabilities	Non Current	-	-	5.79	5.79	-
(ii) Borrowings	Current	-	-	-	-	-
(iii) Trade payables	Current	-	-	540.53	540.53	-
(iv) Other financial liabilities	Current	-	-	1.91	1.91	-
Total		-	-	548.23	548.23	-

	As at March 31, 2023					
	Current/ Non Current	Fair Value through Profit or Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
(i) Investments	Non Current	-	218.83	-	218.83	218.83
(ii) Other financial assets	Non Current	-	-	8.26	8.26	-
(iii) Trade receivables	Current	-	-	2,618.01	2,618.01	-
(iv) Cash and cash equivalents	Current	-	-	750.12	750.12	-
(v) Other bank balances	Current	-	-	285.86	285.86	-
(vi) Loans	Current	-	-	417.98	417.98	-
(vii) Other financial assets	Current	-	-	39.40	39.40	-
Total		-	218.83	4,119.63	4,338.46	218.83
Financial Liabilities						
(i) Other financial liabilities	Non Current	-	-	4.63	4.63	-
(ii) Borrowings	Current	-	-	98.15	98.15	-
(iii) Trade payables	Current	-	-	741.76	741.76	-
(iv) Other financial liabilities	Current	-	-	1.85	1.85	-
Total		-	-	846.39	846.39	-

37.3 Financial Risk Management

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

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Risk Management Framework

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

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

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

(i) Credit Risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank. The Group has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade Receivable

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to Credit Risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

(₹ in Lacs)

Particulars	Year Ended 31 March, 2024		Year Ended 31 March, 2023	
	%	Amount	%	Amount
Revenue from Top Customer	13.85%	894	14.95%	1,279
Revenue from Top Five Customers	41.51%	2,678	48.14%	4,120

Trade receivables are primarily unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals, establishing credit limits and by continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. As per simplified approach, the Group makes provision of expected credit loss on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provisions at each reporting date whenever is for longer period and involves higher risk.

(ii) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

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 Group's reputation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

Exposure to Liquidity Risk

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

(₹ in Lacs)

Particulars	On Demand	3-6 months	6-12 months	1-5 years	Above 5 years	Total
As at 31 March, 2024						
Borrowings	-	-	-	-	-	-
Trade payables	-	540.53	-	-	-	540.53
	-	540.53	-	-	-	540.53
As at 31 March, 2023						
Borrowings	1.96	96.19	-	-	-	98.15
Trade payables	-	741.76	-	-	-	741.76
	1.96	837.95	-	-	-	839.91

Note: Security Deposits contained under Other Non Current Financial Liabilities do not have any maturity date. These deposits are against the contract of service. The said deposits will be released only after the corresponding contract is cancelled. And the company does not foresees the contract to be cancelled in the near future.

(iii) Market Risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates related primarily to the Group's short term borrowing with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to Interest Rate Risk

The interest rate profile of the Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Fixed rate instruments		
Financial assets	380.00	417.98
Financial liabilities	-	-
	380.00	417.98
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	98.15
	-	98.15

Sensitivity Analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Interest Rate Sensitivity

Since the Group is not having any variable rate debt financial instruments, there will be no effect of change in the market rate of interest on the profitability and the cash flows of the Group. Hence the table given below is not applicable.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

(₹ in Lacs)

Particulars	Change	Profit or loss		Equity, net of tax	
		Strengthening	Weakening	Strengthening	Weakening
31 March, 2024					
Variable rate instruments	+ / (-) 50 Basis points	-	-	-	-
Cash flow sensitivity (net)		-	-	-	-
31 March, 2023					
Variable rate instruments	+ / (-) 50 Basis points	0.98	-0.98	0.73	-0.73
Cash flow sensitivity (net)		0.98	-0.98	0.73	-0.73

(b) Equity Price Risk

The Group's quoted equity investments carry a risk of change in prices. To manage its price risk arising from investments in equity securities, the Group periodically monitors the sectors it has invested in, performance of the investee companies and measures mark- to- market gains / (losses).

