KILBURN CHEMICALS LIMITED

Regd. Office: "Shantiniketan" 16th Floor, 8, Camac Street, Kolkata- 700 017 Ph-033-22828501,

Email: corporate@kilburnchemicals.com

Website: www.kilburnchemicals.com CIN No. L24117WB1990PLC199409

Date: 20.10.2021

TO
DSE-CRD
The Mumbai Stock Exchange
P.J.Towers
Dalal Street
Mumbai – 400 001

SCRIP CODE – 524699

Dear Sirs,

Sub: Submission of Annual Report with NOTICE for Kilburn Chemicals Ltd and Book Closure date as per SEBI Regulation 34 of LODR,2015 for the forthcoming Annual General Meeting

Please find enclosed Annual Report of Kilburn Chemicals Limited long with its Notices for its 31st Annual General Meeting as per the SEBI regulation of 34 of SEBI LODR, 2015 schedule to be held on 11th November, 2021 at 11.00 A.M. through Video conferencing (VC)/Other Audio visual means(OAVM) to transact the business as set out in the Notice of the AGM. Further said Notices and Annual Report for the financial year ended31.03.2021 has been send to the Shareholders of the Company.

Further Company book closure date will be 5th November, 2021 to 11th November, 2021 for the purpose of the 31st Annual General Meeting.

This is for your information and record purpose.

Thanking you
FOR **KILBURN CHEMICALS LIMITED**
SD/-
MUKESH SHARMA
COMPANY SECRETARY

KILBURN CHEMICALS LTD.

ANNUAL REPORT AND ACCOUNTS 2020-2021

KILBURN CHEMICALS LIMITED

DIRECTORS	ANJAN ROY CHOWDHURY DILIP MUKHERJEE MANIMALA DEY
C.F.O.	M. SUREKA
C.S.	M. SHARMA
BANKERS	BANK OF BARODA & STATE BANK OF INDIA
AUDITORS	V. SINGHI &ASSOCIATES (C.A.FIRM) KOLKATA
REGISTERED & CORPORATE OFFICE	SHANTINIKETAN 8, CAMAC STREET,16TH FLOOR, KOLKATA-700017
REGISTRAR & TRANSFER AGENT	MAHESHWARI DATAMATICS PVT.LTD 23,R.N.MUKHERJEE ROAD,5th FLOOR KOLKATA -700 001 PHONE NO- 2243-2248/2243-5029 EMAIL – mdpldc@yahoo.com

KILBURN CHEMICALS LIMITED

Regd. Office: "Shantiniketan" 16th Floor, 8, Camac Street, Kolkata- 700 017 Ph-033-22828501,
Email: corporate@kilburnchemicals.com
Website: www.kilburnchemicals.com CIN No. L24117WB1990PLC199409

NOTICE FOR THE 31st ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting (AGM) of the Company is scheduled to be held on Thursday, 11th November, 2021 at 11.00 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the business set out in the Notice of the AGM.

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2021, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anjan Roy Chowdhury (DIN: 09036709), who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint and rectification of reappointment of the Auditors and fix their remuneration

AS SPECIAL BUSINESS

4 To approve the appointment of Shri Anjan Roy Chowdhury(DIN:09036709)as an Executive Director of the Company

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

"RESOLVED THAT,Shri Anjan Roy Chowdhury (DIN:09036709) who was appointed as Additional Director of the Company with effect from 23rd February,2021 and who holds office until the date of this Annual General Meeting pursuant to applicable provisions of the Companies Act,2013 including any schedules and the relevant rules thereof (including any statutory modification(s) or re-enactment thereof) and in respect of whom the Company hasreceived a notice in writing from a Member under the applicable provisions of the Companies Act, 2013 and the Rules thereof (including any statutory modification(s) or re-enactment thereof) proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement by rotation.

"RESOLVED FURTHER THAT, all actions taken by the Board of Directors (including any Committee thereof) and all matters related thereto are specifically approved and ratified. Since the Company is under IBC, the powers of the Board of Directors are being vested by the Resolution Professional of the Company

"RESOLVED FURTHER THAT appointment of Shri Anjan Roy Chowdhury (DIN"09036709) is being ratified after getting the approval of the Shareholders of the Company,at such remuneration and the terms and conditions as approved by the Resolution Professional/Committee of Creditors,since the Company is under IBC from 10th August,2020, the powers of the Board are vested by the Resolution Professional of the company/Committee of Creditors.

The Notice convening the 31st AGM of the Company and the Annual Report for the financial year 2020-21 which *inter alia* includes Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon are available in the website of the Company at the www.kilburnchemicals.com

In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs ("MCA") vide its circular dated 5 May, 2020 read with circulars dated 8 April, 2020 and 13 April, 2020 (collectively referred to as "MCA Circulars") and SEBI vide its Circular no SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May, 2020 have permitted the holding of the Annual General Meeting ("AGM") through Video Conference / Other Audio Visual Means, without the physical presence of the Members at a common venue.

Pursuant to the MCA and SEBI Circulars and owing to the difficulties involved in dispatching of physical copies of the Annual Report and Notice of AGM, the same are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

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

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.kilburnchemicals.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e.www.evotingindia.com.

The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

Registered Office:
SHANTINIKETAN, 16th Floor,
8, Camac Street
Kolkata- 700 017
Dated: 30th July, 2021

By Order of the Board
For KILBURN CHEMICALS LIMITED

MUKESH SHARMA
COMPANY SECRETARY

NOTES

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013, is annexed herewith and forms part of the Notice.
2. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 5th November, 2021 to 11th November, 2021 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
4. The Members are requested to:
   (a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. 23 R.N. Mukherjee Road, 5th Floor, Kolkata - 700001 in respect of their holdings in physical form.
   (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
   (c) Register their email address and changes there in from time to time with M/s. Maheshwari Datamatics Pvt. Ltd.23 R.N. Mukherjee Road, 5th Floor, Kolkata -700001, for shares held in physical form and with their respective Depository Participants for shares held in demat form.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act,2013
6. Electronic copy of the Annual Report for 2020-21 is being sent to all Members whose email Ids are registered with the Depository Participants. For members who have not registered their email address, can download the Annual Report for 2019-20 from company's website i.e. www.kilburnchemicals.com and will also be available at BSE website i.e. www.bseindia.com
7. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the Commencement of the Meeting by following in the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders(Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, KMP, the Chairman 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.
8. Details under Regulation 33 of the LODR, 2015 with the Stock Exchange in respect of the Directors seeking appointment / reappointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.
9. The Statutory Registers maintained under section 170 & 189 of the Companies Act,2013 will be available electronically for inspection by the members during the AGM.
10. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with M/s. Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th Floor,Kolkata -700 001. Members are requested to note that dividends not claimed

within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per Section 125 (2) of the Companies Act, 2013 be transferred to the Investor Education Protection Fund.

11. Voting through Electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise means and the business may be transacted through e-voting services by Central Depository Services Limited (CDSL). The instructions for e-voting are as under:

12. The Notice of the 31st Annual General Meeting (AGM) of the Company interalia indicating the process and manner of e-voting process is being emailed to all the Members whose email ids were available with Depository Particpants. For members who have not registered their email address, can download the Annual Report for 2020-21 from company's website i.e. www.kilburnchemicals.com and will also be available at BSE website i.e. www.bseindia.com

13 Pursuant to above SEBI Circular**,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Userswho 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful loginthe Easi / Easiest user will be able to see the e-Voting option for eligible companieswhere the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.Additionally, there is also links provided to access the system ofall e-Voting Service Providersi.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is 4) availableathttps://web.cdslindia.com/myeasi/Registration/EasiRegistration 5) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link availableon www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting optionwhere the evoting is in progressand also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	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 & voting during the meeting.

Individual Shareholders(holding Securities in demat mode)login through their Depository Particpants	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 & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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.comor contact at 022- 23058738 and 22-23058542-43.
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 and 1800 22 44 30

14.Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on "Shareholders" module.

(iii) 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.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) 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.

(vi) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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.
Dividend Bank Details **OR** Date of Birth (DOB)	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. • 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 as mentioned in instruction (v).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii)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.

(ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant Kilburn Chemicals Limited on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) 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 & enter the details as prompted by the system.

15.Facility for Non – Individual Shareholders and Custodians –Remote Voting

- 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 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Comp the email address viz; corporate@kilburnchemicals.com, if they have voted from individual tab & not uploaded same in the Cl voting system for the scrutinizer to verify the same.

16 INSTRUCTIONS FOR SHAREHOLDERSATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting &e-voting on the day of the AGM/EGM is same as the instructions mentioned above for Remote 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 Remote e-voting.

3. The Remote E-Voting period begins from 7th November, 2021 (9.00 A.M.) (IST) and ends on 10th November, 2021 (5.00 P.M.). (IST) During this period, shareholders of the Company, holding shares either in physical form or in dematerlized form, as on the cut-off/entitlement date of 4th November, 2021 may cast their vote electronically.

   The E-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the shareholders by electronic means, the shareholders shall not be allowed to change it subsequently or cast his vote by any other means.

   The voting rights of shareholders shall be in proportion to their shares of the paid up equity capital of the Company as on the cut-of/entitlement date of 4th November, 2021

4. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through VC/OAVM

5. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

6. Mr.Dineshchandra Mangaldas Mehta (Membership No.FCS 32920) has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

7. The scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period in block the votes in the presence of at least (2) witnesses not in the employment of the Company and make scrutinizer's report of the votes cast in favour or against, if, any, forthwith.

8. The results shall be declared on or after the 31st Annual General Meeting of the Company. This Notice as well as the Results declared along with the Scrutinizer's Report shall be communicated to CDSL and Bombay Stock Exchange by 13th November, 2021

9. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

10. 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, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

This meeting would be held in the following manner:

1) Zoom would be used as the online platform for Video Conferencing
2) Maximum of 1000 members can join on first come first join basis
3) Members holding 2% or more of the shares in the Company and KMP would be allowed to join irrespective of the above maximum numbers.
4) Meeting would be started 15 minutes prior to the appointed time and the members may join upto 15 minutes after the scheduled time for the meeting.
5) Attendance of Members through VC shall be counted for all the purpose of the meeting.
6) Before the actual date of meeting, the facility of remote e-voting shall be provided in accordance with the Act and the Rules.
7) **How to Join**
8) For joining the meeting please visit website www.zoom.us from browser (Google Chrome/Internet Explorer) on your laptop/desktop.
9) Members need to enter meeting ID 82088441688 & Password 584942 in order to join the meeting. Further for any technical support for joining zoom meeting or installing the zoom, members need to visit support link available at the website i.e. www.zoom.us. For better experience please use your earphone and mute the microphone when not talking. In case of any assistance required for joining the meeting by video conferencing please call 8777084428
10) The e-voting by all the shareholders will be exercised only after joining the meeting by video conferencing for which members to keep handy the Client ID/Folio No. and No. of shares held by them.
11) As the remote e-voting provided to the members closed on Sunday, 10th November, 2021, the members who have already cast theirvotes through the said facility are welcome to attend the meeting by video conferencing on Thursday,

11th day of November, 2021. However if they cast their vote again by e- voting at the meeting, the same will be treated as invalid. Please note that as per the MCA Circulars the facility of appointment of proxies will not be available for the meetings on Thursday, 11th day of November, 2021. However corporate members can appoint their representative by sending authority letter and board resolution by email to corporate@kilburnchemicals.comupto24 hours before the meeting. No attendance slip is required for the meeting. Members who would like to express their views or ask questions during the AGM may register themselves as a Speaker by sending their request/questions from their registered email id mentioning their name, DP ID and Client ID/folio no, PAN, Mobile no at corporate@kilburnchemicals.com upto 24 hours before the meeting, Those members who have registered themselves as a speaker will only allowed to express their views ask questions during the AGM.The Company reserves the right to restrict the number of Speakers depending on the availability of time for the AGM. . In case of any assistance required regarding the meeting please call 8777084428.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (ERSTWHILE SECTION 173 OF THE COMPANIES ACT, 1956)

Director seeking appointment/re-appointment in the Annual General Meeting Scheduled to be held on 11.11.2021

Name of the Director	Shri. Anjan Roy Chowdhury
DIN	09036709
Date of Birth	09.01.1970
Age	51 Years
Date of Appointment	23.02.2021
Expertise in specific Functional Areas	B.COM graduate having knowledge in Accounts & Finance
Qualification	B.COM
No. of Shares Held in the Company	NIL
List of outside Directorship held	NIL
Chairman Member/Committee of the Board of Directors of the Company	NIL
Chairman Member.Committee of the Board of Directors in other Companies/Audit Committee/Remuneration Committee/Investor Grievance Committee	NIL
Relationship with KMP	He is Director, not related to anyone
Justification for Appointment	He has good knowledge of Finance & Accounts

Registered Office:
SHANTINIKETAN, 16th Floor,
8, Camac Street
Kolkata- 700 017
Dated: 30th July, 2021

By Order of the Board
For KILBURN CHEMICALS LIMITED

MUKESH SHARMA
COMPANY SECRETARY

KILBURN CHEMICALS LIMITED

DIRECTORS' REPORT

Your Directors take pleasure in presenting the 31st Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2021.

FINANCIAL HIGHLIGHTS

(Rs. In lacs)

	2020-21	2019-20
Total Revenue	102.23	-
Gross Operating Profit	102.23	-
Depreciation for the year	1260.71	1260.70
Profit/ (Loss) Before Extraordinary items and Tax	(1702.14)	(1710.92)
Profit Before Tax (PBT)	(1702.14)	(1710.92)
Provision for Tax including Deferred Tax	-	-
Net Profit After Tax (PAT)	(1702.14)	(1710.92)
Add : Surplus / Loss brought forward from previous year	-	4591
Profit available for Appropriation	-	-
Balance carried forward	-	-

GENERAL REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Company could not continue its production from October, 2018 due to acute liquidity issues. The Company has also defaulted in repayment of loans to the lender banks against the credit facilities availed under consortium arrangement besides interest. As a result, the lender banks had classified loan accounts of the Company as Non-Performing Assets by December, 2018. The lender banks have filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the IBC") before the National Company Law Tribunal ("the NCLT") to initiate the Corporate Insolvency Resolution Process ("the CIRP") against the Company. The Hon'ble NCLT Kolkata Bench has admitted the application filed by the lenders and ordered the commencement of the CIRP vide its order dated 10th August, 2020. Consequently, Mr. ParthaPratim Ghosh, Insolvency Professional having RegistrationNo. IBBI/IPA-001/IP-P00554/2017-2018/10984 was appointed as the Resolution Professional for the Company by the Hon'ble NCLT Kolkata Bench on 10thAugust, 2020.

