



BHATIA COLOUR CHEM LIMITED

CIN: L24290GJ2021PLC127878

Regd Office: Plot No.A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat
394210

Mob No.9104294564 Email Id: cs@bccindia.com Weblink: www.bccl.info

Date: 21/08/2023

To,
BSE Limited,
Phiroze Jeejeebhoy towers,
Dalal Street,
Mumbai- 400 001.

Scrip ID/ Code : BCCL/543497

Subject : Annual Report for the Financial year 2022-23

Reference No. : Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Annual Report of the company for the financial year 2022-23 and is also available on the website of the company at www.bccl.info

For **Bhatia Colour Chem Limited**

Vishwa Ronak Patel
Company Secretary & Compliance Officer
M. No.: A67342
Place: Surat

Encl: Annual Report for Financial year 2022-23.

BHATIA COLOUR CHEM LIMITED 2ND ANNUAL REPORT FY 2022-23



BHATIA COLOUR CHEM LIMITED

CIN: L24290GJ2021PLC127878

Website: [://www.bccl.info](http://www.bccl.info)

**Regd Office: Plot No. A/2/12, Road No. 1,
Udhana Udyog Nagar Sangh Udhna Na Surat
GJ 394210**

BHATIA GROUP

**One of the Leading
Manufacturer of Chemical
Dyes, Textile dyes and
Auxiliaries
Inception of Bhatia
Group:1975**

Incorporated on 10/12/2021

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CHAIRMAN'S MESSAGE

I hope this message finds you all in good health and high spirit. On behalf of the entire board, it gives me great pleasure to express my sincere gratitude to all of you our Dear Shareholder, Employees and business partners at 2nd Annual General meeting of your Company and share with you as we celebrate a significant milestone in our journey towards chemical excellence and professional development.

I would like to thank you all for your constant support. Your trust has been inspirational and instrumental in shaping our success.

The Company has recorded satisfactory performance by achieving Revenue of Rs 11034.83/- lakhs in current financial year 2022-23 as compared to Rs 1413.16/- in previous financial year 2021-22. Company has incurred higher net profit for the year 2022-23 is Rs 273.89/- lakhs as compared to Rs 51.73/- in previous year.

Bhatia group is one of the respected companies in state of Gujarat in chemicals and dye manufacturing sector. The Company's Position is strengthening through increased sales, better research and development and good commercial grounding.

We believe in motivating and engaging our employees and labours through shared goals, capability building, initiatives and career growth opportunity. We provide our people with an environment of transparency, Accounting and positive reinforcement.

Brand, talent and culture remain key factor in delivering sustainable business and earning growth thus creating long term value for our stakeholders.

Your Company's philosophy is to achieve long- term value to serve the best interest of all stakeholder-shareholders, customers, employees, Government and the society

About Us

- ▶ The Bhatia group one of the leading manufacturer of Textile Chemical, Speciality Chemical, dyes and Auxliaries was initially incepted by a small proprietary firm by late Mr. Brijlal Chanduram Bhatia started only with trading of dyes and Chemicals.
- ▶ With an intention to establish a corporate culture rather than running proprietorship and Partnerships concerns the Promoter-Director viz., Mr. Bharat Brijlal Bhatia [Managing Director]; Mr. Rameshchand Chanduram Bhatia [Whole Time Director] and Mr. Ravi Ashokkumar Bhatia [Whole Time Director] joined hands to incorporate a Public Company. As a result of it, Bhatia Colour Chem Limited was incorporated On 10th December, 2021.
- ▶ The Company at-present is into trading and manufacturing of Textile Chemical and Auxiliaries Products and taking over its Group concerns steadily with a view of expansion under one roof and to adopt corporate culture.
- ▶ The Company has till date takeover Ravichem a Proprietorship Group Concern and Polychem Export a Partnership Group Concern and is already on the path of attaining success.

Business Overview

The Company highly involved in trading and manufacturing of Textile Chemical, Dyes and Auxiliaries Products. We contribute in plastic granules business for manufacturing of plastic packaging material and produce foil binder, Zari binder with many variety and specialization of client's demands and requirements.

By looking at the revolution in the textile industries, in our Company, we manufacture the Value Added Printing Products by way of dyes and chemical for the textile industry. Our products are mainly useful for printing on all textiles materials and products like polyester, cottons etc.

The Value Added Printing Products involves below mentioned products:

Value Added Printing



Glitter Powder



Powder Chemical



Plastic Granules



Vision and Mission



“To manufacture, sell, distribute all types of organic, inorganic chemicals, by products compounds and any other kind of chemical, mixtures, to our customers and other consumer’s world wide.”



Our Involvement

- ▶ **The Chemical Industry in India, owing to increase in urbanisation, advancement in technology and population growth, has become an increasingly important component.**
- ▶ **Along with this development, the dyestuff industry has also become an important contributor to the economic growth.**
- ▶ **We have a significant share in chemicals and dyes, contributed by rising needs of downstream industries.**
- ▶ **Backed by our innovative capabilities and operational efficiencies, we continue to widen our market presence and drive sustainable growth.**



The Industry In Which We Contribute:



Textile Auxiliaries

We cater to your complete range of dyeing needs in all stages of the textile manufacturing process right from pre-treatment to dyeing and printing and finishing.



BOARD OF DIRECTORS



Mr. Bharat Brijlal Bhatia is the Promoter and **Managing Director** of Bhatia Colour Chem Limited. He passed Diploma in Chemical Engineering from Maharashtra State Board of Technical Education. After completion of his curriculum, he directly joined his father's chemical and dyestuffs business in the 1998. He holds more than 2 decade experience in the same line of business. He is a niche in product development, R&D and marketing and is passionate in this field. Currently, he is looking for product development and marketing of our Company.



Mr. Rameshchand Chanduram Bhatia is the Promoter and **Whole Time Director** of Bhatia Colour Chem Limited. He has experience of more than 45 years in Chemical Industry. He has good knowledge in Research and Development in chemical and dyestuffs field, he examines the viability of new products very minutely. Currently, he is looking after all the laboratory work under his personal supervision in our Company. He also looks after the training of the staff for skilled work and exercise due care for Internal Control and Smooth Administration of the Organization and also look the Finance and sales department of the Company.



Mr. Ravi Ashokkumar Bhatia is the Promoter and **Whole Time Director** of Bhatia Colour Chem Limited. He has completed his second year in Bachelor of Commerce from the Mumbai University. He has experience of more than 22 years in the field for Product Development and Marketing under the leadership of Mr. Brijlal Bhatia and Mr. Rameshchand Bhatia. With his upright eloquence and principled Public Relation Development skills he can easily maintain good relations with all our Dealers and suppliers. He is also looking for administrative area of our Company along with formulation and implementation of HR policy in the organization.



INDEPENDENT DIRECTOR



Mrs. RUTU MILINDBHAI SANGHVI

Mrs. Rutu Milindbhai Sanghvi is an Independent Director of Bhatia Colour Chem Limited. She has completed her Bachelor Degree in the Commerce and LL.B. (SPL) from the Gujarat University, she also holds professional certificate from Institute of Company Secretaries of India. She has more than 8 years of experience in the field of Company Secretary. In the beginning of her career, she served some of organisations as a designated company secretary, later on she also developed his teaching career in the Company Secretary course. Her teaching career is just one side of the coin, as apart from being an academician she is practicing company secretary associated with the Corporates, guiding and advising them in law related matters like Company Law, Securities Law and Labour Law.

Mrs. INSIYA QAIDJOHAR NALAWALA

Mrs. Insiya Qaidjohar Nalawala is an Independent Director of Bhatia Colour Chem Limited. She has completed her Bachelor Degree in Commerce and Bachelor degree in LLB from the Gujarat University, she also holds a professional certificate from Company Secretaries of India. She has more than 5 years of experience in the field of Finance and Law. She had served in a listed organization as a designated company secretary. Currently, she is in practice in law related matters like Company Law, Securities Law and Labour Law.