Particulars	Carrying value	Fair Value	Profit or Loss	
			1% increase	1% decrease
31st March, 2024				
Investment in Equity shares quoted	466.29	466.29	4.66	(4.66)
31st March, 2023				
Investment in Equity shares quoted	218.83	218.83	2.19	(2.19)

(c) Currency Risk

The Group has Foreign Currency Exchange Risk on imports of input materials in foreign currency for its business. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Unhedged foreign currency exposure as at reporting date

Particulars	March, 2024		March, 2023	
	USD	Amount	USD	Amount
Financial liabilities				
Borrowings and Trade payables	1.59	132.22	4.12	341.38
Net exposure in foreign currency	1.59	132.22	4.12	341.38

Sensitivity analysis

The analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Variable	Change	March, 2024		March, 2023	
		Impact on			
		Profit before tax	Other equity	Profit before tax	Other equity
USD sensitivity (Increase)	+ 5%	-6.61	-4.95	-17.07	-12.77
USD sensitivity (Decrease)	- 5%	6.61	4.95	17.07	12.77

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

38. Interests in Other Entities

(a) Subsidiaries

The group's subsidiaries As at 31st March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Particulars	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
		%	%	%	%	
Hindcon Solutions Pvt Ltd	India	97.52%	97.52%	2.48%	2.48%	Trading & Investment

(b) Non-Controlling Interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts are before inter-company eliminations.

(₹ in Lacs)

Summarised Balance Sheet	Hindcon Solutions Pvt Ltd	
	March 31, 2024	March 31, 2023
Current assets	66.53	140.84
Current liabilities	3.59	9.97
Net current assets	62.94	130.87
Non-current assets	667.43	426.89
Non-current liabilities	12.92	-
Net non-current assets	654.51	426.89
Net assets/(liabilities)	717.45	557.76
Accumulated NCI	59.44	48.77

Summarised Statement of Profit and Loss	Hindcon Solutions Pvt Ltd	
	March 31, 2024	March 31, 2023
Revenue	305.33	423.55
Profit for the year	13.37	22.59
Other comprehensive income/ (loss)	162.45	-6.55
Total comprehensive income	175.83	16.04
Profit allocated to NCI	10.67	3.06
Dividends paid to NCI	0.40	-

Summarised Statement of Cash Flow	Hindcon Solutions Pvt Ltd	
	March 31, 2024	March 31, 2023
Cash flows from operating activities	-9.76	-6.15
Cash flows from investing activities	53.42	11.35
Cash flows from financing activities	-16.14	-
Net increase/ (decrease) in cash and cash equivalents	27.52	5.20

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

39. Capital Management

The Group's management objective are :

- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of carrying amount of equity including retained earnings as presented on the face of Balance Sheet. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. There is no change in the overall capital risk management strategy as compared to the last year.

(₹ in Lacs)

Particulars		As at 31 March, 2024	As at 31 March, 2023
Total debt (Bank and other borrowings)	A	-	98.15
Equity	B	4,995.43	4,234.81
Liquid investments including bank deposits	C	875.86	750.13
Debt to Equity (A / B)		-	0.02
Debt to Equity (net) [(A-C) / B]		-0.18	-0.15

40. Contingent Liabilities and Commitments

Particulars	As at 31 March, 2024	As at 31 March, 2023
i) Contingent Liabilities		
a) Demands/Claims by various government authorities and others not acknowledged as debts by the Group:		
(i) Income Tax Matters	2.92	87.40
(ii) Other statutory bodies	-	-
	2.92	87.40
ii) Commitments		
a) Capital Commitments	-	-
Estimated value of contracts remaining to be executed on capital account	-	-
	-	-