Subsequent to the reporting period i.e. 30th September, 2020, on an application filed by Mr. ParthaPratim Ghosh under Section 27 of the IBC for replacement of the Resolution Professional, the Hon'ble NCLT Kolkata Bench appointed Mr. Sanjai Kumar Gupta having Registration No. IBBI/IPA-001/IP-P00592/2017-18/11045 as the Resolution Professional.

FUTURE OUTLOOK

The Company and Promoters have been looking for fresh funding options through Bankers/Investors etc. but the same was not succeeded. Finally Company was admitted to NCLT vide its order No764/KB/2020 dated 10.08.2020 as per the provisions of the Insolvency and Bankruptcy Code,2016.

EQUITY DIVIDEND

Since the Company is under NCLT vide its order no.764/KB/2020 dated 10.08.2020,hence no Dividend was declared.

TRANSFER TO RESERVES

During the year under review, your directors do not propose to transfer any amount to any reserve. The profit/ loss for the year under review has been shown under the head Reserve and surplus.

DEPOSITS

The company has not accepted any deposit from the public and shareholders falling within the ambit of section 73 of the companies Act 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOAN GURANTEES OR INVESTMENTS

Details of Loan, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the financial Statements.

SHARE CAPITAL

The paid up Equity Share Capital as on March, 31,2021 was Rs 13.90 Crores. The company has not granted any stock option to employees nor issued any Sweat Equity Shares or buy back of Shares of the Company.

EXTRACT OF THE ANNUAL RETURN

Pursuant to section 92 (3) of the Companies Act 2013 (the Act) and Rules 12 (1) of the Companies (Management and Administration) Rules 2014, The details forming part of the extract of the Annual Return in the form MGT 9 is not required as per the latest amendment of the Ministry of Corporate affairs(MCA),hence same can be obtain from website of company i.e.www.kilburnchemicals.com

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act 2013 (the Act) and accounting standard (AS)-21 on Consolidated Financial Statements read with As -23 on accounting for Investments in Associated and As -27 on financial Reporting of Interests in Joint Ventures, the Audited Consolidated Financial Statement is not applicable to the company as company has no subsidiary, Joint Ventures and Associate company as define in Companies Act, 2013.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company does not have any Subsidiary, Joint-Venture and Associate Company as per the Companies Act, 2013.

CORPORATE GOVERNNANCE

Pursuant to the provisions contained in the Listing Agreement with Stock Exchanges, a Report on Corporate Governance together with the Auditors' Certificate on the compliance of the conditions of the Corporate Governance is annexed herewith. The Management Discussion and Analysis Report has not been annexed as the company does not have any business after Wind Mill Division sold.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

All the Independent Directors have given declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act 2013 and as per Regulation 25 of Listing Obligations and Disclosure Requirements, Regulation 2015 of the Listing Agreement. Shri Anjan Roy Chowdhury – Director of the Company, Shri Manoj Sureka – Chief Financial Officer and Shri Mukesh Sharma –Company Secretary are Key Managerial Personnel of the company.

PERFORMANCE EVALUATION BOARD EVALUATION

In Compliance with the Companies Act 2013 and Regulation 17 of the Listing Regulations, the performance evaluation of the Board and its Committees were carried out during the year under review.

More details on the same is given in the Corporate Governance Report.

DETAILS OF BOARD AND COMMITTEE MEETING

During the year under review, the Board of Directors has met 4 times. Details of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee meeting, its members and their attendance and terms of reference has been provided in the Corporate Governance report.

The company has already framed a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. More Details on the same is provided in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that :

A) In the preparation of the annual accounts for the year ended March 31,2021, the applicable accounting standards read with requirements set out under Schedule III of the act, have been followed and there are no material departures from the same

B) 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 as at March 31,2021 and of the profit of the company for year ended on that date,

C) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,

D) The Directors have prepared the annual accounts on a going concern basis

E) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and

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

RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act 2013 and the Listing Regulations. There are no materially significant related party transactions made by the company with promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large or which warrants the approval of shareholders. Accordingly no transactions are being reported in Form AOC-2 in terms of section 134 of the act read with Rule -8 of the Companies (Accounts) Rules 2014. However the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtain which are of a repetitive nature.

CORPORATE SOCIAL RESPONSIBILTY

In line with the provisions laid down under Section 135 of the Companies Act, 2013 and Rules made there under. CSR committee will decide the amount to be spent in CSR programs and activities mentioned in Schedule Vii of the Companies Act, 2013Details of the CSR activities undertaken by the company is annexed to this report as annexure-4.

VIGIL MACHANISM POLICY

The Company has in place a Vigil Mechanism also known as Whistle Blower Policy pursuant to the requirements of the Companies Act 2013 and the Listing Agreement. The Policy empowers all the stakeholders to raise concerns and provided for adequate safeguards any employee and/or person dealing with the company can make disclosure about any wrong doing in company operations through a e-mail or through telephone or letter to the Chairman of the Audit Committee.
The policy on vigil mechanism or whistle Blower policy may be accessed on the company website at the link www.kilburnchemicals.com

POLICY ON NOMINATION AND REMUNERATION

The Company follows a policy on Remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination &Remuneration Committee and the Board. The main objective of the said policy is to ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and senior management employees. The Remuneration Policy for the Directors and senior management employees is given in the Corporate Governance Report.

RISK MANAGEMENT

The Company has formulated risk management Policy which is well defining mechanism to identify, assess, monitor and mitigate various risks to key business objectives. On continuous basis risks are indentify by the functional heads and which discussed at various Committee or group level including Audit Committee and Board of Directors and systematically address to mitigate risk.

INTERNAL FINANCIAL CONTROLS

The company has in place the adequate internal financial controls systems with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness was observed.

AUDITORS AND AUDITORS' REPORT

M/s. V. Singhi & Associates, Chartered Accountants, the Statutory Auditors of the company to retire at the ensuing Annual General Meeting of the company and are eligible for reappointment. They have furnished certificate regarding their eligibility,

pursuant to Section 139(1) of the Companies Act, 2013 and read with relevant Rules. The Board of Directors recommends their re-appointment for one year. The notes to the accounts referred to in the Auditors' Report are self explanatory. The Auditors' Report for FY 2020-21 forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act 2013 read with the Rules thereof, the company has appointed M/s Sunil Kumar Banerjee, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of Secretarial Auditors is annexed to this report as annexure -1.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the regulators/ Court/Tribunals which would impact the going concern status of the Company and its future operations.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has no amount lying unclaimed, by the members of the company for a period exceeding 7 years from its due date of payment, during the year under review, which were need to be transferred to Investor Education and Protection Fund, in compliance with the provisions of Section 123,124 & 125 the companies Act, 2013.

PARTICULARS OF EMPLOYEES

Industrial relations in the Company continued to be cordial and satisfactory. Particulars or details of the employees cover under the provisions of Section 197 of the Companies Act, 2013, read with Rules - 5 of the Companies (Appointment and Remuneration of Managerial Personnel)Rules,2014 are attached to this report as annexure -2.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARING AND OUT GO

Statement pursuant to the provisions of section 134 (3)(m) of the Companies Act 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 is annexed herewith as Annexure -3 During the year under review the company is setting up a new plant which has already focused on and matter related to energy saving equipment and latest technology. The further measure will be taken after the commencement of plant.

ACKNOWLEDGEMENT

Your Directors are grateful for the co-operation and continued guidance and support extended by various agencies of Central Government and State Government (s) and various Government Departments and Agencies, Bank of Baroda and State Bank of India. Your Directors thank and express their gratitude to various stakeholders i.e. customers, dealers, suppliers, advisors and consultants for their committed engagement with the Company. The Directors greatly appreciate the dedicated and sincere services rendered by the employees at all levels. Finally, the Directors express their gratitude to all the Shareholders for their support.

For and on behalf of the Board,
SD/-

Place : Kolkata **Anjan Roy Chowdhury**

Date : 30th July, 2021 **Director**

Annexure 1

FORM NO.MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2021

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

To,
The Members,
KILBURN CHEMICALS LIMITED
(CIN-L24117WB1990PLC199409)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KILBURN CHEMICALS LIMITED** (hereinafter called the "Company"). 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 company's 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, 2021**. The Company could not continue its production from October, 2018 due to acute liquidity issues. the lender banks had classified loan accounts of the Company as Non-Performing Assets by December, 2018. The lender banks have filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the IBC") before the National Company Law Tribunal ("the NCLT") to initiate the Corporate Insolvency Resolution Process ("the CIRP") against the Company. The Hon'ble NCLT Kolkata Bench has admitted the application filed by the lenders and ordered the commencement of the CIRP vide its order dated 10th August, 2020. Consequently, Mr. ParthaPratim Ghosh, Insolvency Professional having RegistrationNo. IBBI/IPA-001/IP-P00554/2017-2018/10984 was appointed as the Resolution Professional for the Company by the Hon'ble NCLT Kolkata Bench on 10thAugust, 2020.

Subsequent to the reporting period i.e. 30th September, 2020, on an application filed by Mr. ParthaPratim Ghosh under Section 27 of the IBC for replacement of the Resolution Professional, the Hon'ble NCLT Kolkata Bench appointed Mr. Sanjai Kumar Gupta having Registration No. IBBI/IPA-001/IP-P00592/2017-18/11045 as the Resolution Professional.

I have examined the books, papers, minute books,forms,returns, files and other records maintained by the Company for the financial year ended on **31st March, 2021**, according to the provisions of : -

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended in

2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) 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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

6. (i) Employees Provident Fund and Miscellaneous Provisions Act,1952 and Employees Pension Scheme,1995.

(ii) The Employees State Insurance Act (ESIC), 1952.

7. Employers Liability Act,1948.

8. Equal Remuneration Act,1976.

9. Indian Contract Act,1872.

10. Income Tax Act,1961 and Indirect Tax Laws including Goods and Services Act,2017.

11. Indian Stamp Act,1999.

12. Negotiable Instruments Act,1881.

13. Payment of Bonus Act,1965.

14. Payment of Gratuity Act,1972.

15. The Factories Act,1948 and other incidental Laws and Regulations applicable to the Factories.

16. The Environmental Pollution Control Act(including Air,Water and Energy) I have also

examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India. Secretarial Standards SS-3 relating to Dividend was not applicable since Dividend was not declared during the year under review.

(ii) The erstwhile Listing Agreement entered into by the Company with the Mumbai Stock Exchange which has been replaced by The Securities & Exchange Board of India(Listing Obligations and Requirements) Regulations, 2015.

During the period under review, the Company was admitted to CIRP and I further report that the Board of Directors of the Company was constituted with ,One Whole Time Executive Director who resigned on 24.02.2021 and another director was appointed on 23.02.2021 ,Two Non-Executive Independent Directors,including one women director,Two Key managerial personnel appointed on the position of CFO and Company Secretary were there under the period of review. **I further report that** during the audit period, there are no instances of:-

(i) Public/Right/ issue of shares / debentures/sweat equity, etc. *

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 (1)(c)of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations.

(vi) Issue and Listing of Debt Securities.

(vii) Delisting of Equity Shares.

(viii) According to the information and explanations given to me,the Company has not accepted any public deposits pursuant to the provisions of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014

during the year under audit.

(ix) According to the information and explanations given to me and on checking the records, it was noted that Company had availed Credit facilities Loans under Consortium Finance from State Bank of India and Bank of Baroda. As reported by the management, the Company has defaulted in the repayment of instalments resulting in accumulation of interest, thus raising the borrowing amount significantly from both the Banks.

SUNIL KUMAR BANERJEE PRACTISING
COMPANY SECRETARY FCS No. : 2189
C P No : 4652

Place : KOLKATA
Date : 30th July, 2021

		ANNEXURE -2
REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES		
As per the provisions of section 197 of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and remuneration of Managerial Personnel)Rules 2014 and amened from time to time.		
I	The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	ratio of remuneration to median remuneration of employees for 2019-20
ii	Percentage increase in remuneration of each Director, Chief Executive Officer Chief Financial Officer and Company Secretary or Manager, if any, in the financial	percentage increase in remuneration in financial year 2019-20
	Shri Ashim Kumar Dutta -	Nil
	Shri Anjan Roy Chowdhury	Nil
	Shri.Manoj Sureka -	Nil
	Shri Mukesh Sharma	Nil
iii	Percentage increase in the median remuneration of employees in the financial year	Nil
iv	Number of permanent employees on the roll of company	5
V	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	
	Average percentage increase in managerial remuneration =Nil	
vi	During the year, Mr. Ashim Dutta Director of the company received remuneration in excess of the highest paid director.	N.A.
vii	we affirm that the remuneration paid to the Managerial and non Managerial Personnel is as per the remuneration policy of the company	
	The Remuneration paid during the financial year ended 31st March 2021 in terms of the Remuneration Policy of the company	

ANNEXURE - 3

INFORMATION REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

(A)	**Conservation of Energy**	
	(i) the step taken or impact on conservation of energy:	Nil
	(ii) the step taken by the company for utilizing alternate source of energy:	Nil
	(iii) the capital investment on energy conservation equipment :	Nil
(B)	**Technology absorption**	
	(i) the effort made towards technology absorption:	Nil
	(ii) the benefit derived like product improvement, cost reduction, product development, or import substitution :	Nil
	(iii) the company has not imported any technology in last three years :	Nil
	(iv) expenditure incurred on research and development :	Nil
(C)	**Foreign exchange earning and out go**	
	Foreign exchange inflow / earning	Nil
	Foreign exchange out go	Nil

ANNEXURE-4

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

A brief outline of the Companies Act, 2013 and the rules made there under, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act.The Company has been promising organizational integrity and ethical business practices through transparency in disclosure and reporting procedures, leveraging green technologies, processes and standards to produce goods and services that contribute to social and environment sustainability,contributing to inclusive growth and equitable development in society through capacity building measures, empowerment of the marginalised and under privileged sections/communities, promoting welfare of the employees and labour (casual or contractual)by addressing their concerns of safety,security, professional enrichment and healthy working conditions, whether mandated or otherwise. The Company wishes to formalise and institutional its effort made in the domain of Corporate Social Responsibility and this policy shall serve as a guiding document to help identify, execute and monitor CSR projects in keeping with the spirit of the policy. This policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different sections of the Society. The Composition of the CSR Committee: Mr. Dilip Mukherjee (Chairman) & Ms. Manimala Dey, Member. Company was supposed to spent during the financial year 2019-2020 Rs. 51 lacs which was let unspent from last year and due to Losses in Current year CSR was not applicable. Reason for not spending the amount earmarked: small portion of amount remain unspent for the f.y,17-18, will spent in the year 2021-22. Responsibility statement of the CSR Committee: The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and policy of the Company.