Mr. NEVIL PRAMESHKUMAR SONI

Mr. Nevil Prameshkumar Soni is an Independent Director of Bhatia Colour Chem Limited. He has completed his professional Degree of Certified Public Accountant (CPA), USA. He holds bachelor degree in commerce from the Gujarat University and Inter CA from the ICAI. He has started his career in the Audit, Accounts and Taxation of Indian entities with the Practicing Chartered Accountants Firm. He is having 11 years of experience in the Finance Field. After completion of his CPA, USA, he got the experience to work with the global organisations and industries. Currently, he is serving as an Audit and Assurance Manager in the global outsource accounting company (CPA Firm). In his services, he is managing all stages of finance audits, review and compilation engagements. His financial knowledge and understanding of the industrial regulation can help the Company in many areas.



COMMITTEES

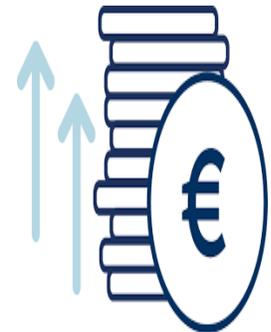


AUDIT COMMITTEE

Rutu Milindbhai Sanghvi-Chairman
Nevil Prameshkumar Soni-Member
Bharat Brijlal Bhatia-Member

Insiya Qaidjohar Nalawala -Chairman
Rutu Milindbhai Sanghvi-Member
Nevil Prameshkumar Soni-Member

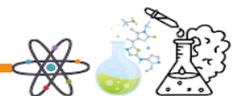
NOMINATION & REMUNERATION COMMITTEE



WORKING CLOSER
WITH STAKEHOLDERS

STAKEHOLDERS RELATIONSHIP COMMITTEE

Rutu Milindbhai Sanghvi-Chairman
Nevil Prameshkumar Soni-Member
Bharat Brijlal Bhatia-Member



Corporate Information:

▶ STATUTORY AUDITORS

M/s DSI & CO.

Chartered Accountants

MF/14-26, Nariman Point Shopping Centre, Nr. Raghuvir Bungalows, City Light Road, Surat-395007

Ph No: 0261-3053838

Email ID: dsi.surat@gmail.com

▶ REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited

Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India

Tel No:+91 22-62638200

Fax No :+91 22-62638299

Website: www.bigshareonline.com

E-Mail: ipo@bigshareonline.com

▶ COMPANY SECRETARY AND COMPLIANCE OFFICER

Vishwa Ronak Patel- CS

Sunny Harishkumar Vyaswala- CFO

▶ REGISTERED OFFICE

Plot No. A/2/12, Road No. 1, Udhana Udyognagar Sangh Udhna Surat-394210

CIN: L24290GJ2021PLC127878

Scrip ID/ Code: BCCL/543497

ISIN: INE0KQ001017

Ph No: 9104294564

Email ID: cs@bccindia.com

Website: www.bccl.info

▶ BANKER TO THE COMPANY

HDFC Bank Limited

Ground Floor, UTC Building, Udhna Darwaja, Ring Road, Near Apple Hospital, Surat -395002

Tel: 0261-2332076

Email: vipul.modi@hdfcbank.com

KEY CODES AND POLICIES

As part of our continued evolution towards becoming a sustainable and responsible organisation, we have come out with the Policies & Code of Conduct that presents principles governing and guiding. Our Code of Conduct is supported by an underlying framework of policies and procedures which provide specific guidance to employees on their behavior required to uphold our organisation's values.

These policies and the Code of Conduct are important to our progress. They are the foundations upon which we as a company are built. The Code of Conduct outlines the desired behaviour required of company and its employees in all business dealings. The Code directs everyone involved with our Company to act with complete honesty, integrity, and professionalism.

Code of Conduct of Board of Directors and Senior Management Personnel

Whistle-blower Policy

Performance Evaluation Policy

Code of Practices and Procedures for Fair Disclosures of UPSI

Nomination & Remuneration Policy

Board Diversity Policy

Prevention of Sexual Harassment at Work Place

Preservation of Documents

Policy on Determination of Materiality

Archival Policy

Terms & Conditions of Appointment
of Independent Director

Risk Management Policy

Related Party Transactions Policy

Familiarization Programme for
Independent Directors



NOTICE OF 2ND AGM



Date & Time:

Saturday, 16th September 2023 at 01:00 PM

Venue:

The AGM is to be held at Registered office situated at Plot No. A/2/12, Road No. 1, Udhana Udyognagar Sangh Udhna Surat-394210

Book Closure:

Sunday, 10th September, 2023 to Saturday, 16th September, 2023 (both days inclusive)

AGM
Annual General Meeting



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CIN: L24290GJ2021PLC127878

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Surat 394210

Mob No. 9104294564 Email Id: cs@bccindia.com Weblink: www.bccl.info

NOTICE OF 2ND ANNUAL GENERAL MEETING

Notice is hereby given that the 2nd Annual General Meeting of the Members of **BHATIA COLOUR CHEM LIMITED** will be held on Saturday, 16th September, 2023 at 01.00 P.M. at the Registered Office of the company situated at Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March, 2023 together with the report of the Board of Directors & Auditors' thereon.

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2023 together with the report of the Board of Directors and report of the Statutory Auditor thereon, as circulated to the shareholders, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Rameshchand Chanduram Bhatia, Executive Whole Time Director (DIN: 09431185), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

“**RESOLVED THAT** in accordance with the provision of Section 152(6) and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Rameshchand Chanduram Bhatia, Executive Director (DIN: 09431185), who retires by rotation at this annual general meeting, be and is hereby reappointed as director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

3. To consider the increase in remuneration of Mr. Ravi Ashokumar Bhatia (DIN: 09431186), Whole-Time director of the company:

To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the approval of the Members of the Company, be and is hereby accorded to increase remuneration of Mr. Ravi Ashokumar Bhatia (DIN: 09431186), Whole-Time Director of the Company, on the terms and conditions as approved by the Board on recommendation of Nomination and Remuneration Committee.



RESOLVED FURTHER THAT the remuneration payable to Mr. Ravi Ashokumar Bhatia (DIN: 09431186), Whole Time Director, shall be as under:

Remuneration: Rs. 2,00,000/- (Rupees Two Lakhs Only) per month inclusive of all perquisite.

RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Ravi Ashokumar Bhatia, Whole Time Director of the Company be paid remuneration by way of Salary, Perquisites and allowances upto a maximum of Rs. 2,00,000/- (Rupees Two lacs only) per month as minimum remuneration for the remaining period in case the Company has no profits or its profit are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Ravi Ashokumar Bhatia as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole Time Director of the Company, as approved by the Board resolution passed at the Board Meeting held on 21st January, 2022 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Director or the Company Secretary thereof be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of attachment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

4. To ratify the remuneration of Cost Auditor for the financial year 2023-24 and in this regard, pass the following resolution as an Ordinary Resolution:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice convening this Meeting, to be paid to the **M/s V.M. Patel & Associates, Practising Cost Accountants (Firm Registration No. 101519)** appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year 2023-24, be and is hereby ratified."