41. Disclosure pursuant to Regulation 34(3) read with Para (A) of of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 read with Section 186(4) of the Companies Act, 2013

Particulars	Principal Outstanding As On		Interest Rate	Repayment Terms
	March 31, 2024	March 31, 2023		
i) Nandini Steels & Securities Pvt Ltd	-	5.00	12%/15%	Repayable on Demand
ii) Mainland Finance Ltd	-	100.00	12%	
iii) Tyre Arcade	380.00	225.00	12%	
iv) JBN Industrial Complex Pvt Ltd	-	50.00	12%	
v) Star Projects & Infrastructure Pvt Ltd	-	30.00	9%	
	380.00	410.00		

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

42. Financial Performance Ratios :

Particulars	Ref	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance %
A. Performance Ratios						
Net Profit Ratio		Profit after tax	Revenue from operations	9.66%	5.09%	4.57%
Net Capital Turnover Ratio	(i)	Revenue from operations	Closing working capital	1.8	2.43	-25.93%
Return on Capital Employed		Profit before interest and tax	Closing capital employed	16.67%	13.86%	2.81%
Return on Equity Ratio		Profit after tax	Average Shareholder's Equity	13.35%	10.57%	2.78%
Debt Service Coverage Ratio	(ii)	Profit before interest , tax and depreciation and amortisation	Debt service = Interest & Lease Payments + Principal Repayments	1.07	20.02	-94.66%
Return on Investment	(iii)	Dividend + Profit on Sale + Changes in Fair value	Average Investment	66.01%	-15.93%	81.94%
B. Leverage Ratios						
Debt - Equity Ratio	(iv)	Total borrowings	Equity	0	0.02	-100.00%
C. Liquidity Ratios						
Current Ratio		Current assets	Current liabilities	4.95	4.56	8.55%
D. Activity Ratios						
Inventory Turnover Ratio	(v)	Cost of good sold	Average inventory	1.09	21.47	-94.92%
Trade Receivables Turnover Ratio		Revenue from operations	Average trade receivables	2.66	3.26	-18.40%
Trade Payables Turnover Ratio		Net Credit Purchase	Average trade payables	7.83	9.72	-19.44%

Note : Explanation for change in ratio by more than 25%

- (i) Net Capital Turnover Ratio has decreased due to lower revenue from operations during the year.
- (ii) Debt service coverage ratio has decreased due to repayment of borrowings made during the year.
- (iii) Return on Investment has increased due to high return earned on investment during the year.
- (iv) Debt equity ratio is decreased due to decrease in total debts of the Group during the year.
- (v) Inventory Turnover Ratio has decreased due to lower cost of goods sold during the year.

43. Other Statutory Information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Group has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.
- (viii) The Group does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- 44.** Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

45. Segment Reporting

There is only one primary business segment i.e. "Sodium Silicate, Construction Chemicals and related services and trading of pulses" and hence no separate segment information is disclosed in this financials. Secondary information is reported geographically.

Geographical segments

The Company primarily operates in India and therefore analysis of geographical segment is demonstrated into Indian and overseas operation as under:

Particulars	March 31, 2024		March 31, 2023	
	India	Overseas	India	Overseas
Revenue from operations	5,170.82	1,280.13	7,041.93	1,517.50
Carrying value of Non-current assets* (other than financial instruments)	675.82	-	299.07	-

*Non-current assets for this purpose consists of Property, plant and equipment and Other non-current assets.

- 46.** Figures for the previous periods have been regrouped and reclassified to confirm to the classification of the current period, wherever considered necessary.