Dilip Mukherjee
Date: 30th July, 2021 **Chairman of the CSR Committee**

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 27 of LODR, 2015]

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company firmly believes in transparency, professionalism and accountability in its dealings and lays emphasis on integrity and compliance of regulatory provisions and has constantly endeavoured to practice good Corporate Governance. The above policies adopted by the Company recognize the accountability of the Board and assist its top management in the efficient conduct of the business of the Company and at the same time in meeting its social obligations.

The Company has taken a series of steps to put in place appropriate Corporate Governance Policies for your Company and to comply the regulations framed in this regard by the Securities & Exchange Board of India.

2. BOARD OF DIRECTORS

As per the NCLT order Company was under CIRP Process vide order dated 10.08.2020 order CP(IB) N0.764/KB/2020 and the power of the Board was Resolution Professional bearing registration No. IBBI/IPA-001/IP-P00592/2017-18/11045. Further as the power of the Board was vested with Resolution Professional, hence Coordination meeting was only held in order to take any decisions pertaining to Company

The Board of Directors of your Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance management, legal and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Regulation 17 (1) of the LODR, 2015.

As required by section 165 (1) of the Companies Act,2013 and Regulation 26 of the LODR,2015, none of the Directors holds Directorships in more than 20 Companies (Public or Private), 10 public companies, membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairmanship of Board Committee in excess of 5.None of the directors serves as Independent Director in more than 5Listed Companies. None of the Director who serves as Whole Time Director in any listed Company serves as Independent Director in more than 3 listed Companies.

The composition, status, attendance at the Board Meetings and the last Annual General Meeting (AGM), outside Directorships and other Board Committees as at 31st March, 2021 is as under :-

Name of the Director	Status i.e., Executive, Non Executive and Independent	No. of Membership in other Boards or other Committees as a Member or Chairman (other than Private Limited Companies and Kilburn Chemicals Ltd.)		Number of Board Meetings		Whether attended last A.G.M.
		Board	Committee	held during the year	Attended during the year	
Mr. Anjan Roy Chowdhury(appointed on 23.02.21)	Director	-	-	-	-	N.A.
Mr.Dilip Mukherjee	Independent Director	1	1	4	1	YES
Ms.Manimala Dey	Independent Director	-	-	4	-	NO
Mr.Ashim Dutta (resigned on 24.02.21)	Executive Director	-	-	4	1	YES

(i) INDUCTION AND FAMILIARIZATION PROGRAM FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, functions, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, and Regulation 25 (7) of the LODR,2015 and other relevant regulations and his affirmation taken with respect to the same. By way of an introduction to the Company, the Directories presented with a relevant Annual Reports. Further, with a view to familiarize him with the Company's Operations, the Director is explaining through presentations giving an over arching perspective of the industry.

The company senior staffs gives the details of organisational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The MD also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfil his role as a Director of the Company. This also helps the Company to know about the Skills/ expertise/competencies required by the Director for working with the Company and vice versa, Directors also get information about the working of the Company.

Independent Directors of the Company are no where connected to the Company and has all independency in taking the decision at the Board and to the management. During the year many Independent Directors of the Company resigned from the Company, due to pre-occupation and due to the problems faced by the company under the period of review.There was no other reasons other than provided.

(ii) COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are tabled at the Board Meetings.

3. Independent Directors' Meeting

During the year under review, the Company was going through CIRP Process, hence all the power of Board was vested with Resolution Professional of the Company ,due to which no such meeting of Independent directors was held. Prior to this Company's Independent Directors used to meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present Independent Directors' views to the Managing Director.

4. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board and of the committees of Board by way of individual and collective feed back from Directors.

The following were the Evaluation Criteria :

For Independent Directors:

- Knowledge and Skills
- Professional Conduct
- Duties, Role And functions

For Executive Director / Managing Director

- Performance of Team Leader/ Member
- Evaluating business Opportunity
- Key set goals and achievements
- Professional conduct
- Sharing of information with the Board

5. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the Board on the adequacy of the Internal Control Systems and financial disclosures.

The terms of reference of the Audit Committee covers the matter specified for Audit Committee under Regulation 18 of the LODR, 2015 and the Companies Act, 2013 and is vested with the following powers :

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advices.
- To secure attendance of outsiders with relevant expertise, if considered necessary.

Review of Company's Financial reporting process.

- Review of quarterly, Half yearly and annual financial statements, before submission to the Board.
- Review with External Auditors, on areas of concern.
- Review the adequacy of internal control systems.
- Recommendations for the appointment/remuneration & terms of appointment of auditors of the Company.
- Reviewing, with the management with the statement of uses and applications of funds raised through issue(public, right, preferential issue etc)
- Scrutiny of inter-corporate loans & investments.
- Evaluations of internal financial controls of risk management system.
- To review the function of whistle blower mechanism.
- Carry out any other functions as mentioned in terms of reference of audit committee.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various Accounting Standards (AS) issued by The Institute of Chartered Accountants of India. Compliance of the AS as applicable to the Company has been ensured in the Financial Statements for the year ended 31st March 2019. Since the Company was under CIRP Process vide order dated 10.08.2021 order no CP(IB) N0.764/KB/2020, all the powers of the Board was vested with the Resolution Professional of the Company and all the decisions were made at the Coordination meeting of the Company. Prior to the CIRP Process only one Audit Committee was held dated 30.06.2020.

6. Nomination and Remuneration Committee

Pursuant to the provisions of Section 178 of the Companies Act,2013 and regulation 19 of the LODR,2015, the Nomination and Remuneration Committee comprises of three Directors viz. Mr. Dilip Mukherjee (Chairman), Mr. Ashim Dutta (Resigned on 24.02,2021) and Ms.Manimala Dey. The terms of reference of the Committee cover the matter specified for Nomination and Remuneration Committee under the provision of LODR,2015 and Companies Act 2013 and rules made thereunder.

7. Corporate Social Responsibility Committee.

The committee was constituted vide the Board Meeting held on 30.05.2018 To formulate and recommend to the Board, a corporate Social Responsibility Policy indicating the activity to be undertaken by the company as specified in

schedule VII and the committee recommend the amount of expenditure to be incurred and monitors the expenses on corporate Social Responsibility from time to time. The Corporate Social Responsibility Committee comprises of three Directors namely Mr. Dilip Mukherjee (Chairman, Independent Director) Mr. Ashim Dutta (Member, Director,resigned on 24.02.2021), & Ms. Manimala Dey (Member, Independent Director).

8. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

Appointment criteria and qualification

a) A person who is proposed to be appointment as director of the company should be eligible to be appointed as Director and must hold Director Identification Number issued by the Central Government and possess such qualification, expertise and experience as prescribed under the Act.

b) Without prejudice to generality of the above, a person who is proposed to be appointed as an Independent Director shall also be subject to compliance of provisions of section 149(6)

c) KMP or senior Management personnel shall have adequate qualification, expertise and experience in the relevant field for which the appointment is proposed to be made.

d) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Term / Tenure

a) **Managing Director/ Whole Time Director/ Manager (Managerial Personnel)**

The company shall appoint or re appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re appointment shall be made earlier than one year before the expiry of term.

b) **Independent Director**

An Independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent that an Independent Director shall not, during the said period of three years, be appointed in or be associate with the company in any other capacity, either directly or indirectly.

9. EVALUATION

The committee shall carry out evaluation of performance of every Director, KMP and senior Management Personnel at such interval as deemed fit.

10. REMOVAL

The Committee may recommend the Board for removal of a Director, KMP or Senior Management Personnel for reason recorded in writing.The procedure for removal of any Director shall be as per the provisions of the Act in this regard.

11. RETIREMENT

The Directors, KMP and senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the company. The Company will have the discretion power to retain the Directors, KMP, senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the company.

REMUNERATION POLICY

a) The remuneration / compensation / commission etc. to the Managerial Personnel will be determined by the committee and recommended to the Board for approval which shall be subject to the prior / post approval of the shareholders of the company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Managerial Personnel shall be in accordance with the

percentage/ slabs / conditions as per the provisions of the Act.

c) Increments to the existing remuneration / compensation structure may be recommended by the committee to the Board which should be within the limits approved by the shareholders in case of Managerial Personnel.

d) Where any insurance is taken by the company on behalf of its Managerial Personnel, Chief Executive Officers, Chief Financial Officer, Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

12. REMUNERATION TO MANAGERIAL PERSONNEL, KMP, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

a) Fixed Pay

The Managerial Personnel shall be eligible for a monthly remuneration as may approved by the Board on the recommendation of the Committee in accordance with the provisions of the Companies Act,2013 and rules made there under for the time being in force. The breakup of the pay scale and quantum of perquisites including employer's contribution to P. F. pension scheme, medical expenses, club fees, other non monetary benefits etc. Shall be decided and approved by the Board on the recommendation of the committee and approved by the shareholders and Central Government, wherever required.

b) Variable Pay

The Managerial Personnel may be eligible to performance linked incentives as may be determined by the Board from time to time.

c) Commission

The Managerial Personnel may be paid commission if approved by the shareholders. The Shareholders may authorize the Board to decide commission to be paid to any Managerial Personnel of the Board.

d) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the central Government.

e) **Provision For Excess Remuneration**

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the company and until such sum is refunded, hold it in trust for the company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

f) **Remuneration to Other**

The remuneration to Company Secretary, Chief Financial Officers, Chief Executive Officer,Senior Managerial Personnel and other employees of the company shall be governed by the H R Policy of the company.

REMUNERATION TO NON EXECUTIVE /INDEPENDENT DIRECTORS

(a) Remuneration

The remuneration shall be in the accordance with the provisions of the Companies Act,2013 and rules made there under for the time being in force.

(b) Sitting Fees

The Non Executive / Independent Director may receive fees for attending meeting of the company. Provided that the amount of such fee shall not exceed Rs one lacs per meeting of the Board or Committee or such amount as may be prescribed under the Act. Additionally the Non Executive Directors shall be reimbursed travelling and incidental expenses incurred for attending the meeting

(c) Commission

Commission may be paid within the monetary limit approved by the shareholders, subject to the limit as prescribe under the Act.

(d) Stock Option

An Independent Director shall not be entitled to any stock option of the company.

DETAILS OF REMUNERATION PAID TO DIRECTORS

The Details of Remuneration paid to Directors for the year ended 31st March, 2021 are as follows :

Name of the Director	Sitting Fees	Salaries & Perquisites	Commission	No. of Shares held	
				Equity	Preference
Mr. A.Dutta (resigned on 24.02.2021)	–	–	–	-	–
Mr. Dilip Mukherjee	NIL	–	–	–	–
Mrs. Manimala Dutta	NIL	–	–	–	–
Mr.Anjan Roy Chowdhury	NIL	9000	-	-	-

The Company does not have any Employee Stock Option Scheme.

The remuneration of the Managing Director is determined by the Board within the statutory limits subject to shareholder's approval and on the basis of recommendation of the Remuneration Committee.

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees

13. Stakeholders' Relationship Committee

As per Regulation 20 of LODR,2015 and other applicable provisions of the companies Act, the terms of reference of the Committee are transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;

- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;

The Committee is headed by Mr.Dilip Mukherjee, Independent Director. The other members of the Committees and Mrs,Manimala Dey, Independent Director.

The Committee generally meets once a month.

A	No. of Pending Complaints as on 01.04.2020	NIL
B	No. of complaints received from Stock Exchanges/SEBI/Investors	NIL
C	No. of complaints resolved	NIL
D	No. of pending complaints as on 31.3.2021	NIL

Mr. Mukesh Sharma is the Compliance Officer.

9. Risk Management policy

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has risk

management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management policy comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the Board risk management policy and framework in line with local legal requirements and SEBI guidelines;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, and potential impact analysis and mitigation plan.

10. DISCLOSURE

i. RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

ii. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

iii. Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a framed whistle blower Policy to deal with instances of fraud and mismanagement, if any. The whistle blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

iv. Subsidiary Companies

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

v. Internal Controls and Accounting standard

The Company has a formal system of internal control system which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and
- steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism and
- To review the findings of investigation into cases of material nature and the actions taken in respect there of

The Company has followed the Accounting Standards notified by the companies (Accounting Standards) Rules 2006 as amended from time to time, read with Companies (Accounts)Rules, 2014 in preparation of its financial

Statements.

vi. **Details of Compliance with Mandatory Requirements and adoption of Non mandatory requirements as per LODR, 2015**

Mandatory Requirements

The Companies complies with all the mandatory requirements of LODR, 2015 of the on Code of Corporate Governance.

Discretionary Requirements under Regulation 27 of listing Regulation

a) Office for Non Executive Chairman at company's expenses : not applicable

b) Shareholders Rights : As the Quarterly and Half yearly financial performance along with significant events are published in the news papers and are also posted on the Company website, the same are not being sent to the shareholders.

c) Modified Opinion in Auditors Report : The Company's financial statement for the year 2019-20 contain any modified audit opinion.

d) Separate post of Chairman & CEO : Not Complied

e) Reporting of Internal Auditors directly to Audit Committee : Not Complied

vii. **Shareholding of NON Executive Directors**

No directors hold any other shares of the Company.

viii. **Disclosure of relationship between directors inter-se**

None of the Directors of the company is related to any other Directors

xi. **Disclosure under the Sexual Harassment of women at Work place (Prevention, Prohibition and Redressal) Act 2013**

The Company has in place a policy on prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of women at the work place (Prevention, Prohibition & redressal) Act, 2013

Internal Complaint Committee has been set up to redress complaints received regarding sexual harassment.

All employees (Permanent, contractual, temporary, trainees) are covered under this policy. During the year, the company has not employed any woman.

x. **Code of Conduct**:

Boards of Directors of the Company have laid down the Code of Conduct for all its Members and Senior Management Personnel who have affirmed their compliance therewith. The Code has also been displayed on the Company's Website.

xi. **Prevention of insider trading code**

As per SEBI (prohibition of Insider Trading)Regulation,2015 the company has follow Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. Who could have access to the unpublished price sensitive information of the Company are governed by this code. The Company Secretary as Compliance Officer, who is responsible for setting forth procedure and implementation of the code.

xii. **CFO Certification**

In terms of LODR,2015 Regulation 17(8)of the Listing Agreement, the certification by the Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained .The said certificate is annexed and forms part of the Annual Report.

xiii. **Credit Rating**

During the year under review, Company obtained rating D from CARE rating Agency.