For and on behalf of the Board of Directors
BHATIA COLOUR CHEM LIMITED

Date: 16/08/2023
Place: Surat

Sd/-
Vishwa Ronak Patel
Company Secretary and Compliance Officer



NOTES:

1. A statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. A member entitled to attend and vote at the annual general meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy, duly completed, must be deposited at the company's registered office not less than 48 hours before the commencement of the meeting (on or before 16th September, 2023, 01:00 P.M. IST). A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. However, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The Proxy holders shall provide his identity at the time of attending the meeting. A proxy form for the AGM is enclosed.
3. Pursuant to Section 113 of the Companies Act, 2013, Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Pursuant to the provisions of section 148 of the Companies Act, 2013 and the Rules made thereunder, M/s V.M. Patel & Associates, Practising Cost Accountants (Firm Registration No. 101519) Cost Accountants are appointed to conduct the audit of cost records of the Company for the financial year 2023-24 by the Board at the Meeting held at 16th August, 2023. The remuneration set out in the Statement annexed to the Notice shall be ratified by the shareholders in the ensuing annual general meeting
5. Karta in case of HUF, partners/proprietors in case of firm attending and voting should affix the respective stamp of HUF or firm on the attendance sheet, Polling paper or Proxy form.
6. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 11.00 a.m. and 4.00 p.m. up to the date of the Annual General Meeting.
7. Members/Proxy holders/ Authorized representatives are requested to bring their copy of Annual Report and Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
8. Members who hold shares in dematerialized form are requested to quote their DP-ID and Client ID No. in all their correspondences and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013, and the Register of Contracts & arrangements in which director are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
10. The Register of Members and the Share Transfer Books of the Company will remain closed from 10th September, 2023 to 16th September, 2023 (both days inclusive).
11. The Shareholders are requested to direct change of address notifications and update details to their respective Depository Participant(s).
12. Equity shares of the Company are under compulsory demat trading by all Investors.



13. The Annual Report 2022-23, the Notice of the 2nd AGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a physical copy of documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

14. Members may also note that the Notice of the 2nd AGM and the Annual Report 2022-23 will be available on Company's website, www.bccl.info.

15. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication from the company electronically and quicker response to their queries to company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, by clicking the link: <https://www.bigshareonline.com/InvestorRegistration.aspx> or Company

16. Members are requested to contact our Registrar and Transfer Agent for any query related to shares and other inquiry at following address:

Bigshare Services Private Limited
Office No S6-2, 6th floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai - 400093, India.
Tel No : +91 22-62638200
Fax No : +91 22-62638299
Website: www.bigshareonline.com
E-Mail: info@bigshareonline.com

Please Quote Folio No. / DP ID & CL ID for any communication for your shareholding

17. The shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.

18. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re- appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment/ re-appointment as required under the Companies Act, 2013 and the Rules there under.

19. The voting rights of Shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 09th September, 2023.

20. The route map of the venue of Annual General Meeting is appended to this report. The prominent land mark near the venue is INS Hospital, Surat.

21. Information **and other instructions relating to e-voting are as under:**

I. Pursuant to Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by NSDL. The facility available for voting through polling paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise the right at the AGM through polling paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be



entitled to cast their votes again.

- II. If Members are opting for remote e-voting, they shall not vote by Polling paper and vice versa. However, in case Members cast their vote both by Polling paper and by remote e-voting, then voting done through remote e-voting shall prevail and voting done by Polling paper will be treated as invalid.
- III. Shri Ranjit Binod Kejriwal, Practicing Company Secretary has been appointed to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper, in a fair and transparent manner.
- IV. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member as on the cut-off date i.e. 09th September, 2023.
- V. A person, whose name is recorded in the register of members as on the cut-off date, i.e. 09th September, 2023 only shall be entitled to avail the facility of remote e-voting / as well as voting through the Polling Papers at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- VI. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 09th September, 2023 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Polling Papers at the AGM by following the procedure mentioned in this part.
- VII. The Remote e-voting period will commence on Wednesday, 13th September, 2023 at 9.00 a.m. and will end on Friday, 15th September, 2023 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. 09th September, 2023, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be automatically disabled for voting thereafter.
- VIII. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- IX. The Scrutinizer, after scrutinizing the votes cast at the meeting (polling paper) and through remote e-voting, will, not later than 2 working days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company. The results shall be communicated to the Stock Exchanges.
- X. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 16th September, 2023.
- XI. **Instructions to Members for e-voting are as under:**

The voting period starts on Wednesday, 13th September, 2023 on open of working hours (i.e 9:00 hours) and ends on the close of working hours (i.e. 17:00 hours), Friday, 15th September, 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 09th September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 09th September, 2023.
- XII. Any person holding shares in physical form and non-individual shareholders, who acquires shares



of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 09th September, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 224 430 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 09th September, 2023 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under



	<p>'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where 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 of all e-Voting Service Providers, 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 available at https://web.cdslindia.com/myeasinew/home/login 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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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. NSDL and CDSL.

Login type	Helpdesk details
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 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
(a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.



(b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
(c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 125165 then user ID is 125165001***

5. Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.



8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rbksurat@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Sarita Mote at evoting@nsdl.co.in .

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@bccindia.com .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@bccindia.com . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting**



and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/ members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

Other information:

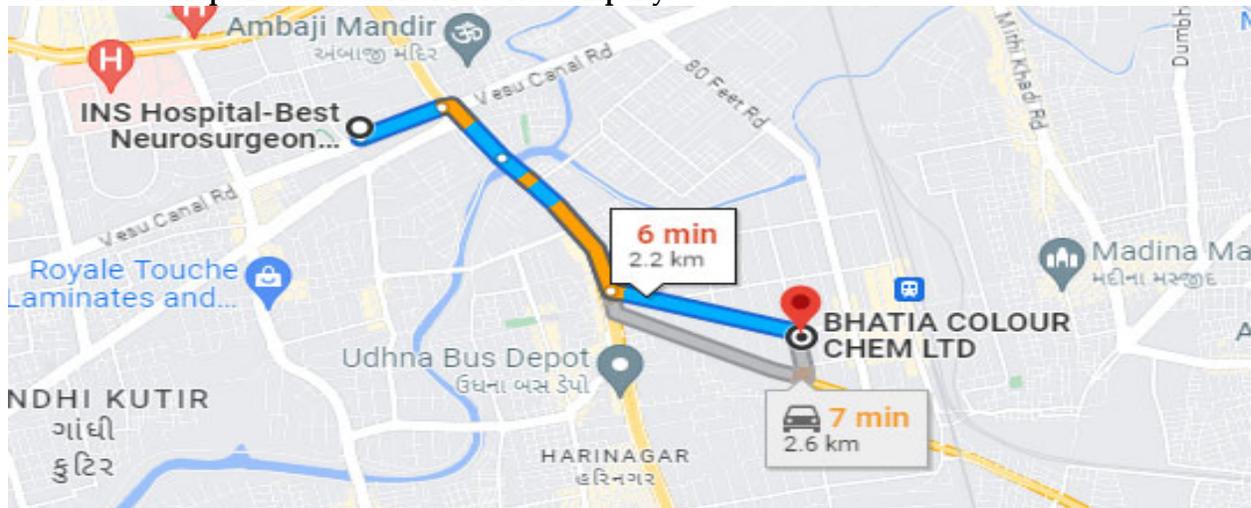
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

For and on behalf of the Board of Directors
BHATIA COLOUR CHEM LIMITED

Date: 16/08/2023
Place: Surat

Sd/-
Vishwa Ronak Patel
Company Secretary & Compliance Officer

The Route Map of Venue of AGM of the Company.



ANNEXURE TO NOTICE

DETAILS OF DIRECTOR/KMP SEEKING RE-APPOINTMENT AND APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Companies Secretaries of India)

Item No.2

Mr. Rameshchand Chanduram Bhatia, is proposed to be re- appointed as Director, who is liable to retire by rotation and as per the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Secretarial Standards his details are as under:

Name of Director	Mr. Rameshchand Chanduram Bhatia
DIN	09431185
Date of Birth	20/07/1957 (66 years)
Qualification	B.SC
Expertise in specific functional areas	Research and Development in chemical and dyestuffs field
Experience	More than 45 years in Chemical Industry
Terms and Conditions of Appointment/ Reappointment	As per the resolution at item No 2 of the notice convening this meeting, Mr. Rameshchand Chanduram Bhatia is liable to retire by rotation at the meeting and eligible for re-appointment
Remuneration Last drawn	2,00,000 P.M
Remuneration Proposed	2,00,000 P.M
Date of First Appointment	10/12/2021
Relationship with Directors/ Key Managerial Personnel	Mr. Rameshchand Chanduram Bhatia is an uncle of Mr. Bharat Brijlal Bhatia.
List of Companies in which directorship is held as on 31/03/2023	As attached below
Chairman / Member of the Committee of other Company	Nil
No. of Meetings of the Board Attended during the year	06

List of Companies in which Mr. Rameshchand Chanduram Bhatia holds directorship as on 31st March, 2023:

Sr.No	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose
1.	Bhatia Colour Chem Limited	Whole time Director	1320000	10-12-2021/ 21-01-2022

For and on behalf of the Board of Directors

Sd/-

Vishwa Ronak Patel

Company Secretary and Compliance Officer

Date: 16/08/2023

Pace: Surat



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

Item No. 03

To consider the increase in remuneration of Mr. Ravi Ashokumar Bhatia (DIN: 09431186), Whole-Time director of the company:

The Company had appointed Mr. Ravi Ashokumar Bhatia as Wholetime Director of the Company for a period of five years from 21st January, 2022 till 20th January, 2027.