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

47. Disclosure of additional information pertaining to Parent and subsidiary companies as per Schedule III of the Companies Act, 2013

As at 31 March, 2024

(Rs. in lacs)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Hindcon Chemicals Ltd	91.61%	4,630.54	102.44%	638.40	13.05%	24.39	81.82%	662.79
Indian Subsidiary								
Hindcon Solutions Pvt Ltd	14.19%	717.46	2.15%	13.37	86.95%	162.46	21.71%	175.83
Total (A)	105.80%	5,348.00	104.59%	651.77	100.00%	186.85	103.53%	838.62
Less : Consolidation Adjustments and eliminations	-5.80%	-293.13	-4.59%	-28.57	0.00%	-	-3.53%	-28.57
Total Share	100.00%	5,054.87	100.00%	623.20	100.00%	186.85	100.00%	810.05
Non controlling Interest (B)		-59.44		-5.14		-5.53		-10.67
Attributable to Equity Shareholders (A-B)		4,995.43		618.06		181.32		799.38

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

47. Disclosure of additional information pertaining to Parent and subsidiary companies as per Schedule III of the Companies Act, 2013 (Contd.)

As at 31 March, 2023

(₹ in Lacs)

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Hindcon Chemicals Ltd	93.82%	4,018.94	98.94%	430.96	88.68%	-51.29	100.51%	379.67
Indian Subsidiary								
Hindcon Solutions Pvt Ltd	13.02%	557.77	5.19%	22.59	11.32%	-6.55	4.25%	16.04
Total (A)	106.84%	4,576.71	104.13%	453.55	100.00%	-57.84	104.76%	395.71
Less : Consolidation Adjustments and eliminations	-6.84%	-293.13	-4.13%	-17.96	0.00%	-	-4.76%	-17.96
Total Share	100.00%	4,283.58	100.00%	435.59	100.00%	-57.84	100.00%	377.75
Non controlling Interest (B)		-48.77		-3.69		0.63		-3.06
Attributable to Equity Shareholders (A-B)		4,234.81		431.90		-57.21		374.69

The accompanying notes form an integral part of these Consolidated financial statements

As per our report of even date attached

For and on behalf of Board of Directors
of **Hindcon Chemicals Limited**

For **R B ROY & CO.**

Chartered Accountants

ICAI Firm Regn. No.322805E

sd/-

(CA. N. Krishnan)

Partner

Membership No.062381

UDIN: 24062381BKGTCC1480

Kolkata

May 16, 2024.

sd/-

(Nilima Goenka)

(Whole Time Director)

(DIN : 00848225)

sd/-

(Ankita Banerjee)

(Company Secretary)

sd/-

(Sanjay Goenka)

(Chairman and Managing Director)

(DIN : 00848190)

sd/-

(Kashinath Dey)

(Chief Financial Officer)

Corporate Information

Board of Directors

Mr. Sanjay Goenka - *Chairman & Managing Director*
Mrs. Nilima Goenka - *Whole-time Director*
Mr. Ramsanatan Banerjee - *Whole-time Director*
Mr. Binay Kumar Agarwal - *Independent Director*
Mr. Girdhari Lal Goenka - *Independent Director*
Ms. Divyaa Newatia - *Independent Director*

Chief Financial Officer

Mr. Kashi Nath Dey

Company Secretary

Ms. Ankita Banerjee

Main Banker

Kotak Mahindra Bank Limited

Auditors

M/s R B Roy & Co.
Chartered Accountants
49, Deshapran Sashmal Road, 3rd Floor, Room No. 3B,
Kolkata – 700 033

Secretarial Auditor & Legal Advisor

Mr. Santosh Kumar Tibrewalla
Practicing Company Secretary
5A, N.C. Dutta Sarani, 3rd Floor
Kolkata-700 001

Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd.
3A Auckland Place,
7th Floor, Room No. 7A & 7B,
Kolkata- 700 017

Registered Office

62B, Braunfeld Row, 1st Floor,
Kolkata – 700 027.

Manufacturing Facilities

1. Jalan Complex, Gate No. 3, Baniyara, Domjur
Howrah- 711 411.
2. Mouza- Narendrapur, P.O-Munshirhat,
Howrah-711410



Strength Upon Strength

Hindcon Chemicals Limited

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