11. GENERAL BODY MEETINGS

(i) Details of Annual General Meeting

The location and time of the General Meetings held during the last three years is as follows :

AGM/eGM	Date	Venue	time	No. of special resolutions Passed
AGM	30.12.2020	Virtual Meeting throughVC/OAVM	11.00 A.M.	NIL
EGM	16.06.2020	Virtual Meeting throughVC/OAVM	11.00 A.M.	1
AGM	30.09.2019	Bharatiya Bhasha Parishad, 36A,Shakespeare Sarani, Kolkata-17	10.00 A.M.	NIL
AGM	26.09.2018	Bharatiya Bhasha Parishad, 36A,Shakespeare Sarani, Kolkata-17	10.00 A.M.	1

12. MEANS OF COMMUNICATION

Quarterly, half yearly and annual results are published in prominent dailies such as The Political Business Daily (English) and Sukhabar (Bengali) newspapers and also displayed on the Company's website: www.kilburnchemicals.com

13. GENERAL SHAREHOLDER INFORMATION

i) Next Annual General Meeting

Date	-	11.11.2021
Time	-	11.00 A.M.
Venue	-	VIRTUAL MEETING 8, Camac Street, Kolkata - 700017

ii) FINANCIAL CALENDAR : (tentative) for the year 2021-2022

a)	First Quarter Results	-	2nd Week of July, 2022
b)	Second Quarter Results	-	1st Week of November, 2022
c)	Third Quarter Results	-	1st Week of February, 2022
d)	Results for the year ending March 2021	-	May, 2022

iii)	**Date of Book Closure**	-	05.11.2021 to 11.11.2021 (both days inclusive)
iv)	**Dividend Payment Date**	-	N.A.
v)	**Listing on Stock Exchange**	-	The Stock Exchange, Mumbai

Listing Fee for the financial year 2021 -2022 has not been paid to the Stock Exchange as the Company is under CIRP Process.

The Stock Exchange Code - 524699

Demat ISIN No.for NSDL & CDSL - INE655C01027

MONTHLY STOCK PRICE DATA :

Month	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2020	9.49	8.18
May, 2020	9.12	8.50
June, 2020	8.67	8.67
July, 2020	8.67	8.67
August, 2020	8.67	8.67
September, 2020	8.67	8.67
October, 2020	8.67	8.67
November, 2020	8.67	8.67
December, 2020	8.67	8.67
January, 2021	8.67	8.67
February, 2021	8.67	8.67
March, 2021	8.67	8.67

(relates to trading in The Stock Exchange, Mumbai)

Distribution of Shareholding as on 31.03.2021

No.of Equity Shares held	No.of Folios	%	No.of Shares	%
1 to 500	12237	97.0343	878057	6.3136
501 to 1000	160	1.2667	128784	0.9260
1001 to 2000	90	0.7137	138078	0.9928
2001 to 3000	35	0.2775	88066	0.6332
3001 to 4000	25	0.1982	87317	0.6278
4001 to 5000	13	0.1031	59974	0.4312
5001 to 10000	22	0.1745	150344	1.0810
10001 and above	29	0.2300	12376757	88.9942
	12611	100.0000	13907377	100.0000

Shareholding Pattern as on 31.03.2021 is as follows :

Category	No. of Folios	No. of shares	%

Promoters	14	9947274	71.5252
Mutual Fund	2	1600	0.0115
Bank, Financial Institutions	4	1000	0.0072
Private Corporate Bodies	98	1677098	12.0591
Indian Public	12460	2271987	16.337
NRI/OCBs	33	8418	0.0605
	12611	13907377	100.0000

DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31st March, 2021 1568 shares were converted from physical to electronic form. Trading in Equity Shares of the Company is permitted only in dematerialised form with effect from 29.1.2000 as per notification issued by the Securities and Exchange Board of India. (SEBI).

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : Not Applicable.

Registrar & Share Transfer Agent : MAHESHWARI DATAMAtICS PVT. LTD.
23 R.N.Mukherjee Road, 5th Floor
KOLKATA 700 001.

Address of Registered Office & Correspoendence : SHANTINIKETAN, 8, CAMAC STREET,
16TH FLOOR, KOLKAtA -17

Address of Plant : D2/CH-170, Dahej –II,
Industrial Estate, Village - Jolwa, Taluka - Vagra, Dahej,
Bharuch-392130, Gujarat Website for

Policies and other Information : www.kilburnchemicals.com

Share Transfer System : Share Transfers in physical Form are processed by the Share Transfer Agent and approved by the Stake Holders Relation Ship committee which meets at regular intervals. Share Transfers are registered and returned generally within 15 days from date of receipt, provided the documents are complete in all respects

Place : Kolkata **ANJAN ROY CHOWDHURY**

Date : 30th July, 2021 **DIRECTOR**

ANNEXURE TO THE DIRECTORS' REPORT

CERTIFICATION BY CFO UNDER REGULATION 17(8) OF SEBI LISTING REGULATIONS

The Board of Directors, Kilburn Chemicals Limited

We have reviewed the financial statements and the cash flow statement of Kilburn Chemicals Limited for the year ended March 31, 2021 and to the best of our knowledge and belief:

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

(ii) these statements together present a true and fair view of the Company's 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 which 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 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 for rectifying 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 made during the year and the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

MANOJ SUREKA
CHIEF FINANCE OFFICER

Place: Kolkata

Date: 30th July, 2021

AUDITORS' CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

The Members,
Kilburn Chemicals limited

We have examined the compliance of conditions of Corporate Governance by Kilburn Chemicals Limited (the Company), as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges (for the eight months period ended 30 November 2020) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') (for the four months period ended 31 March 2020).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and the SEBI Regulations.

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

For V.SINGHI & ASSOCIATES
(Aniruddha Sengupta) Partner

Membership No.051371
Chartered Accountants
Firm Registration No.311017E
Four Mangoe Lane,
SURENDRA MOHAN GHOSH SARANI
Kolkata – 700 001

Place : Kolkata
Date: 30th July, 2021

ANNEXURE TO THE DIRECTORS' REPORT

CERTIFICATION BY CFO UNDER REGULATION 17(8) OF SEBI LISTINGREGULATIONS

The Board of Directors, Kilburn Chemicals Limited

We have reviewed the financial statements and the cash flow statement of Kilburn Chemicals Limited for the year ended March 31, 2021 and to the best of our knowledge and belief:

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

(ii) these statements together present a true and fair view of the Company's 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 which are fraudulent, illegal or violative of the Company's Code ofConduct.

(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 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 for rectifying these deficiencies.

(d) We have indicated to the Auditors and the AuditCommittee:

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

MANOJ SUREKA(CFO)

Place: Kolkata
Date: 30th July, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Kilburn Chemicals Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of Kilburn Chemicals Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), theStatement of Changes in Equity andthe Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us exceptforthe effect of matters discussed in the Basis for Qualified Opinion section of our report, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended; ('IND AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31stMarch, 2021, its losses (including OtherComprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for QualifiedOpinion

a) Non-Recognition of interest expense

We draw attention to Note 44d(iii)of the Financial Statements relating to non-recognition of interest expense amounting to Rs. 676.73 Lakhs (Rs. 1,881.96 Lakhs for the year ended 31stMarch, 2020)on its bank borrowings and Rs. 73.32 Lakhs (Rs. 194.16 Lakhs for the quarter ended 31stMarch, 2020) on its other borrowings from 1stApril, 2020 till the date of commencement of CIRP i.e. 9thAugust, 2020.As a result, finance costs, liabilities on account of interest and total comprehensive loss are understated to that extent.This constitutes a material departure from the requirement of Ind AS 1 "Presentation of Financial Statements".

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

Material Uncertainty Related To Going Concern

The Company could not continue its production from October, 2018 due to acute liquidity issues. The Company has also defaulted in repayment of loans amounting to Rs. 16,913.66Lakhs to the lender banks against the credit facilities availed under consortium arrangement besides interest. As a result, the lender banks had classified loan accounts of the Company as Non-Performing Assets by December, 2018. As described in Note 44d(ii) to the Financial Statements, during the quarter ended 30th June, 2020, the lender banks have filed an application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the IBC") before the National Company Law Tribunal ("the NCLT") to initiate the Corporate Insolvency Resolution Process ("the CIRP") against the Company. The Hon'ble NCLT Kolkata Bench has admitted the application filed by the lenders and ordered the commencement of the CIRP vide its order dated 10th August, 2020. Consequently, Mr. ParthaPratim Ghosh, Insolvency Professional having RegistrationNo. IBBI/IPA-001/IP-P00554/2017-2018/10984 was appointed as the Resolution Professional for the Company by the Hon'ble NCLT Kolkata Bench on 10thAugust, 2020.

Subsequent to the reporting period i.e. 30th September, 2020, on an application filed by Mr. ParthaPratim Ghosh under Section 27 of the IBC for replacement of the Resolution Professional, the Hon'ble NCLT Kolkata Bench appointed Mr. Sanjai Kumar Gupta having Registration No. IBBI/IPA-001/IP-P00592/2017-18/11045 as the Resolution Professional.

These events and conditions indicate a material uncertainty which may cast a significant doubt on the Company's ability to continue as a going concern and the same is solely dependent on the IBC proceedings. Based on the Resolution Professional's assessment of the successful IBC proceedings, this Financial Statement has been prepared on going concern basis.

Emphasis of Matter

We draw attention to Note 44(e) of the Financial Statements which state that certain Loans and Advances, Trade Payables and Trade Receivables being subject to confirmation from respective parties and consequential reconciliation and adjustments arising therefrom, if any. The Company, however, does not expect any material variation. The Company is also hopeful for recovery of loans and advances and other receivables in the normal course of business.

Our Opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key Audit Matters	Response to Key Audit Matters
Property, Plant and Equipment There are areas where management judgement	• We assessed the controls in place over the fixed assets,

impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the measurement and recognition criteria for assets retired from active use. We do not consider this management judgement to be of high risk of significant misstatement or to be subject to significant level of judgment. However due to their materiality in the context of the Balance Sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.	evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for asset retired from active use. • In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful lives of assets prescribed in Schedule II to the Actand the useful lives of certain assets as per the technical assessment. We observed that the management has regularly reviewed the aforesaid judgments and there are no material changes.

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

The Company's management is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and analysis;Management's Report including Annexure to Management's Report, Corporate Governance and Shareholders Information but does not include the Financial Statements and our Auditor's Report thereon.

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

In connection with our audit of theFinancial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. After going through the other information identified as such, if we conclude that there is a material misstatement, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for theFinancial Statements

In view of ongoing Corporate Insolvency Resolution Process ('CIRP'), the Resolution Professional ('RP') is responsible for the preparation and presentation of the Financial Results that give a true and fair view of the net profit / (loss) and Other comprehensive Income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and

maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors and Management are 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of directors and respective management under the Resolution Professional are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether theFinancial 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 Financial Statements.

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

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

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

Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of thefinancial 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, 2016 ("the Order") issued by the Central Government of India in terms ofsub-section (11) of section 143 of the Act, we give in the Annexure A, a statementon 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:

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

   b. except for the possible effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

d. except for the significance of the matters discussed in the Basis for Qualified Opinion section above, in our opinion, the aforesaid Financial Statements comply with the IND AS specifiedunder Section 133 of the Act;

e. the matters described in the Basis for Qualified Opinion section above in our opinion may have an adverse effect on the functioning of the Company.

f. In terms of Section 17(1)(b) of the Insolvency and Bankruptcy Code, 2016 the powers of Board of Directors have been suspended and exercised by Resolution Professional. However, on the basis of the written representations received from the directors as on 31st March,2021and taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch, 2021from being appointed as a director in terms of Section 164(2) of the Act.

g. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

h. 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, the Company has complied with the provisions of Section 197 read with Schedule V to the Actrelating to managerial remuneration.

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

   i. the Company has disclosed the impact of pending litigations on its financial position in its Financial Statements;Refer Note 33(A)(i) to the Financial Statements

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. thereis no amount which is required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the Rules made thereunder.

*For***V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E
(AniruddhaSengupta)
Partner
Membership No. 051371

Place: Kolkata

Date: 30thJuly, 2021

Annexure - A to the Independent Auditor's Report

Referred to in paragraph-1 on other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn Chemicals Limited on the Financial Statements for the year ended 31st March, 2021,

i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.

b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets. As informed to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Title Deeds of immovable properties are held in the name of the Company.

ii. According to the information and explanations given to us, the Inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on verification between the physical inventories and book records were not material in relation to the operations of the company and the same have been properly dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured,during the year(excluding unsecured loan of Rs. 276.57 Lakhs given to a Company in earlier years) to companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

a) No interest is being charged on the above loan as per terms of the agreement between the parties.

b) There isno specified schedule as regards repayment of principal amount and therefore we are not in a position to make any comments as to whether or not the Company was regular in receipt of principal amount.

c) In view of our comments in Para (b) above, we are not in a position to make any comments as to whether or not there were any overdue amounts of more than ninety days and whether any reasonable steps have been taken by the Company for recovery of the principal amount.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Actwith respect to the loans given, investments made and guarantees given.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly clause3(v) of the Order is not applicable.

vi. According to the information and explanations given to usby the management, the Central Government has prescribed the maintenance of cost records under Sub section 1 of Section 148 of the Act but since the criteria for minimum turnover is not complied with,clauses3(vi) of the Order is not applicable.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has defaulted in depositing undisputed, applicable statutory dues including Provident Fund, Income Tax, Goods and Services Taxand any other statutory dues with the appropriate authorities and the detailsof arrears in respect thereof as on 31st March, 2021for a period of more than six months are as follows:

Name of Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which it relate	Due Date	Date of Payment	Remarks, if any
Income Tax Act, 1961	TDS on Contractor	1.25	A.Y. 2019-20	For the months of April - February - 7th of next month. For March - 30th April of next month	Unpaid till date	-
		1.09	A.Y. 2020-21			-
		0.22	A.Y. 2021-22			-
	TDS on Professional Charges	3.85	A.Y. 2019-20			-
		1.63	A.Y. 2020-21			-
		0.20	A.Y. 2021-22			-
	TDS on Rent	0.51	A.Y. 2019-20			-
		0.30	A.Y. 2020-21			-
	TDS on Interest of Loan	8.77	A.Y. 2019-20			-
	TDS on Salary	1.15	A.Y. 2021-22			-
The Gujarat Professions Tax Act, 1976	Professional Tax	0.03	A.Y. 2020-21	30.09.2020		-

(b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

Name of the Statue	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount pertains	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1705.20/-	A.Y. 2012-13	Commissioner of Income Tax (Appeals), Kolkata
Income Tax Act, 1961	Income Tax	53.43/-	A.Y. 2013-14	Commissioner of Income Tax (Appeals), Kolkata

Income Tax Act, 1961	Income Tax	8.52/-	A.Y. 2014-15	Commissioner of Income Tax (Appeals), Kolkata

viii. According to the information and explanations given to us, the Company has defaulted in repayment of loans and interestto two banks. The details of such defaults are as under:

Particulars	Amount of Default (Rs. in Lakhs)		Period
	Principal	Interest	
Bank of Baroda			
a) Term Loan	8,300.00	580.54	From October, 2018 to March, 2021
b) Cash Credit	-	18.86	From October, 2018 to March, 2021
State Bank of India			
a) Term Loan	8,300.00	500.16	From October, 2018 to March, 2021
b) Cash Credit	-	16.59	From October, 2018 to March, 2021

In addition to this, the Company has not recognised interest expense on its borrowings during the financial year ended 31st March, 2021. Amount of interest not recognised in the books of account during the financial year ended 31st March, 2021 on bank borrowings is Rs. 676.73 Lakhs.

ix. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Accordingly, clause 3(ix) of the Order is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reportedduring the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

xiii. According to the information and explanations given to us and based on our examination of the books and records, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and

details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and accordingly, clause 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, Clause 3 (xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45–IA of the Reserve Bank of India Act, 1934.