He has experience of more than 22 years in the field for Product Development and Marketing. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Ravi Ashokumar Bhatia, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company, has approved the proposal to increase the remuneration to Rs. 2,00,000/- per month, subject to the approval of shareholders, as set out in the resolution being item no. 3 of the accompanying notice.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. Ravi Ashokumar Bhatia as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 3 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section, if subject to the following:

- (i) The payment of remuneration is approved by a resolution passed by the Board at a meeting held on 16th August, 2023 and also by the Nomination and Remuneration Committee of Directors at a meeting held on 16th August, 2023.
- (ii) Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Whole Time Director of the Company as approved by the members of the Company shall remain unchanged. Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Ravi Ashokumar Bhatia himself, is in any way concerned or interested, in the said resolution.



Item No. 04

To ratify the remuneration of Cost Auditor for the financial year 2023-24 and in this regard

As per the provisions of Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have an audit of its cost records conducted by a cost accountant in practice for products covered under the Companies (Cost Records and Audit) Rules, 2014.

The Board, based on the recommendation of the Audit Committee, has approved the appointment of M/s V.M. Patel & Associates, Practising Cost Accountants (Firm Registration No. 101519) as the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year 2023-24, at a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only) plus applicable taxes. In accordance with Section 148(3) of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors, for the financial year 2023-24.

The Board commends ratification of remuneration of Cost Auditors, as set out in Resolution no. 4 of the Notice for approval by the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution.

For and on behalf of the Board of Directors
BHATIA COLOUR CHEM LIMITED

Date: 16/08/2023
Place: Surat

Sd/-
Vishwa Ronak Patel
Company Secretary and Compliance Officer





BOARD'S REPORT FY 2022-23

BOARD'S REPORT

To,

The Members

BHATIA COLOUR CHEM LIMITED

Your directors take pleasure in presenting the 2nd Board's Report of the company on the business and operations together with the Audited Accounts for the financial year ended 31st March 2023.

1. FINANCIAL RESULTS & PERFORMANCE:

Financial performance of the Company for Financial Year 2022-23 is summarized below:

(Figure in Lakhs)

Particulars	2022-23	2021-22*
Revenue from operations	11021.65	1412.49
Other Income	13.18	0.67
Total Revenues	11034.83	1413.16
Profit/ (Loss) before Exceptional & Extraordinary items & tax	377.32	71.20
Less: Exceptional items	(0.01)	--
Less: Extraordinary items	3.33	0.07
Profit/ (Loss) before tax	374.00	71.12
Less: Tax Expenses		
- Current Tax	100.59	18.91
- Deferred Tax	(0.48)	0.48
- Income tax of earlier years	--	--
Net Profit/ (Loss) For the Year	273.89	51.73

* Figures regrouped wherever necessary.

The above figures are extracted from the Financial Statements prepared in accordance with accounting principles generally accepted in India including the Accounting Standards specified under section 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act. The detailed financial statement as stated above is available on the Company's website at <https://www.bccl.info/financial-result.php>.

2. STATE OF COMPANY'S AFFAIR:

The Company was incorporated on December 10, 2021 therefore this is second year of the company. Company has recorded a total revenue of Rs 11034.83/- lakhs in current financial year 2022-23 as compared to Rs 1413.16/- in previous financial year 2021-22. Company has incurred higher net profit for the year 2022-23 which is Rs. 273.89/- lakhs as compared to Rs 51.73/- in previous year.

3. DIVIDEND:

Keeping in mind the overall performance and outlook for your Company, your Board of Directors doesn't declare dividends as the company is at growing stage and requires funds for expansion. Your directors do not recommend any dividend for the year ended 31st March, 2023.



4. UNCLAIMED DIVIDEND:

There is no balance lying in unpaid dividend account.

5. SHARE CAPITAL:

The Authorized Share Capital of the Company is Rs. 12,50,00,000/- and Paid-up Share Capital of the Company is Rs. 12,23,37,500/- as on 31st March, 2023.

During the year under review, the Company has not made any issues by way of Bonus issue, Right issue, private placement, further issue or any other method.

6. MATERIAL CHANGES:

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report

7. TRANSFER TO RESERVES:

Company has not transferred any amount from profit to general reserve.

8. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the Financial year, there has been no change in the business of the company or in the nature of business carried by the company during the financial year under review.

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There was no significant material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in nature.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a. In the preparation of the annual accounts for the year ended March 31, 2023, the applicable Accounting Standards 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 were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2023 and of the Profit & Loss of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts of the Company on a 'going concern' basis; and
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f. The directors have devised proper systems to ensure compliance with the provisions of all



applicable laws and that such systems were adequate and operating effectively.

11. DECLARATION BY INDEPENDENT DIRECTOR:

Pursuant to Section 149 (7) of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under Section 149 (6) of the Act and Regulation 16 of the Listing Regulations 2015 have submitted their respective declarations as required. The Independent Directors of your Company have confirmed that they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

All the independent directors have enrolled with the Indian Institute of Corporate Affairs at Manesar for exam "Online Self-Assessment Test".

12. LOANS GUARANTEES AND INVESTMENTS:

The company has not given any loans or guarantees or made investments under section 186(4) of Companies Act, 2013.

13. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company.

14. EXTRACT OF ANNUAL RETURN:

As per amended section 92(3) of Companies Act, 2013 attachment of extract of annual return to Directors Report is discontinued. The Annual Return for FY 2022-23 is available on Company's website at <https://www.bccl.info/annual-reports.php>.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As per the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Management Discussion and Analysis of the financial condition is annexed and forms an integral part of the Directors' Report, is given in **Annexure I**.

16. CORPORATE GOVERNANCE:

The company is SME Company and listed on SME exchange of BSE Limited therefore, pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the compliance with corporate governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation 2 of regulation 46 and Para C, D and E of Schedule V shall apply to the extent that it does not violate their respective statutes and guidelines or directives issued by the relevant authorities. Hence your company is exempted to comply with aforesaid provisions of the SEBI (LODR) Regulation, 2015 and corporate Governance does not form part of this Board's Report.

17. NUMBER OF BOARD AND COMMITTEE MEETING HELD DURING THE YEAR:

The Details of all meeting of Board of Directors and Committee meeting had taken place during the year and their detailed composition along with their attendance is mentioned below. The composition



of the Board and its committee is also available on the website of the company at <https://www.bccl.info/Committees.php>.

I. BOARD MEETING:

The Board of Directors of the Company (Board) has optimum combination of Executive and Non-Executive Directors comprising Three Executive Directors and Three Non- Executive Directors. None of the Directors hold directorship in more than 20 companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act.

Composition of Board of Director as on 31st March, 2023 is as follows:

Sr. No	Name	Designation	Nature of Directorship
1	Bharat Brijlal Bhatia	Chairman/Managing Director	Executive Director
2	Rameshchand Chanduram Bhatia	Whole Time Director	Executive Director
3	Ravi Ashokkumar Bhatia	Whole Time Director	Executive Director
4	Insiya Qaidjohar Nalawala	Independent Director	Non-Executive
5	Rutu Milindbhai Sanghvi	Independent Director	Non-Executive
6	Nevil Prameshkumar Soni	Independent Director	Non-Executive

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 06 (Six) times and the gap between two meetings did not exceed one hundred and twenty days (120).