*For***V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E

(AniruddhaSengupta)
Partner
Membership No. 051371

Place: Kolkata
Date: 30th July, 2021.

Annexure - B to the Independent Auditor's Report

(Referred to in paragraph-2(g) on Other Legal and Regulatory Requirements of our Report of even date to the members of Kilburn ChemicalsLimited on the Financial Statements for the year ended 31st March, 2021)

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 with reference to financial statements of Kilburn ChemicalsLimited ("the Company") as of 31stMarch, 2021in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's managementis responsible for establishing and maintaining internal financial controls based on the internal financial controlswith reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Act, to the extent applicable to an audit of internal financial controls with reference to financial statements both applicable to an audit of Internal Financial Controls and, issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statementsand such internal financial controls were operating effectively as at 31st March, 2021, based on the internal financial controlswith reference to financial statements criteria established by the Company considering the essential components of 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.

*For***V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.:311017E
(AniruddhaSengupta)
Partner
Membership No. 051371

Place: Kolkata
Date: 30thJuly, 2021.

Notes forming part of the Financial Statements for the year ended 31st March, 2021
A. Corporate Information

The Company was incorporated in the year 1990 as a Public Limited Company under the provisions of the Companies Act, 1956 and domiciled in India. The Equity Shares of the Company are listed on Bombay Stock Exchange. The registered office of the Company is located at 'Shantiniketan, 16th floor, 8, Camac Street, Kolkata – 700017, West Bengal, India.'

The Company is engaged in the project for production of both Anatase and Rutile grade of Titanium Dioxide. Plant of the Company is located at Plot No. D/2/CH-170, Dahej-II, Village-Jolwa, District-Bharuch, Pin Code-392130, Gujarat, with an annual production capacity of 15000 tons.

Information on other related party relationships of the Company isprovided in Note-38.

The financial statements were taken on record and authorised for issue to concerned authorities by the Resolution Professional on 30th July, 2021.

Note 1 Significant Accounting Policies

1. BASIS OF PREPARATION

1.1. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 with Companies (Indian Accounting Standards)(Amendment) Rules, 2016 & Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and comply in all material aspects with the relevant provisions of the Companies Act, 2013 and Companies (Amendment) Act, 2017.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer Significant Accounting Policy No. 13 regarding financial instruments).

The financial statements have been presented in INR, which is also the Company's functional currency and all values are rounded to the nearest Lakhs.

1.2. Statement of Compliance with Ind AS

These financial statements comply in all material aspects with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with Companies (Indian Accounting Standards)(Amendment) Rules, 2016 & Companies (Indian Accounting Standards) (Amendment) Rules, 2017.

2. Property, Plant and Equipment, Intangible Assets, Capital Work-in-progress and Depreciation

2.1. Property, Plant and Equipment (PPE)

2.1.1. The cost of an item of PPE is recognized as an asset if, and only if:

(a) It is probable that future economic benefits associated with the item will flow to the entity; and

(b) The cost of the item can be measured reliably.

2.1.2. PPE are stated at acquisition or construction cost or historical cost less accumulated depreciation / amortization and cumulative impairment.

2.1.3. Technical know-how / license fee relating to plants/facilities and specific software that are integral part of the related hardware are capitalised as part of cost of the underlying asset.

2.1.4. Spare Parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

2.1.5. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

2.2. Intangible Assets

2.2.1. Costs incurred on computer software/licenses purchased resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalised as Intangible Asset and amortised over a period of six years beginning from the quarter in which such software is capitalised.

2.2.2. Intangible assets acquired separately are measured on initial recognition at cost. The following initial recognitionofintangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and therelated expenditure is reflected in the Statement of Profit andLoss in the period in which the expenditure is incurred.

2.2.3. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be

2.2 Intangible Assets (Contd.)

impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

2.2.4. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

2.2.5. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

2.3. Capital Work in Progress

2.3.1. Expenses exclusively attributable to projects incurred during construction period are capitalised.

2.3.2. Finance costs incurred during construction period on loans specifically borrowed and utilized for projects are capitalized up to the date of capitalization.

2.3.3. Finance costs, if any, incurred on General Borrowings used for projects is capitalized at the weighted average cost.

2.3.4. Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.3.5. Advances paid towards the acquisition of PPE and intangible assets outstanding at each Balance Sheet date is classified as capitaladvances and the cost of assets not put to use before such date are disclosed under capital work in progress.

2.4. Depreciation/Amortization

2.4.1. Cost of Tangible Fixed Asset (net of residual value) is depreciated on straight-line method as per useful life prescribed in Schedule II to the Companies Act, 2013.

2.4.2. Depreciation/amortization is charged on pro-rata basis reference to month of capitalization or disposal. Residual value is generally considered at 5% of cost of assets.

2.4.3. The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Company depreciates capitalized spares over the life of the spare from the date it is available for use.

2.4.4. Item of PPE and Intangible Assets, costing uptoRs.5,000/- per item are depreciated fully in the year of capitalization.

2.4.5. The residual value, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

3. LEASES

At inception of a contract, the entity shall assess whether the contract is, or contains, a lease. 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.

3.1. As a Lessee (Assets taken on lease)

The Company recognizes a Right-of-use Asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, if applicable. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

4. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's(CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

5. BORROWING COSTS

Borrowing costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

6. FOREIGN CURRENCY TRANSACTIONS

6.1. The Company's financial statements are presented in Indian Rupee, which is also its functional currency.

6.2. Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transaction.

6.3. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc) outstanding at the end of reporting period, are translated at exchange rates prevailing as at the end of reporting period.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss under the head foreign exchange fluctuation.

6.4. Non-monetary items denominated in foreign currency (such as investments, PPE and intangible assets etc.) are valued at the exchange rate prevailing on the date of the transaction other than those measured at fair value.

6.5. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

7. INVENTORIES

7.1. Raw Materials & Stock-in-Process

7.1.1. Raw materials are valued at cost determined on weighted average basis or net realizable value, whichever is lower.

7.1.2. Stock in Process is valued at raw materials cost plus conversion costs as applicable or net realizable value, whichever is lower.

7.1.3. Raw materials in Transit are valued at cost or net realizable value, whichever is lower.

7.2. Finished Products and Stock-in-Trade

7.2.1. Finished products and stock in trade are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw materials cost and processing cost.

7.3. Stores and Spares

7.3.1. Stores and spares are valued at weighted average cost.

7.3.2. Stores & Spares in transit are valued at cost.

8. PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS& CAPITAL COMMITMENTS

8.1. Provisions

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

8.1.2. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

8.2. Contingent Liabilities

Contingent liabilities is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

8.2.1. Show-cause Notices issued by various Government Authorities are not considered as Obligation.

8.2.2. When the demand notices are raised against such show-cause notices and are disputed by the Company, these are classified as disputed obligations.

8.2.3. The treatment in respect of disputed obligations are as under:

a) A provision is recognized in respect of present obligations where the outflow of resources is probable;

b) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.3. Contingent Assets

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

8.4. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account are considered for disclosure.

9. REVENUE RECOGNITION

9.1. Revenue is recognised to the extent that it is probable that theeconomic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the paymentis being made. Revenue is measured at the fair value of the consideration received or receivable, taking into accountcontractually defined terms of payment and excluding taxes orduties collected on behalf of the government.Goods and Services Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

9.2. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, allowances and trade discounts.The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

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

9.4. Claims are recognized at cost when there is reasonable certainty regarding its ultimate collection.

10. TAXES ON INCOME

10.1. Current Income tax

10.1.1. Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

10.1.2. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, atthe reporting date.

10.1.3. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in othercomprehensive income or in equity). Management periodicallyevaluates positions taken in the tax returns with respect tosituations in which applicable tax regulations are subject tointerpretation and establishes provisions where appropriate.

10.2. Deferred Tax

10.2.1. Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

10.2.3. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

10.2.4. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

11. EMPLOYEE BENEFITS

11.1. Short Term Benefits:

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

11.2. Post-Employment Benefits and Other Long Term Employee Benefits:

a) The Company's contribution to the Provident Fund is remitted to Provident Fund Authorities based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

b) The Company operates defined benefit plan for Gratuity. The cost of providing such defined benefit is determined using the projected unit creditmethod of actuarial valuation made at the end of the year.

c) The Company does not have any policy in respect of other long term employee benefits, viz., leave encashment etc.

11.3. Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

12. CURRENT VERSUS NON-CURRENT CLASSIFICATION

12.1. The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

12.2. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

12.3. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.All other liabilities are classified as non-current.

Based on the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months.

13. 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.

13.1. Financial Assets

Initial recognition and measurement of all financial assets are recognised initially 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.

Subsequent Measurement

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

- Financial Assets at amortised cost
- Debt Instruments at fair value through other comprehensive income (FVTOCI)
- Equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial assets and derivatives at fair value through the Statement of Profit andLoss (FVTPL)

13.1.1. **Financial Assets at Amortised Cost**

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit andLoss. This category generally applies to trade and other receivables.

13.1.2. **Debt Instrument at FVTOCI**

A 'Debt Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

13.1.3. **Equity Instrument at FVTOCI**

A. Equity Investments (Other than Subsidiaries, JVs and Associates)

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present subsequent changes in the fair value in other comprehensive income, excluding dividends. The classification is made on initial recognition/transition and is irrevocable.

There is no recycling of the amounts from the OCI to the Statement of Profit and Loss, even on sale of investments.

13.1.4. **Debt Instruments and Derivatives at FVTPL**

FVTPL is a residual category for debt instrument. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income.

13.1.5. **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired,or
- The Company has transferred its rights to receive cash flowsfrom the asset or has assumed an obligation to pay thereceived cash flows in full without material delay to a thirdparty under a 'pass-through' arrangement; and either
  a) The Company has transferred substantially all the risks and rewardsof the asset, or
  b) The Company has neither transferred norretained substantially all the risks and rewards of the asset,but has transferred control of the asset.

When the Company has transferred its rights to receivecash flows from an asset or has entered into a pass-througharrangement, it evaluates if and to what extent it has retainedthe risks and rewards of ownership. When it has neithertransferred nor retained substantially all of the risks andrewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset tothe extent of the Company's continuing involvement. In thatcase, the Company also recognises an associated liability. Thetransferred asset and the associated liability are measured on abasis that reflects the rights and obligations that the Companyhas retained Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

13.1.6. **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balances.

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly,12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial

recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Financial guarantee contracts: ECL is presented as a provision in the Balance Sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

13.2. Financial Liabilities

13.2.1. **Initial recognition and measurement.**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit andLoss or financial liabilities at amortised cost, as appropriate.All financial liabilities are recognised initially at fair value and, in the case of liabilities measured at amortised cost net of directly attributable transaction costs.

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

13.2.2. **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below

A. Financial Liabilities at fair value through the Statement of Profit and Loss

Financial liabilities at fair value through the Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Profits or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

B. Financial Liabilities at Amortized Cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Profit and losses are recognisedin the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

C. Financial Guarantee Contracts

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

13.2.3. **Derecognition**

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

13.2.4. **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

15. FAIR VALUE MEASUREMENT

15.1. The Company measures financial instruments, at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

15.2. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, orin the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

15.3. The fair value of an asset or a liability is measured using theassumptions that market participants would use when pricing the asset or liability, assuming that market participants act intheir economic best interest.

15.4. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

Level 1 — Quoted (unadjusted) market prices in active marketsfor identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level inputthat is significant to the fair value measurement is unobservable for assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determineswhether transfers have occurred between levels in thehierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, External valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.

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

16. GRANTS

16.1. CAPITAL GRANTS

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

16.2. REVENUE GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants is recognised in the Statement of Profit and Loss

on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Revenue related grants (subsidy and budgetary support towards under recoveries) are reckoned in "Revenue from operations" as per the respective schemes notified by Government from time to time, subject to final adjustments as per separate audit wherever applicable. In case of waiver of duty under EPCG license, such grant is considered as revenue grant and recognised in "Other Income" in proportion of export obligations actually fulfilled during the accounting period. All other revenue grants has been recorded under "Other Income".

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

17. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

18. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit/ loss attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

19. ACCOUNTING JUDGEMENTS ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying

disclosures and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

19.1. JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following judgments, which have the significant effect on the amounts recognised in the financial statements.

19.1.1. **Lease classification in case of leasehold land**

The Company has obtained land from the government for the purpose of setting up of factory. This land is having tenure of 99 years and at the end of lease term, the lease could be extended for another term or the land could be returned to the government authority. Since land has an indefinite economic life, the management has considered 99 years and above cases for finance lease if at the inception of the lease, the present value of minimum lease payments are substantially equal to fair value of leased assets.

Furthers cases between 90-99 years are also evaluated for finance lease on the basis of principle that present value of the minimum lease payments are substantially equal to fair value of the leased asset. In addition, other indicators such as the lessee's ability to renew lease for another term at substantially below market rent, lessee's option to purchase at price significantly below fair value are also examinedfor classification of land lease. Leases not meeting the finance lease criteria are classified under operating leases.

19.1.2. **Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

19.2. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about

future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

19.2.1. **Defined benefit plans / Other Long term employee benefits**

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

19.2.2. **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

19.2.3. **Impairment of financial assets**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates.