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	28/05/2022	6	6
2.	19/08/2022	6	6
3.	04/10/2022	6	6
4.	12/11/2022	6	6
5.	31/12/2022	6	6
6.	24/02/2023	6	6

II. COMMITTEES MEETING

• AUDIT COMMITTEE

Our Company has constituted an Audit Committee on February 21, 2022 with its composition, quorum, powers, roles and scope in line with the applicable provisions of the Act and Listing Regulations.

The Audit Committee of the company consists of two Independent Directors and one Executive Director of the Company. All the Directors have good understanding Finance, Accounts and Law.

Composition of audit committee of the company is as follows:



Sr. No	Name of Member	Designation	Nature of Directorship
1	Rutu Milindbhai Sanghvi	Chairman	Non-Executive Independent Director
2	Nevil Prameshkumar Soni	Member	Non-Executive Independent Director
3	Bharat Brijlal Bhatia	Member	Executive Director

During the financial year 2022-23, Four (4) meetings of Audit Committee were held on following dates:

- ❖ 28/05/2022
- ❖ 19/08/2022
- ❖ 12/11/2022
- ❖ 24/02/2023

Attendance of members for the meeting of Audit Committee held during the year 2022-23 is as below

Sr. No	Name of Member	Status in Committee	No of meetings Attended	No of meetings entitled to Attend
1	Rutu Milindbhai Sanghvi	Chairman	4	4
2	Nevil Prameshkumar Soni	Member	4	4
3	Bharat Brijlal Bhatia	Member	4	4

The term of reference of Audit Committee is as below:

The scope of audit committee shall include, but shall not be restricted to, the following;

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;



- g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and



4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

- **NOMINATION AND REMUNERATION COMMITTEE**

Our Company has constituted a Nomination and Remuneration Committee on February 21, 2022 with its composition, quorum, powers, roles and scope in line with the applicable provisions of the Act and Listing Regulations. The Nomination and Remuneration Committee of the company consists of three Independent Directors of the Company. Composition of Nomination and Remuneration Committee of the company is as follows:

Sr. No	Name of Member	Designation	Nature of Directorship
1	Insiya Qaidjohar Nalawala	Chairman	Non-Executive Independent Director
2	Rutu Milindbhai Sanghvi	Member	Non-Executive Independent Director
3	Nevil Prameshkumar Soni	Member	Non-Executive Independent Director

During the financial year 2022-23, Two (2) meetings of Nomination and Remuneration Committee were held on following dates:

- ❖ 19/08/2022
- ❖ 31/12/2022



Attendance of members for the meeting of Nomination & Remuneration Committee held during the year 2022-23 is as below:

Sr. No	Name of Member	Status in Committee	No of meetings Attended	No of meetings entitled to Attend
1	Insiya Qaidjohar Nalawala	Chairman	2	2
2	Rutu Milindbhai Sanghvi	Member	2	2
3	Nevil Prameshkumar Soni	Member	2	2



The term of reference of Nomination & Remuneration Committee is as below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of Independent Directors and the Board of Directors;
4. Devising a policy on Board diversity, if any;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director 's performance.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
9. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

The performance evaluation of the independent director was evaluated by the board after seeking inputs from all the independent directors on the basis of the criteria such as participation in decision making and rendering unbiased opinion; participation in initiating new ideas and planning of the company etc.

The board reviewed the performance of the independent directors on the basis of the criteria such as the contribution in raising concerns to the Board, safeguarding of confidential information, rendering independent unbiased opinion etc. The web link is https://www.bccl.info/assets/images/Performance_Evaluation_Policy_R.pdf.

REMUNERATION OF DIRECTORS

During the year company has paid following remuneration or setting fees to the directors as follows:

Name	Category	Remuneration or setting fees
Bharat Brijlal Bhatia	Executive Managing Director	24,00,000 p.a.



Rameshchand Chanduram Bhatia	Executive Whole Time Director	24,00,000 p.a.
Ravi Ashokkumar Bhatia	Executive Whole Time Director	12,00,000 p.a.
Insiya Qaidjohar Nalawala	Non-Executive Independent Director	NIL
Rutu Milindbhai Sanghvi	Non-Executive Independent Director	NIL
Nevil Prameshkumar Soni	Non-Executive Independent Director	NIL

REMUNERATION POLICY

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company https://www.bccl.info/assets/images/Remuneration_Policy_R.pdf.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long-term performance objectives appropriate to the working of the Company and support in the achievement of Corporate Goals.

Presently the company doesn't pay any sitting fees to its non-executive director. The criteria for making payment to the non-executive director is available on the website of the company https://www.bccl.info/assets/images/T&C_of_Appointment_of_ID_R.pdf.

- **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

The term of reference of Stakeholder's Relationship Committee is as below:

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

To solve the investors grievances Company has formulated Stakeholder's Relationship Committee. Composition of the Committee is as follows:

Sr. No	Name of Member	Designation	Nature of Directorship
1	Rutu Milindbhai Sanghvi	Chairman	Non-Executive Independent Director
2	Nevil Prameshkumar Soni	Member	Non-Executive Independent Director
3	Bharat Brijlal Bhatia	Member	Executive Director

During the financial year 2022-23, Four (4) meetings of Stakeholder's Relationship Committee were held on following dates



- ❖ 28/05/2022
- ❖ 19/08/2022
- ❖ 12/11/2022
- ❖ 24/02/2023

Attendance of members for the meeting of Nomination & Remuneration Committee held during the year 2022-23 is as below:

Sr. No	Name of Member	Status in Committee	No of meetings Attended	No of meetings entitled to Attend
1	Rutu Milindbhai Sanghvi	Chairman	4	4
2	Nevil Prameshkumar Soni	Member	4	4
3	Bharat Brijlal Bhatia	Member	4	4

Name & Designation and address of the Compliance Officer

CS VISHWA RONAK PATEL
 Company Secretary & Compliance Officer
 Bhatia Colour Chem Limited
 Plot No. A/2/12, Road No. 1, Udhana
 Udyog Nagar Sangh Udhna Surat-394210

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

Status of Complaints pending, received, disposed and unresolved:

Number of Shareholders' Complaints Pending at the end of the year	Nil
Number of Shareholders' Complaints received during the year	Nil
Number of Shareholders' Complaints disposed during the year	Nil
Number of Shareholders' Complaints remain unresolved during the year	Nil



18. FAMILIARIZATION TO INDEPENDENT DIRECTORS:

The Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors.

The Company, through its Executive Director or Manager as well as other Senior Managerial Personnel, conducts presentations/programs to familiarize the Independent Directors with the



strategy, operations and functions of the company inclusive of important developments in business. The web link is https://www.bccl.info/assets/images/Familiarization_policy_of_IDs_R.pdf.

The terms and conditions of independent directors is available on the website of the company at https://www.bccl.info/assets/images/T&C_of_Appointment_of_ID_R.pdf.