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March,2021	As at 31st March,2020
ASSETS			
Non - current Assets			
(a) Property, Plant and Equipment	2	20,360.76	21,617.77
(b) Capital work - in - progress	3	397.03	397.03
(c) Other Intangible Assets	4	12.15	15.87
(d) Financial Assets			
(i) Investments	5	-	-
(ii) Loans	6	238.89	238.89
(e) Income Tax Assets (net)	7	203.03	202.92
(f) Other Non-current Assets	8	96.61	98.51
		21,308.46	22,570.99
Current Assets			
(a) Inventories	9	860.80	1,105.22
(b) Financial Assets			
(i) Trade Receivables	10	14.27	14.27
(ii) Cash and Cash Equivalents	11	101.89	2.74
(iii) Bank Balances other than (ii) above	12	-	90.98
(iv) Loans	13	276.57	276.57
(v) Other Financial Assets	14	4.51	20.83
(c) Other Current Assets	15	1,541.32	1,540.87
		2,799.35	3,051.47
Total Assets		**24,107.81**	**25,622.46**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	1,390.74	1,390.74
(b) Other Equity	17	(1,386.31)	315.83
Total Equity		4.43	1,706.57
Liabilities			
Non - current Liabilities			
(a) Provisions	18	0.97	34.90
(b) Deferred Tax Liabilities (Net)	19	485.88	485.88
(c) Other Non current Liabilities	20	545.25	545.25
Total Non-current Liabilities		1,032.10	1,066.03
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	21	18,944.88	18,952.93
(ii) Trade Payables	22		
A. Total outstanding Dues to Micro, Small and Enterprise		-	-
Total outstanding Dues to creditor other than Micro, Small and Enterprise		167.23	167.23
(iii) Other Financial Liabilities	23	3,900.09	3,711.07
(b) Other Current Liabilities	24	22.73	18.05
(c) Provisions	25	36.36	0.59
Total Current Liabilities		23,071.29	22,849.86
Total Equity and Liabilities		**24,107.81**	**25,622.46**

Significant Accounting Policies and Critical estimates 1

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

V. Singhi & Associates ★ Chartered Accountants ★

(Aniruddha Sengupta)
Partner
Membership No.: 051371
Place: Kolkata
Date: 30th July, 2021

FOR KILBURN CHEMCALS LIMITED

Dilip Mukherjee
Independent Director
DIN No: 07244118

A.R.Chowdhury
Director
DIN No: 9036709

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

Sanjai Kumar Gupta
Resolution Professional
Reg.No. IBBI/IPA-001/IP-P00592/2017-18/11045

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

	Particulars	Notes	For the year ended 31st March,2021	For the year ended 31st March,2020
	Income			
(I)	Revenue from Operations	26	102.23	-
(II)	Other Income	27	1.52	25.91
(III)	**Total Income (I+II)**		**103.75**	**25.91**
(IV)	**Expenses**			
	Cost of Materials Consumed	28	-	-
	Changes in Inventories of Finished Goods and Stock in Process	29	244.43	-
	Employee Benefits Expense	30	153.86	321.89
	Finance Costs	31	-	6.92
	Depreciation and Amortisation Expense		1,260.71	1,260.69
	Other Expenses	32	146.90	147.31
	Total Expenses (IV)		**1,805.89**	**1,736.81**
(V)	**Profit/(Loss) Before Tax (III - IV)**		**(1,702.14)**	**(1,710.91)**
(VI)	**Tax Expense :**			
	For Earlier Years		-	-
	Deferred Tax		-	-
(VII)	**Profit/(Loss) for the year (V-VI)**		**(1,702.14)**	**(1,710.91)**
	Other Comprehensive Income			
	(A) (i)Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
(VIII)	**Other Comprehensive Income [A(i-ii)+B(i-ii)]**		**-**	**-**
(IX)	**Total Comprehensive Income for the year (VII+VIII) (Comprising of Profit/(Loss) and other Comprehensive Income for the year)**		**(1,702.14)**	**(1,710.91)**
	Earnings per Equity Share (Face Value Rs. 10/- each): (Refer Note No.38)			
	(a) Basic		(12.24)	(12.30)
	(b) Diluted		(12.24)	(12.30)
	Significant Accounting Policies	1		

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached
For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

V. Singhi & Associates ★ Chartered Accountants ★

(Aniruddha Sengupta)
Partner
Membership No.: 051371
Place: Kolkata
Date: 30th July, 2021

FOR KILBURN CHEMICALS LIMITED

Dilip Mukherjee
Independent Director
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Chief Financial Officer

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Sanjai Kumar Gupta
Resolution Professional
Reg.No. IBBI/IPA-001/IP-P00592/2017-18/11045

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs. in Lakhs)

Particulars	For the year ended 31st March,2021		For the year ended 31st March,2020	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before tax		(1,702.14)		(1,710.91)
Adjustment for :				
Depreciation/amortization	1,260.71		1,260.69	
Asset/deposits Written off	0.25		0.13	
Interest income	(1.52)	1,259.44	(16.99)	1,243.83
Operating profit before working capital changes		**(442.70)**		**(467.09)**
Movements in working capital :				
Trade Payables and Other Liabilities	195.57		347.76	
Inventories	244.43		-	
Trade and Other Receivables	92.17	532.17	(3.73)	344.02
Cash generated from /(used in) operations		**89.47**		**(123.06)**
Less: Direct taxes paid (net of refunds)		(0.11)		(2.29)
Net cash flow from/ (used in) Operating Activities (A)		**89.36**		**(125.35)**
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	-		(0.13)	
Interest received	17.83	17.83	11.78	11.65
Net cash flow from/(used in) Investing Activities (B)		**17.83**		**11.65**
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Unpaid Dividend transferred to IEPF	-		(7.42)	
Proceeds from Non Current Borrowings	(8.04)		138.25	
Interest paid on borrowings	-	(8.04)	(33.62)	97.21
Net cash flow from/(used in) in Financing Activities (C)		**(8.04)**		**97.21**
Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)		**99.15**		**(16.48)**
Cash and Cash Equivalents at the beginning of the year		**2.74**		**19.21**
Cash and Cash Equivalents at the end of the year		**101.89**		**2.73**

Notes:

(1) The above statement is subject to and read together with the notes and observations on Financial Statements attached thereto.

(2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows .

(3) Figures for previous year have been regrouped wherever necessary for uniformity in presentation.

This is the Cash Flow Statement referred to in our Report of even date.

As per our report of even date attached
For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

V. Singhi & Associates ★ Chartered Accountants ★

(Aniruddha Sengupta)
Partner
Membership No.: 051371
Place: Kolkata
Date: 30th July, 2021

FOR KILBURN CHEMICALS LIMITED

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Mukesh Sharma
Company Secretary
Membersip No: A28288

Sanjai Kumar Gupta
Resolution Professional
Reg.No. IBBI/IPA-001/IP-P00592/2017-18/11045

KILBURN CHEMICALS LIMITED

(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

Equity Share Capital

Particulars	Amount
Balance as at 1st April,2019	**1,390.74**
Issued during the year	-
Balance as at 1st April,2020	**1,390.74**
Issued during the year	-
Balance as at 31st March,2021	**1,390.74**

Particulars	Other Equity						
	Reserves and Surplus					Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Preference Share Capital Redemption Reserve	General Reserve	Retained Earnings		
Balance as at 1st April,2019	19.76	2,237.56	391.22	1,347.50	-1,973.58	4.29	2,026.75
Received during the year	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	(1,710.92)	-	(1,710.92)
Balance as at 31st March,2020	**19.76**	**2,237.56**	**391.22**	**1,347.50**	**(3,684.50)**	**4.29**	**315.83**
Balance as at 1st April,2020	**19.76**	**2,237.56**	**391.22**	**1,347.50**	**(3,684.50)**	**4.29**	**315.83**
Received during the year	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	(1,702.14)	-	(1,702.14)
Balance as at 31st March,2021	**19.76**	**2,237.56**	**391.22**	**1,347.50**	**(5,386.64)**	**4.29**	**(1,386.31)**

This is the Statement of Changes in Equity referred to in our report of even date.
The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date attached
For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

V. Singhi & Associates * Chartered Accountants *

(Aniruddha Sengupta)
Partner
Membership No.: 051371
Place: Kolkata
Date: 30th July, 2021

FOR KILBURN CHEMICALS LIMITED

Dilip Mukherjee
Independent Director
DIN No: 07244118

A.R.Chowdhury
Director
DIN No: 9036709

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

Sanjai Kumar Gupta
Resolution Professional
Reg.No. IBBI/IPA-001/IP-P00592/2017-18/11045

KILBURN CHEMICALS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Note-2: Property, Plant and Equipment

	Leasehold Land and Development*	Building	Furniture and Fixtures	Plant and Machinery	Office Equipments	Computer	Vehicles	Total
Gross Block								
As at 1st April, 2020	2,661.38	4,348.10	25.81	17,070.88	32.03	0.13	5.43	24,143.76
Additions	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31st March, 2021	2,661.38	4,348.10	25.81	17,070.88	32.03	0.13	5.43	24,143.76
Accumulated Depreciation, Amortisation and Impairment								
As at 1st April, 2020	58.68	277.53	5.31	2,169.59	11.88	0.03	2.97	2,525.99
Charge for the year	28.93	137.69	2.45	1,081.16	6.09	0.04	0.65	1,257.00
Impairment	-	-	-	-	-		-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31st March, 2021	87.61	415.22	7.76	3,250.74	17.97	0.07	3.62	3,782.99
Net Carrying Amount								
As at 31st March, 2021	2,573.77	3,932.88	18.04	13,820.13	14.06	0.06	1.81	20,360.76

Gross Block								
As at 1st April, 2019	2,661.38	4,348.10	25.81	17,070.88	32.03	-	5.43	24,143.63
Additions	-	-	-	-	-	0.13	-	0.13
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31st March, 2020	2,661.38	4,348.10	25.81	17,070.88	32.03	0.13	5.43	24,143.76
Accumulated Depreciation, Amortisation and Impairment								
As at 1st April, 2019	29.75	139.84	2.86	1,088.43	5.79	-	2.32	1,268.99
Charge for the year	28.93	137.69	2.45	1,081.16	6.09	0.03	0.65	1,257.00
Impairment	-	-	-	-	-	-	-	-
Deletions/Adjustments	-	-	-	-	-	-	-	-
As at 31st March, 2020	58.68	277.53	5.31	2,169.59	11.88	0.03	2.97	2,525.99
Net Carrying Amount								
As at 31st March, 2020	2,602.71	4,070.57	20.50	14,901.29	20.15	0.10	2.47	21,617.77

* Represents cost incurred for Leasehold Land allotted by Gujarat Industrial Development Corporation vide Offer-cum-Allotment letter dated 18/03/2011 on License basis on a Lease of ninty nine years for which a lease deed has been executed on 02/01/2016.

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

NOTE-3: Capital Work In Progress

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Work in Progress - Tangible Assets		
(Including unallocated capital expenditure, materials at site)		
Balance as at beginning of the year	397.03	397.03
Balance as at the end of the year	**397.03**	**397.03**

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

Note-4: Intangible Assets

Particulars	Computer Softwares
Gross Block	
As at 1st April, 2020	23.45
Additions	-
As at 31st March, 2021	23.45
Accumulated Amortisation	
As at 1st April, 2020	7.58
Charge for the year	3.71
As at 31st March, 2021	11.29
Net Carrying Amount	
As at 31st March, 2021	12.15

Gross Block	
As at 1st April, 2019	23.45
Additions	-
As at 31st March, 2020	23.45
Accumulated Amortisation	
As at 1st April, 2019	3.87
Charge for the year	3.70
As at 31st March, 2020	7.58
Net Carrying Amount	
As at 31st March, 2020	15.87

V. Singhi & Associates
Chartered Accountants

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Note-5: Non Current Investments		
Unquoted Equity Shares		
In Others		
Investments carried at Fair value through OCI		
75,000 (31st March, 2020 : 75,000) Equity Shares of Kilburn software Technologies India Limited of Rs. 10/- each	-	-
Total Carrying Value	-	-
Aggregate Book Value of unquoted Investments	-	-
Note-6: Loans		
(Unsecured, considered good by the management)		
Security Deposits		
Dakshin Gujarat Vij Company Limited (Electricity Deposit)	146.01	146.01
Gas Authority of India Limited	25.47	25.47
Gujarat VAT/CST Deposit*	0.45	0.45
Gujarat Industrial Development Corporation*	24.44	24.44
Water & Drainage Deposit with GIDC*	42.10	42.10
Against Rent to Related Parties (Refer Note No. 38)*	0.42	0.42
	238.89	**238.89**

*Security deposits are non interest bearing and recoverable at the termination of contract unless otherwise agreed.

Note-7: Non Current Tax Assets (net)		
Advance Income Tax/ Tax deducted at source and Income Tax Refundable (Net of Provision Rs.19,829/- (31st March, 2020 Rs.19,829/-))	203.03	202.92
	203.03	**202.92**

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Note-8: Other Non- Current Assets		
(Unsecured, considered good)		
i) Advances for Capital Expenditure		
To Others	5.16	6.81
ii) Advances Recoverable		
Advance against Rent to Related Parties (Refer Note No. 38)	-	0.25
From Others		
Sales Tax Refundable	14.63	14.63
Others (Refer Note 33(C))	76.82	76.82
	96.61	**98.51**
Note-9: Inventories		
(As taken valued and certified by the management)		
(Valued at cost or Net Realisable Value, whichever is lower)		
a) Raw Materials	517.95	517.95
b) Finished Goods	0.16	244.59
c) Stock in Process	330.67	330.67
d) Packing Materials	2.66	2.66
e) Furnance Oil	9.35	9.35
	860.80	**1,105.22**
Note-10: Trade Receivables		
(Unsecured)		
From Others		
- Considered Good	14.27	14.27
	14.27	**14.27**
Note-11: Cash and Cash Equivalents		
Balances with Banks		
- In Current Accounts	101.72	1.76
- In Escrow Accounts	0.09	0.10
Cash on hand	0.08	0.87
(as certified by the management)		
	101.89	**2.74**
Note-12: Bank Balances other than above		
- Deposits held as Margin Money*	-	90.98
	-	**90.98**

* Includes deposits of Rs. Nil (Rs. 90.37 Lakhs as at 31st March, 2020) held as margin money for issuing Bank Guarantee.

V. Singhi & Associates * Chartered Accountants *

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Note-13: Loans		
(Unsecured, considered good by the management)		
Loan to a Body Corporate (Free of interest)		
To Related Party (Refer Note 38)	276.57	276.57
	276.57	**276.57**
Note-14: Other Financial Assets		
Unsecured		
Considered Good		
Interest accrued on Term deposits	-	16.97
Interest accrued on Security deposits	4.52	3.86
Considered Doubtful		
Others	1,109.73	1,109.73
	1,114.25	1,130.56
Less: Provision for doubtful debts	1,109.73	1,109.73
	4.51	**20.83**
Note-15: Other Current Assets		
(Unsecured, Considered good)		
Balances with Government Authorities		
Input Tax Credit of GST	1,527.16	1,528.53
Advances Recoverable		
From Others		
i) Employees	9.00	8.93
ii) Suppliers and Service Provider	3.04	2.82
Prepaid Expenses	2.13	0.60
	1,541.32	**1,540.87**

V. Singhi & Associates * Chartered Accountants *

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note-16: Share Capital

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Authorised :		
1,60,00,000 Equity Shares of Rs. 10/- each	1,600.00	1,600.00
4,00,000 Cummulative Redeemable Preference Shares of Rs. 100/- each	400.00	400.00
	2,000.00	**2,000.00**
Issued, Subscribed and Paid up:		
1,39,07,377 (2020: 1,39,07,377) Equity Shares of Rs.10/- each fully paid up	1,390.74	1,390.74
	1,390.74	**1,390.74**

a) Reconciliation of No. of Equity Shares

Equity Shares		
As at the beginning of the year	1,39,07,377	1,39,07,377
Add: Issued during the year	-	-
As at the end of the year	**1,39,07,377**	**1,39,07,377**

b) The Company has issued Equity Shares having a face value of Rs. 10/- each. Each holder of the Equity Shares is entitled to one vote per share.

b) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of Equity Shares held by the shareholders.

c) Details of shareholders holding more than 5% shares

Name of the shareholder	As at 31st March, 2021		As at 31st March, 2020	
Equity Shares	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding
Shree Durga Agencies Limited	27,55,860	19.82	27,55,860	19.82
Supriya Finance Limited	22,50,576	16.18	22,50,576	16.18
Nirvan Commercial Company Limited	12,28,618	8.83	12,28,618	8.83
Maryada Advisory Services Private Limited	15,43,995	11.10	15,43,995	11.10
Babcock Borsig Limited	8,55,000	6.15	8,55,000	6.15
Ana Vincom Private Limited	10,31,152	7.41	10,31,152	7.41

As per records of the Company, including its register of shareholders / members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

Note-17: Other Equity

	As at 31st March, 2021	As at 31st March, 2020
Capital Reserve		
As per last Financial Statement	19.76	19.76
Securities Premium Reserve		
As per last Financial Statement	2,237.56	2,237.56
Preference Share Capital Redemption Reserve		
As per last Financial Statement	391.22	391.22
General Reserve		
As per last Financial Statement	1,347.50	1,347.50
Retained Earnings		
As per last Financial Statement	(3,684.50)	(1,973.58)
Profit/(Loss) for the year	(1,702.14)	(1,710.92)
As at the end of the year	(5,386.64)	(3,684.50)
Other Comprehensive Income		
As per last Financial Statement	4.29	4.29
Total	**(1,386.31)**	**315.83**

Nature and purpose of reserves

1 **Capital Reserve**
Capital Reserve was created during slump sale of chemical division of the Company in earlier years and shall be utilised as per provisions of the Act.

2 **Security Premium Reserve**
As per the Act, security premium reserve is created when the Company issues share at a price higher than its Face Value. Utilisation of this reserve is governed by the provisions of the Act.

3 **Preference Share Capital Redemption Reserve**
As per the Act, Prefernce Share Capital Redemption Reserve is created when Company purchases its own share out of free reserves or Securities premium a sum equal to the nominal value of shares so purchased is transferred to Capital Redemption Reserve. Utilisation of this reserve is governed by the provisions of the Act.

4 **General Reserve**
General Reserve are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

5 **Retained Earnings**
Retained Earnings is free reserve of the Company and is used for purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of BOD.

6 **Other Comprehensive Income**
Other Comprehensive Income includes the re-measurement of defined benefit plan as per actuarial valuations which will not be re-classified to Statement of Profit and Loss in subsequent years.

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Note-18: Non Current Provisions		
Provision for Gratuity	0.97	34.90
	0.97	**34.90**
Note-19: Deferred tax Liabilities (net)		
(Refer Note 43)	485.88	485.88
	485.88	**485.88**
Note-20: Other Non Current Liabilities		
Government Grant (Refer Note 44 a)	545.25	545.25
	545.25	**545.25**
Note-21: Short Term Borrowings		
Term Loans (Secured)		
a. From Bank of Baroda (Refer Note Below)	8,300.00	8,300.00
b. From State bank of India (Refer Note Below)	8,300.00	8,300.00
	16,600.00	**16,600.00**
Cash Credit Facilities (Secured)		
a. From Bank of Baroda (Refer Note Below)	115.39	295.01
b. From State bank of India (Refer Note Below)	198.27	198.27
	313.66	**493.28**
Bank Overdraft		
a. From Bank of Baroda	12.37	-
b. From State bank of India	12.86	-
	25.23	**-**
Loan, Unsecured		
from related parties- (Refer Note No. 38)		
-From Body Corporates	1,178.21	1,038.90
-From a Director	827.78	820.75
	2,005.99	**1,859.65**
	18,944.88	**18,952.93**

Note:
The above term loans are -
(i) Secured by 1st pari-passu charge on the entire fixed assets including factory land and building and hypothecation of all plant & machinery and other fixed assets (present and future) situated at Dahej 2 Industrial Estate, Bharuch, Gujarat having a plot area of 314532 sq. mts. of the Company.
(ii) Further collaterally secured by way of 1st pari passu charge by way of registered mortgage of the property (office space No. 1, 2, 5, 6, 7 & 8 at the 1st Floor of 2/7 Sarat Bose Road, Kolkata - 700020) situated at "Vasundhara" having an area of 6651 sq. ft. and assignment of rentals from the above office space and Corporate Guarantee of the owner Shree Durga Agencies Ltd. to the extent of value of the mortgaged property i.e. office space and personal guarantee of Mr. Sandeep Jalan, Managing Director of the Company till 15th July, 2020. Mr. Sandeep Jalan died on 15th July, 2020.
The cash credit facilities have been provided by Consortium member banks to meet the working capital requirements of the Company. The same has been secured by first Pari-passu charge on stocks and receivables and all other current assets of the Company together with other securities and guarantees, details of which are mentioned in the note above.
Due to default in repayment of the secured term loan amounting to Rs. 16,600 lakhs from the banks, the banks have recalled the entire loan utstanding. Accordingly, these have been included under Short term Borrowings.

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

		As at 31st March, 2021		As at 31st March, 2020
Note-26: Revenue from Operations				
Sale of Products		102.23		-
		102.23		**-**
Note-27: Other Income				
Interest Income (Gross)				
From Term Deposits		0.78		15.52
From Others		0.73		1.47
Tax deducted at source for the year Rs.10,888/- (Previous Year Rs. 33,832/-)				
Liability no longer required written back		-		8.92
		1.52		**25.91**
Note-28: Cost of Raw Materials consumed				
Opening Stock		517.95		517.95
Add: Purchases during the year		-		-
		517.95		517.95
Less: Material Cost attributable to trial run transferred to Preoperative expenses		-		-
		517.95		517.95
Less: Closing Stock		517.95		517.95
		-		**-**
Note-29: Changes in Inventories				
Finished Goods				
Opening Stock	244.59		244.59	
Less: Closing Stock	0.16	244.43	244.59	-
Stock in Process				
Opening Stock	330.67		330.67	
Less: Closing Stock	330.67	-	330.67	-
		244.43		**-**
Note-30: Employee Benefits Expense				
Salaries, wages, Bonus and Exgratia		150.44		314.72
Contribution to Provident Fund and Others		3.42		7.17
		153.86		**321.89**
Less: Transferred to Construction Period Expenses		-		-
		153.86		**321.89**

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Rs. in Lakhs)

	As at 31st March, 2021	As at 31st March, 2020
Note-31: Finance Costs		
Interest Expenses		
-On Others	-	1.58
Bank Charges	-	5.34
	-	**6.92**
Note-32: Other Expenses		
Rates and Taxes	0.31	0.58
Consumption of Stores & Spares	0.02	-
Power & Fuel Expenses	6.54	28.41
Rent	9.60	20.12
Repairs & Maintenance		
- To Others	1.72	0.45
Insurance expenses	14.08	11.65
Directors' Sitting Fee	0.20	-
Listing Fee	0.68	4.01
Share Transfer Expenses	0.33	0.76
Legal & Professional Charges	43.40	12.50
Postage and Courier Charges	-	0.57
Printing and Stationery	0.13	1.19
Security Service Charges	40.98	50.23
Credit Rating Expenses	6.49	-
Due Diligence Fees	2.36	-
NCLT Fees	1.05	-
DRT Court Fees	1.50	-
Freight Outward	0.17	-
Auditor's Remuneration		
- Audit Fees	2.30	2.30
- For Limited Review	0.60	0.63
- For Other Services	0.58	1.13
Miscellaneous Expenses	13.86	12.79
	146.90	**147.31**

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note – 33 Contingencies and Commitments

A. Contingent Liabilities not provided for in respect of the following:

(i) Claims against the Company not acknowledged as debts -

- Income Tax Demand disputed in Appeal
  - for the Assessment Year 2013-14 of Rs. 62.93 Lakhs (Tax Paid Rs. 9.50 Lakhs)
  - for the Assessment Year 2014-15 of Rs. 10.02 Lakhs (Tax Paid Rs. 1.50 Lakhs)

(ii) Outstanding Bank Guarantees of Rs. Nil (Previous year Rs. 90.37 lakhs).

The Company has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote.

B. Commitments

a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for [net of advances Rs. 5.16 lakhs, Previous year Rs. 6.81 lakhs] is Rs. 23.31 lakhs [Previous year Rs. 23.31 lakhs].
b) Export Obligation in Respect of EPCG Licences is Rs.3794.20 Lakhs (Previous Year Rs. 3,891.30 Lakhs)(equivalent to US$ 51,61,842.62)

C. Others

a) Gas Authority of India Limited (GAIL) had raised Invoice dated 15th January, 2019 for Rs. 101.88 Lakhs in relation to Gas Transmission Agreement executed on 28th July, 2016 by the Company and had invoked bank guarantee of Rs. 76.41 Lakhs on 15th January, 2019 for non-receipt of payment. The Company has disputed the bills raised by GAIL and referred the matter to arbitration as per terms of agreement to resolve the issue. Further adjustments if required in the financial statements will be made as and when matter is resolved.

b) The appeal filed against the tax demand of Rs. 625.56 Lakhs raised against the Company as per Order u/s 143 (3) of the Income Tax Act, 1961 ("the Act") for the Assessment Year 2012-13 has been decided in favour of the Company allowing full relief by the Appellate Authority. Before the passing of the favourable order, re-assessment proceedings u/s 147 of the Act, was initiated and an Order u/s 147 read with Section 143(3) of the Act, dated 05th December, 2018 was received by the Company raising tax demand of Rs. 1705.20 Lakhs (including interest) mainly on the similar issue (capital gain on slump sale). The Company has again filed an Appeal before the Appellate Authority on 16th January, 2019 and the management is confident that once the effect of the Order of the Appellate Authority is given, the disputed demand raised by the Tax Authority shall stand settled.

Note – 34 Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is Rs. 119.32 Lakhs out of which Rs. 60.91 Lakhs and Rs.60.72 Lakhs are classified in 'Payables for expenses' and 'Payables for Capital goods' respectively under Note 23 - Other Financial Liabilities.

Note – 35 Segment Reporting

The Company was primarily engaged in the production of Titanium Dioxide and hence no separate disclosure is required to be made for Segment Reporting as per Ind AS 108-"Operating Segments".

Note - 36 Earnings per Share

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

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

Particulars	31-03-2021	31-03-2020
Profit/(Loss) attributable to equity holders	(1,702.14)	(1,710.92)
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	139.07	139.07
Weighted Average number of equity shares used for computing Earning Per Share (Diluted)	139.07	139.07
Face value per share (Rs.)	10.00	10.00
Earnings Per Share (Basic) (Rs.)	(12.24)	(12.30)
Earnings Per Share (Diluted) (Rs.)	(12.24)	(12.30)

V. Singhi & Associates Chartered Accountants

Note-37 Employee Benefits

A. Defined Contribution Plans- General Description

Provident Fund

During the year, the Company has contributed Rs. 1.58 Lakhs to Provident Fund (31-03-2020 : Rs Nil) which has been disclosed under the head Contribution to Provident Fund and Others in Note No. 30

B. Defined Benefit Plans- General Description

Gratuity

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed year of service subject to maximum of Rs.20 lakhs at the time of separation from the Company.

C. The summarised position of various Defined Benefit Plans recognised in the Statement of Profit and Loss, Balance Sheet and Other Comprehensive Income are as under:

The Company evaluated its obligation towards gratuity liability of the employees for the financial year ended 31st March, 2021 on its own and the liability for current year amounts to Rs. 1.84 Lakhs (Previous Year Rs.7.17 Lakhs).

Investment details:

The Company has not started funding the gratuity liability & has been following pay as you go method for settling the liability.

V. Singhi & Associates * Chartered Accountants *

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note – 38 Related Party Disclosure

(a) **Key Managerial Personnel:**
(i) Late Mr. S K Jalan (Managing Director till 15th July, 2020)*
He died on 15th July, 2020.
(ii) Mr. Ashim Ku. Dutta (Resigned on 23rd February, 2021)
(iii) Mr. Manoj Sureka (CFO)
(iv) Mr. Mukesh Sharma (Company Secretary)

(b) **Relatives of Key Managerial Personnel**

(c) **Enterprises over which Key Managerial Personnel and relatives of such Key Managerial Personnel Exercise Significant Influence:**

(i) Kilburn Software Technologies India Limited
(ii) Supriya Finance Limited
(iii) Shreyans Investments Pvt. Ltd.
(iv) Sandeep Investments Ltd.
(v) Just Desserts Ltd.
(vi) Arham Vypaar Pvt. Ltd.
(vii) Pushpdant Vypaar Pvt. Ltd.
(viii) Saket Fiscal Services Pvt. Ltd.
(ix) Ana Vincom Pvt. Ltd.
(x) Shree Durga Agencies Limited
(xi) The Scottish Assam India Limited
(xii) Nirvan Commercial Company Limited
(xiii) Kilburn Office Automation Limited

(d) **The following transactions were carried out with the related parties and their relatives in the ordinary course of business:**

	As at 31st March,2021	*Rs. in Lakhs* As at 31st March,2020
(i) Managerial Remuneration		
Mr. Sandeep Kumar Jalan	10.35	47.92
Mr Ashim Kumar Dutta	32.70	73.38
Mr. Manoj Sureka	22.59	22.19
Mr. Mukesh Sharma	6.68	7.06
(ii) Loan Taken		
Mr. S. K. Jalan	7.03	82.61
Supriya Finance Limited	14.85	36.20
Nirvan Commercial Company Limited	-	3.42
Shree Durga Agencies Limited	124.47	46.77
(iii) Interest Expense on Loan Taken		
Mr. S. K. Jalan Kilburn Software Technologies Limited Supriya Finance Limited Nirvan Commercial Company Limited Shree Durga Agencies Limited Ana Viincom Pvt. Ltd. Arham Vyapaar Pvt. Ltd.	Refer note No. 44 (d) (iii)	Refer note No. 44 (d) (iii)

Managerial Remuneration has been provided for the whole year though remuneration has not been paid from 1st April, 2020 to 9th August, 2020.
*Mr. Sandeep Jalan died on 15th July, 2020.