Meeting of Independent Director

During the financial year 2022-23 one meeting of Independent Director was held on the following date:

❖ 24/02/2023

Attendance of Directors at Independent Directors meeting held during the financial year is as under:

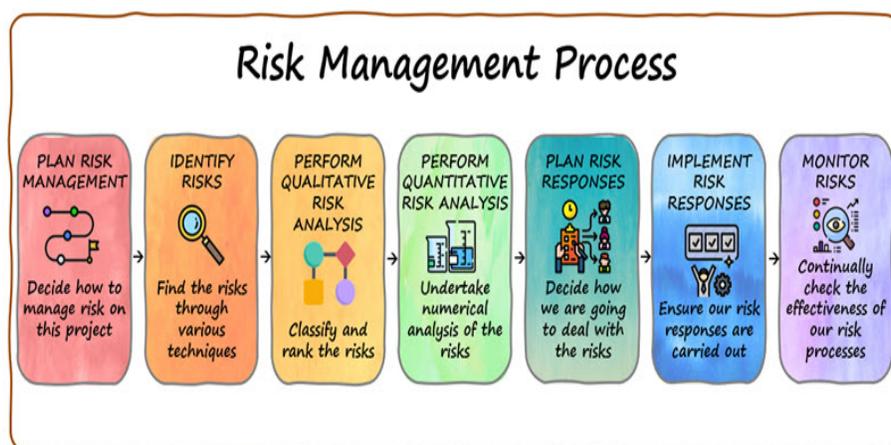
Name of Directors	Categories	No. of Meeting Attended
Mrs. Rutu Milindbhai Sanghvi	Chairman	1
Mrs. Insiya Qaidjohar Nalawala	Member	1
Mr. Nevil Prameshkumar Soni	Member	1

19. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

There is no employee drawing remuneration in excess of limits prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Disclosures pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rules 5(1) of the companies (appointment and remuneration of managerial personnel) Amendment rules, 2016 are annexed in **Annexure II**.

20. RISK MANAGEMENT:

During the financial year under review a statement on risk management including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company as per the provisions of Section 134(3) (n) of Companies Act, 2013; has been annexed in **Annexure III**.



21. AUDITORS:

- **STATUTORY AUDITORS:**

The Members at the 01st Annual General Meeting of the Company held on 20th September, 2022, had appointed M/s. DSI & CO., Chartered Accountants, (FRN: 127226W) as the Statutory Auditor of the Company to hold office for a term of five years i.e., from the conclusion of the 01st Annual General Meeting until the conclusion of the AGM for the financial year ending 2026-27.



- **SECRETARIAL AUDITOR:**

The Board had appointed Mr. Ranjit Kejriwal, Practicing Company Secretary to conduct Secretarial Audit for 5 Years from financial year 2022-23 to 2026-27.

The Secretarial Audit Report is annexed herewith in Annexure IV. The secretarial Auditor's report is self-explanatory and as such they do not call for further explanations.



- **INTERNAL AUDITOR:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules 2014, the Board of Directors of the Company has appointed M/s **Dharan Shah & Associates**, Chartered Accountants as Internal Auditor of the Company in the board meeting held on 21st February, 2022.



- **COST AUDITOR:**

Pursuant to the Provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Director have appointed M/s V.M. Patel & Associates, Practising Cost Accountants (Firm Registration No. 101519) as the Cost Auditor of the Company for Financial Year 2023-24, subject to remuneration being ratified by the Members at the ensuing AGM of the Company.



22. COMMENTS ON AUDITOR'S REPORT:

M/s DSI & CO., Chartered Accountants, have submitted Auditors' Report on the financial statements (standalone) of the Company for the financial year ended 31st March 2023. The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation.

23. MAINTENANCE OF COST RECORDS:

The company is required to maintain Cost Records as specified by Central government under sub-section (1) of section 148 of the Companies Act, 2013, and accordingly such accounts and records are made and maintained.

24. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and Arrangements with related parties under section 188 of the Companies Act, 2013 entered by the company during the financial year, were in the ordinary course of business and were on an arm's length basis. The policy on Related Party Transaction is uploaded on the website of the company.

The web link is https://www.bccl.info/assets/images/Related_Party_Transaction_Policy_R.pdf.

Details of the related party transaction made during the year are attached **Annexure V** in form AOC-2 for your kind perusal and information.

25. ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The requirements for disclosure in respect of Conservation of Energy, Technology Absorption, in terms of Section 134(3) (m) of the Companies Act, 2013 read with the rule 8 of Companies (Accounts) Rules, 2014 are annexed herewith in **Annexure VI**.

26. CEO/ CFO CERTIFICATION

Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para D of Schedule V of SEBI (LODR) relating to Declaration by CEO is not applicable to the company.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135(1) and 135(5) of the Companies Act, 2013 regarding constitution of Corporate Social Responsibility (CSR) Committee and spending of at least 2% of average net profit are not applicable to the Company.



28. ANNUAL EVALUATION:

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”).

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

29. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The List of board of Directors and KMP as on 31/03/2023

Name of Director/KMP	Category & Designation	Date of Appointment	Date of Resignation	Date of Change in Designation during the Year
Bharat Brijlal Bhatia	Executive managing Director, Chairman	10/12/2021	--	21/01/2022*
Rameshchand Chanduram Bhatia	Executive Whole-Time Director	10/12/2021	--	21/01/2022*
Ravi Ashokkumar Bhatia	Executive Whole-Time Director	10/12/2021	--	21/01/2022*
Insiya Qaidjohar Nalawala	Non Executive Independent Director	21/02/2022	--	--
Rutu Milindbhai Sanghvi	Non Executive Independent Director	21/02/2022	--	--
Nevil Prameshkumar Soni	Non Executive Independent Director	21/02/2022	--	--
Hiral Jainesh Shah	Company Secretary	22/12/2021	31/12/2022	--
Sunny Harishkumar Vyaswala	Chief Financial Officer	22/12/2021	--	--



Appointments:

- Mrs. Hiral Jainesh Shah was resigned as Company Secretary (CS) on 31/12/2022.
- Mr. Sunny Harishkumar Vyaswala Chief Financial Officer (CFO) was appointed as Compliance Officer for determine the materiality of events in Board Meeting held on 31/12/2022 till new appointment of Company Secretary.
- Mrs Vishwa Ronak Patel was appointed Company Secretary (CS) and Compliance Officer in Board Meeting held on 22/04/2023.

Change in Designation:

- There is no other change in designation of any directors.

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Rameshchand Chanduram Bhatia (DIN: 09431185), Executive Director, retire by rotation and is being eligible has offered himself for re-appointment at the ensuing Annual General Meeting. Company's policy on directors' appointment and remuneration is available in the web link https://www.bccl.info/assets/images/Remuneration_Policy_R.pdf.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

30. DEPOSIT:

The company has not accepted deposits from the public during the financial year under review within the meaning of Section 73 of the Act of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014.

Details of money received from Directors

Sr. No.	Name of Directors	o/s Amount as on year end (Amount in Lacs)
1	Bharat Brijlal Bhatia	7,32,69,194
2	Rameshchand Chanduram Bhatia	7,48,70,082
3	Ravi Ashokkumar Bhatia	2,47,33,137



31. INTERNAL FINANCIAL CONTROL SYSTEM:

The Company has a well placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.



32. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Companies Act, 2013 re-emphasizes the need for an effective internal financial control system in the company. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of internal financial controls with reference to the financial statements to be disclosed in the board' report. The detailed report forms part of Independent Auditors Report.

33. WHISTLE BLOWER POLICY / VIGIL MECHANISM:

The Company has established a mechanism called Vigil Mechanism/Whistle Blower Policy for the directors and employees to report to the appropriate authorities off unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

The Vigil Mechanism/Whistle Blower Policy as approved by the Board is uploaded on the Company's website. The web link is https://www.bcll.info/assets/images/Vigil_Mechanism-Whistle_Blower_Policy_R.pdf.

34. STATUTORY INFORMATION:

The Company is in trading & manufacturing of Chemicals, Dyes and Auxiliaries products and is the member of BSE SME Platform. Apart from this business, the company is not engaged in any other business/activities.

35. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

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

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI)



» Essence of Secretarial Standards



36. CODE OF CONDUCT:

Pursuant to Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provision of Para D of Schedule V of SEBI (LODR) relating to Declaration by CEO is not applicable to the company.



37. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

Mr. Ranjit Binod Kejriwal, Practicing Company Secretary has issued a certificate required under the listing regulations, confirming that none of the Directors on the Board of the company has been debarred or disqualified from being appointed or continuing as director of the company by SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure VII**.

38. FRAUD REPORTING

During the year under review, no fraud has been reported by Auditors under Section 143(12) of the Companies Act, 2013.

39. INSURANCE:

All the properties and the insurable interest of the company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured. The company keeps reviewing the insurance amount every year as per requirement.