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

Note – 38 Related Party Disclosure (Contd..)

	31-03-2021	*Rs. in Lakhs* 31-03-2020
(e) **Balances as at 31st March**		
(i) Investments		
Kilburn Software Technologies Limited	7.50	7.50
(ii) Advances against rent		
Bajarang Prasad & Son (HUF)	-	0.25
(iii) Deposits against rent		
Bajarang Prasad & Son (HUF)	0.42	0.42
(iv) Loan given		
Kilburn Office Automation Ltd.	276.57	276.57
(v) Loan Taken		
Mr. S. K. Jalan	827.78	820.75
Supriya Finance Limited	64.05	49.20
Nirvan Commercial Company Limited	9.16	9.16
Shree Durga Agencies Limited	1,025.50	901.03
Ana Viincom Pvt. Ltd.	60.00	60.00
Arham Vyapaar Pvt. Ltd.	19.50	19.50
(vi) Personal Guarantee		
Mr. Sandeep Kumar Jalan (till 15th July, 2020) He died on 15th July, 2020.	16,600.00	16,600.00
(vii) Corporate Guarantee		
Shree Durga Agencies Limited	Refer Note 21	

V. Singhi & Associates ★ Chartered Accountants ★

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note – 39 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder's value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is borrowings divided by Equity. The Company's endeavour is to keep the debt equity ratio around 2:1. The Company also includes cash credit and accrued interest on the borrowings for the purpose of capital management.

(Rs. in Lakhs)

	31-03-2021	31-03-2020
Borrowings	20,139.34	20,147.39
Equity Share Capital	1,390.74	1,390.74
Other Equity	(1,386.31)	315.83
Equity	**4.43**	**1,706.57**
Debt Equity Ratio	**4546.13 : 1**	**11.81 : 1**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2021 and 31st March, 2020.

Note – 40 Disclosure relating to Corporate Social Responsibility (CSR) Expenditure

The disclosure in respect of CSR expenditure for FY 2020-21 is as under:

(Rs. in lakhs)

Particulars	31-03-2021	31-03-2020
(a) Gross amount required to be spent by the company during the year.		
Annual CSR Allocation	-	-
Carry forward from previous year	0.51	0.51
Gross amount required to be spent	**0.51**	**0.51**

(b) Amount spent during the year on:

(Rs. in lakhs)

	31-03-2021			31-03-2020		
	In cash	Yet to be paid In cash	Total	In cash	Yet to be paid In cash	Total
(i) Construction/acquisition of any assets	-	-	-	-	-	-
(ii) On purposes other than (i) above						
Education/employment vocational skills	-	0.51	0.51	-	0.51	0.51
Total Expenses (ii)	**-**	**0.51**	**0.51**	**-**	**0.51**	**0.51**
Grand Total (i) and (ii)	**-**	**0.51**	**0.51**	**-**	**0.51**	**0.51**

V. Singhi & Associates Chartered Accountants

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note – 41 Disclosures as required by Regulation 34(3) of SEBI(LODR) Regulations 2015

In compliance of Regulation 34(3) of SEBI(LODR) Regulations 2015, the required information is given as under:

(Rs. in Lakhs)

		Amount as on		Maximum Amount outstanding during the year ended	
		31-03-2021	31-03-2020	31-03-2021	31-03-2020
I.	**Loans and Advances in the nature of loans:**				
	To a Company in which directors are interested	276.57	276.57	276.57	276.57

Note

For an interest-free loan given to Kilburn Office Automation Limited, it is expected to repay the loan from available funds that will be internally generated from its business. This indicates that Kilburn Office Automation Limited has an obligation to repay this loan even though there is no specific repayment date, thus, it has been appropriately classified as a financial asset in the financial statements of the Company. Since it is not practicable to estimate the timing of repayment of this loan by Kilburn Office Automation Limited, this has been considered as repayable on demand by the Company in its Financial Statements. In this scenario, Ind AS 113 states that 'the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid. Assuming that this loan is considered as repayable on demand at any time, no discounting is required on initial recognition/transition date. Accordingly, the loan to Kilburn Office Automation Limited has been considered as good and measured by the Company at its face value, which is also its fair value.

Note – 42 Financial Instruments and Risk Factors

Financial risk management objectives and policies

The Company had set up a new plant at Dahej, Gujarat for which commercial production was started with effect from 22.03.2018. However, the Company could not continue its production from October, 2018 due to liquidity issues.The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest risk and commodity risk etc.), credit risk and liquidity risk. The Company's overall risk management policy seeks to minimize potential adverse effects on Company's financial performance.

i) Market Risk:

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as commodity price risk.

a) Foreign Currency Risk: Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Since it is a new project only some spare parts imports shall take place for which hedge shall take place depending upon quantum. After taking cognizance of the natural hedge, the Company takes appropriate hedge to mitigate its risk resulting from fluctuation in foreign currency exchange rate(s).

Foreign currency sensitivity: To be covered during full period of operation.

b) Interest rate risk: Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any change in the interest rates environment may impact future rates of borrowing.The Company mitigates this risk by regularly assessing the market scenario, finding appropriate financial instruments, interest rate negotiation with the lenders for ensuring the cost effective method of financing.

c) Commodity Price Risk: The Company is affected by the price volatility of certain commodities. Its operating activities require the continuous supply of certain raw materials. To mitigate the commodity price risk, the Company has an approved supplier base to get competitive prices for the commodities and to assess the market to manage the cost without any compromise on quality.

ii) Credit Risk:

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables; inter corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables. The Management is hopeful for recovery of loans and advances and other receivables in the normal course of business.

iii) Liquidity Risk:

Liquidity risk is the risk, where the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due.

V. Singhi & Associates Chartered Accountants

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note – 43 Taxes

(i) No Deferred Tax Liabilities was created during the Financial Year 2020-21. However, deferred tax liabilites amounting to Rs. 485.88 Lakhs recognised in earlier years has been kept intact as on 31st March, 2021 taking conservative approach.

(ii) In compliance of Ind AS - 12 on "Income Taxes", the item wise details of Deferred Tax Liability (net) are as under:

Particulars	As on 31-03-2020	Provided during the year in Statement of Profit & Loss	Provided during the year in OCI (net)	(Rs. In Lakhs) As on 31-03-2021
Deferred Tax Liability:				
Related to Fixed Assets	887.98	-	-	887.98
Total Deferred Tax Liability (A)	**887.98**	-	-	**887.98**
Deferred Tax Assets:				
43B/40 (a)(ia)/other Disallowances etc.	7.36	-	-	-
Brought Forward Business Losses	394.74	-	-	394.74
Total Deferred Tax Assets (B)	**402.10**	-	-	**402.10**
Deferred Tax Asset/(Liability) (B-A)	**(485.88)**	-	-	**(485.88)**

V. Singhi & Associates
Chartered Accountants

KILBURN CHEMICALS LIMITED
(UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS)
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note – 44 Other Disclosures

a Disclosure on Revenue Grants

EPCG Grant

Grant recognized in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Govt. which allows procurement of capital goods including spares for pre-production and post-production at zero duty subject to an export obligation of 6 times of the duty saved on capital goods procured. The unamortized grant as on 31.03.2021 is Rs. 545.25 lakhs (31-03-2020:Rs. 545.25 Lakhs). The Company has not yet recognised any amount in the Statement of Profit and Loss as amortisation of revenue grant. The Company expects to meet the export obligations and therefore equivalent deferred grant has not been treated as liability.

b No provision has been made against carried over balances against Trade Receivables and other Receivables amounting to Rs. 110.93 lakhs (31-03-2020: Rs. 110.93 lakhs) from earlier years considered as good and fully recoverable by the management.

c The Company had defaulted in repayment of loans amounting to Rs. 16,913.66 Lakhs to the lender banks against the credit facilities availed under consortium arrangement besides interest. As a result, the lender banks had classified loan accounts of the Company as Non-Performing Assets by December, 2018. Bank of Baroda, the lead banker under the consortium arrangement had issued Notice dated 13th March, 2019 to the Company under Section 13(2) of the SARFAESI Act, 2002 to repay the entire borrowings within 60 days from the date of issuance of such Notice. Further, as per Notice dated 3rd June, 2019, Bank of Baroda has taken symbolic possession of the immovable properties of the Company u/s 13(4) of the SARFAESI Act, 2002.

d(i) 1. As per Section 134(1) of the Companies act, 2013, the Financial Statements of a Company shall be approved by the Board of Directors before they are signed by the Chairperson of the Company where he is authorised by the Board or by 2 directors out of which 1 shall be managing director if any and the Chief Executive Officer, the Chief Financial Officer (CFO) and the Company Secretary of the Company wherever they are appointed. In view of the ongoing Corporate Insolvency Resolution Process which commenced from 10th August, 2020 as described in Note 2 below, powers of the Board of Directors have been suspended and these powers are now vested with Mr. Sanjai Kumar Gupta, Insolvency Professional having Registration No. IBBI/IPA-001/IP-P00592/2017-18/11045 as the Resolution Professional of the Company vide order passed by the Hon'ble National Company Law Tribunal (NCLT), Kolkata on 04th November, 2020. However, directors & other KMPs remain responsible & accountable to extend support, assistance in carrying on the normal business operation, Accounting, Statutory & Legal compliances etc. Accordingly, the above audited Financial Results of the Company for the quarter and year ended 31st March, 2021 were taken on record and authorised for issue to concerned authorities by the Resolution Professional on 30th June, 2021.

d(ii) The Company's Lenders, Bank of Baroda and State Bank of India filed an application for insolvency under Section 7 of the IBC before the NCLT to initiate CIRP against the Company during the quarter ended 30th June, 2020. Subsequent to the reporting period i.e. 30th September, 2020, the Hon'ble NCLT Kolkata Bench has admitted the application filed by the lenders of the Company and ordered the commencement of CIRP vide its order dated 10th August, 2020. Consequently, Mr. Partha Pratim Ghosh, Insolvency Professional having Registration No. IBBI/IPA-001-IP-P00554/2017-2018/10984 has been appointed as the Resolution Professional for the Company by the Hon'ble NCLT Kolkata Bench on 10th August, 2020. The Hon'ble NCLT vide its order dated 4th November, 2020 appointed Mr. Sanjai Kumar Gupta as Resolution Professional in place of Mr. Partha Pratim Ghosh.
Section 20 of the IBC Code 2016 envisages the requirement of "Management of operations of corporate debtor as going concern" by a resolution professional. In view of the same the Financial Statements have been prepared on going concern basis. The interested resolution applicants have submitted their expression of interest (EOI) for the company. Hence as it can be reasonably viewed that the operations of the Company will soon be resumed, the Company can carry on its affairs considering it as a going concern.

d(iii) The Company has not recognised interest expense amounting to Rs. 676.73 lakhs (Rs. 1,881.96 Lakhs for the year ended 31st March, 2020) on its bank borrowings and Rs. 73.32 Lakhs (Rs. 194.16 Lakhs for the year ended 31st March, 2020) on its borrowings from others from 1st April, 2020 till the date of commencement of CIRP i.e. 9th August, 2020.

e Loans and Advances, Trade Payables and Trade Receivables are subject to confirmation from respective parties and consequential reconciliation and adjustments arising therefrom, if any. The management, however, does not expect any material variation. Management is also hopeful for recovery of loans and advances and other receivables in the normal course of business.

V. Singhi & Associates ★ Chartered Accountants ★

f The Company is under CIRP and as per the provisions of IBC, 2016 read with CIRP regulation, the Resolution Professional has admitted the claims as under:

Sl. No.	Claimants	Claims Filed (Rs. in Lakhs)	Claims Admitted (Rs. in Lakhs)
1	Financial Creditors		
	(i) Bank of Baroda	10,888.18	10,503.75
	(ii) State Bank of India	10,578.72	10,455.08
2	Financial Creditors (Related Party)	2,407.56	2,407.56
3	Employee Creditors	717.37	478.05
4	Employee Creditor (Related Party)	64.35	56.92
5		56,693.61	2,306.93

g Total CIRP Cost up to 31.03.2021 is as under:-

Sl. No.	Party Name	Amount (Rs.in Lakhs)
1	Resolution Professional	33.72
2	Professional Technical Service	18.18
3	Advertisement Expenses	2.13
4	Security Expenses	35.81
5	Generator & Diesel Expenses for DG Set	4.24
6	Salary & Wages (5 Employee)	34.96
7	Salary & Wages (Others)	19.14
8	Rent on Building	4.39
9	Travelling Expenses	1.15
10	Misc. Expenses	3.18
	Total	**156.91**

h **Value of Raw Materials, Stores, Spare Parts and Packing Materials consumed:**

(Rs. In Lakhs)

Sl. No.	Particulars	For the year ended 31-03-2021		For the year ended 31-03-2020	
		(Rs.)	% of Consumption	(Rs.)	% of Consumption
1	Raw Materials				
	- Indigenous	-	0.00%	-	0.00%
2	Stores, Spare Parts and Packing Material				
	- Indigenous	-	0.00%	-	0.00%

i **Details of Other Loans and Guarantees given or Investment made covered under Section 186(4) of The Companies Act, 2013**

Amount outstanding as at 31st March, 2020

Name of entity	31-03-2021 (Rs. in Lakhs)	31-03-2020 (Rs. in Lakhs)	Particulars of loan guarantees given or investment made	Purpose for which the loans, guarantees and investment are proposed to be utilized
Kilburn Office Automation Limited	276.57	276.57	Loan	Business Purpose

j Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

k Figures have been rounded off to Rupees in Lakhs.

As per our report of even date attached
For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E

(Aniruddha Sengupta)
Partner
Membership No.: 051371
Place: Kolkata
Date: 30th July, 2021

V. Singhi & Associates ★ Chartered Accountants ★

FOR KILBURN CHEMICALS LIMITED

Dilip Mukherjee
Independent Director
DIN No: 07244118

A.R.Chowdhury
Director
DIN No: 9036709

Manoj Sureka
Chief Financial Officer

Mukesh Sharma
Company Secretary
Membersip No: A28288

Sanjai Kumar Gupta
Resolution Professional
Reg.No. IBBI/IPA-001/IP-P00592/2017-18/11045