40. RESEARCH & DEVELOPMENT:

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is in significant in relation to the nature size of operations of your Company.

41. APPRECIATION:

Your directors place on records their deep appreciation to employees at all levels for their hard work, dedication and commitment and express their sincere thanks and appreciation to all the employees for their continued contribution, support and co-operation to the operations and performance of the company.



42. SEXUAL HARASSMENT OF WOMEN

Our company goal has always been to create an open and safe workplace for every employee to feel empowered, irrespective of gender, sexual preferences, and other factors, and contribute to the best of their abilities.

The Internal Committee (IC) has been constituted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the committee includes external members from NGOs or with relevant experience. Half of the total members of the IC are women. The



role of the IC is not restricted to mere redressal of complaints but also encompasses prevention and prohibition of sexual harassment.

The Company did not receive any complaints on sexual harassment during the year 2022-23 and hence no complaints remain pending as of 31st March, 2023.

43. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has adopted the Code of Conduct for regulating, monitoring and reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013. The Code of internal procedures and conduct for Regulating, monitoring and Reporting of Trading by Insiders is available on https://www.bccl.info/assets/images/Insider_Trading_Policy_R.pdf.

44. ACKNOWLEDGEMENT:

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in successful performance of the Company during the year.

Place: Surat
Date: 16/08/2023

For and on behalf of the Board of Directors
Bhatia Colour Chem Limited

Sd/-
Rameshchand Chanduram Bhatia
Whole-Time Director
DIN:09431185

Sd/-
Bharat Brijlal Bhatia
Chairman
DIN:09095082



Management Discussion and Analysis



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and/or its Businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This report should be read in conjunction with the financial statements included and the notes.

INDUSTRY STRUCTURE AND DEVELOPMENT

1. GLOBAL SCENARIO

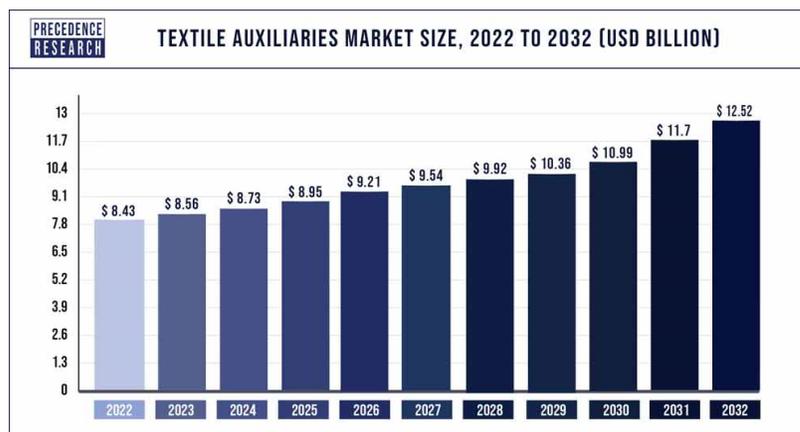
- **Global Economic Scenario**

Textile Auxiliaries Market was estimated at the global level to reach value of US\$ 9,992.4 Million in 2022. Sales prospects of textile auxiliaries are expected to witness a steady growth rate of 5.2% and are expected to top a valuation of US\$ 16,589.3 Million by 2032. The growing apparel and clothing industry, increasing usage of textiles auxiliaries for various application, and shifting focus towards environmentally and eco friendly products are bolstering the demand for textiles auxiliaries across the globe.

The global textile auxiliaries market forms around 38.1% of the global textile chemicals market worth nearly US\$ 24.7 billion in 2021. The global textile auxiliaries' market is representing impressive CAGR of 4.3% during the forecast period 2023 to 2032.



The global textile auxiliaries market size stood at USD 8.43 billion in 2022 and is predicted to reach USD 12.52 billion by the end of 2032, representing an impressive CAGR of 4.3% during the forecast period 2023 to 2032.



- **Textile Auxiliaries Market Dynamics:**

The usage of natural and environmentally safer textile auxiliaries is anticipated to boost market growth due to strict governmental regulations implemented on the practice of toxic chemicals in textiles. With textiles being progressively accepted for innumerable applications such as apparel, home furnishings, and others there has been an outbreak of activity in the bigger textile industry, and compliant growth in the textile auxiliaries market too. Apparel endures to be a foremost application segment in the textile auxiliaries marketplace on account of flourishing clothing commerce in both, established and emerging nations across the world.

One of the major influences propelling the market is the vigorous growth of the apparel market in emergent economies. Yet, pollution problems triggered by the finishing industry and textile dyeing are expected to confine the growth of the market to some extent.

- **Textile Auxiliaries Market Segment analysis:**

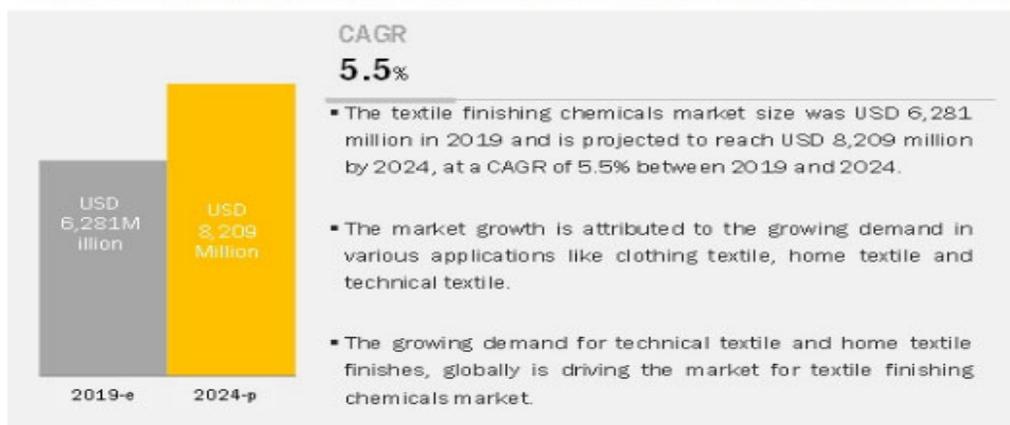
Textile Auxiliaries Market was valued US\$ 9.52 Bn. in 2020 and is expected to reach US\$ 12.70 Bn by 2027, at a CAGR of 4.2% during a forecast period. The report study has analyzed revenue impact of covid-19 pandemic on the sales revenue of market leaders, market followers and disrupters in the report and same is reflected in our analysis. The Textile Auxiliaries are used for washing and dyeing of yarns and fabrics. The auxiliaries are formulated in the forms of cationic, non-ionic, surfactants and amphoteric. Textile chemicals are widely used by textile processing industry for dyeing and processing of textiles to get the final end product with required characteristics.

- **Textile Finishing Chemicals Market:**

The global textile finishing chemicals market is estimated to reach USD 8.2 billion by 2024, at a CAGR of 5.5% during the forecast period. The major factors driving the market include the growing demand of technical textiles and functional home textile finishes. However, stringent environmental regulations regarding the disposal of textile finishing effluents serve to be a major restraint for the market.



Attractive Opportunities in the Textile Finishing Chemicals Market



2. INDIAN ECONOMIC SCENARIO

• Chemicals market in India

India's chemicals industry is de-licensed, except for few hazardous chemicals. In the Indian chemical industry, alkali chemicals have the largest share with ~71.9% in the total production from April to July 2021 (FY22); production of polymers accounts for ~59% of the total production of basic key petrochemicals in 2019. The chemical industry is expected to contribute US\$ 300 billion to India's GDP by 2025.

India holds a strong position in exports and imports of chemicals at a global level and ranks 14th in exports and 8th in imports at global level (excluding pharmaceuticals). The chemicals industry in India covers more than 80,000 commercial products with overall market size standing at US\$ 178 billion in 2018-19. The industry is expected to grow at 9.3% to reach US\$ 304 billion by 2025 on the back of rising demands in the end-user segments for specialty chemicals and petrochemicals. The specialty chemicals sector is expected to reach US\$ 40 billion by 2025.

Indian manufacturers have recorded a CAGR of 11% in revenue between FY15 and FY21, increasing India's share in the global specialty chemicals market to 4% from 3%, according to the Crisil report. A revival in domestic demand and robust exports will spur a 50% YoY increase in the capex of specialty chemicals manufacturers in FY22 to Rs. 6,000-6,200 crore (US\$ 815-842 million). Revenue growth is likely to be 19-20% YoY in FY22, up from 9-10% in FY21, driven by recovery in domestic demand and higher realisations owing to rising crude oil prices and better exports. In FY22, India's dye exports totaled US\$ 3.24 billion.

Chemical production reached 907,639 MT in August 2022, while petrochemical production reached 1,727,019 MT. In August 2022, production levels of various chemicals were as follows: Soda Ash: 267,416 MT, Caustic Soda: 283,279 MT, Liquid Chlorine: 203,195 MT, Formaldehyde: 26,842 MT and Pesticides and Insecticides: 18,881 MT.

Despite decreasing demand for polymers due to COVID-19 pandemic, India is likely to witness growth to ~32 million tonnes from 2020 to 2030.

The domestic chemicals sector's small and medium enterprises are expected to showcase 18-23% revenue growth in FY22, owing to an improvement in domestic demand and higher realisation due to high prices of chemicals.



Supply disruption in China has caused the global end-user industries to diversify their vendor base mainly towards Indian players. Closure of plants in the EU and China due to increasing environmental concerns have favoured Indian manufacturers to invest further in specialty chemicals. From April 2021 to February 2022, exports of organic & inorganic chemicals increased 33.75% YoY to reach US\$ 26.48 billion.

In the chemical sector, industrial licensing and 100% FDI, under the automatic route, are allowed with exception to few hazardous chemicals. FDI inflows in the chemicals sector (other than fertilisers) reached US\$ 19.09 billion between April 2000 to December 2021.

Indian companies are witnessing interest from strategic investors led by Japan, Korea and Thailand, as they seek to diversify supply chains from China

This includes large deals in FY 2020—KKR's \$414 million acquisition of JB Chemicals and Pharmaceuticals Ltd. and Carlyle's \$210 million acquisition of SeQuant Scientific Ltd.

The Indian Government supports the Industry through research & development and initiatives such as reducing basic customs duty on several imported products and promoting the 'Make in India' campaign.

A 2034 vision for the chemicals and petrochemicals sector has been set up by the government to explore opportunities to improve domestic production, reduce imports and attract investments in the sector. The government plans to implement production-link incentive system with 10-20% output incentives for the agrochemical sector; to create an end-to-end manufacturing ecosystem through the growth of clusters.

Lower per capita consumption and ease of doing business are promoted by the Indian government; this reflects good investment opportunities with huge growth potential.

The government has established four petroleum, chemicals and petrochemical investment regions (PCPIRs) as investment regions for petroleum, chemicals and petrochemicals, along with associated services. Plastics Parks have been set up to facilitate technology development and conducive ecosystem to produce specialised plastic products.

In December 2020, the PCPIR policy is being completely redesigned. Under the new PCPIR Policy 2020-35, a combined investment of Rs. 10 lakh crore (US\$ 142 billion) is targeted by 2025, Rs. 15 lakh crore (US\$ 213 billion) by 2030 and Rs. 20 lakh crore (US\$ 284 billion) by 2035 in all PCPIRs across the country. The four PCPIRs are expected to generate employment for ~33.83 lakh people. ~3.50 lakh persons have been employed in direct and indirect activities related to PCPIRs by the end of 2020.

The government is planning to hold roadshows in eight overseas markets for the proposed investors' summit planned in January 2022, with focus on the petrochemicals sector, and is eager to attract investors to its newly launched Petroleum, Chemicals and Petrochemicals Investment Region (PCPIR) near the upcoming crude oil refinery in Pachpadra village (in Barmer district, Rajasthan).

Under the Union Budget 2022-23 the government allocated Rs. 209 crores (US\$ 27.43 million) to the Department of Chemicals and Petrochemicals. PLI schemes have been introduced to promote Bulk Drug Parks, with a budget of Rs. 1,629 crores (US\$ 213.81 million).

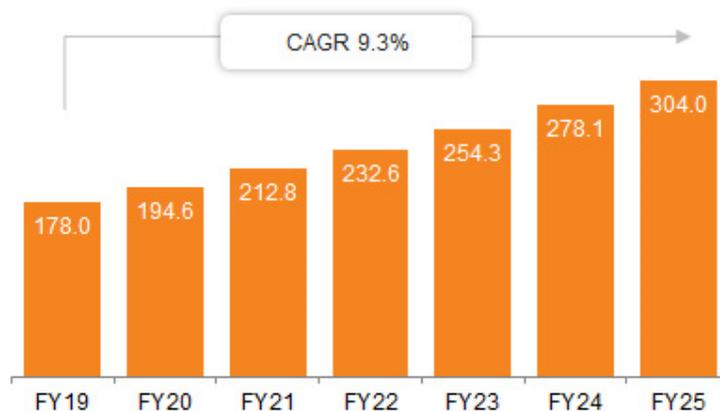


Chemical Clusters

- Gujarat
- Maharashtra
- Odisha
- Tamil Nadu
- Andhra Pradesh
- Uttar Pradesh



Chemical industry market size (US\$ billion)



The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030.

Indian manufacturers have recorded a CAGR of 11% in revenue between FY15 and FY21, increasing India's share in the global specialty chemicals market to 4% from 3%, according to the Crisil report. A revival in domestic demand and robust exports will spur a 50% YoY increase in the CAPEX of specialty chemicals manufacturers in FY22 to Rs. 6,000-6,200 crore (US\$ 815-842 million). Revenue growth is likely to be 19-20% YoY in FY22, up from 9-10% in FY21, driven by recovery in domestic demand and higher realisations owing to rising crude oil prices and better exports.

Moreover, according to the CRISIL report, the specialty chemicals market in India would grow faster than China, increasing its market share to 6% by 2026 from 3-4% in fiscal 2021. A shift in the global supply chain brought on by the China+1 strategy and a resurgence in domestic end-user demand will fuel significant revenue growth of 18-20% in 2022 and 14-15% in 2023.



- **India Textile Chemicals Market Report**

India textile chemicals market stood at \$ 1.5 billion in 2017 and is projected to grow at a CAGR of around 10% to reach \$ 2.6 billion by 2023, on the back of growing demand for high-quality finished textile products.

Stringent environmental regulations imposed in China against pollution have forced several Chinese textile dye manufacturers to discontinue their operations, thereby resulting in opportunities for Indian players to further penetrate the international market.

India is the second largest textile exporter in the world and the state government of Maharashtra is taking initiatives to establish around nine textile parks, which is expected to encourage domestic textile manufacturing, which in turn is anticipated to spur the demand for textile chemicals in India in coming years.

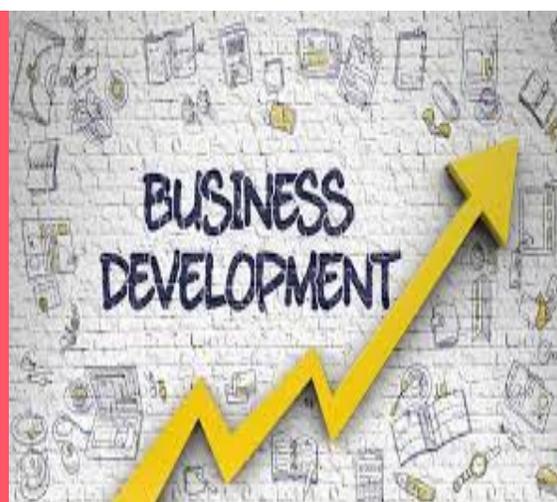
- **Chemical Finishing in Textile**

Chemical finishing in textile plays an important role but the recent trend to “High Tech” product adds a great popularity to it. With the increase of high performance textiles, the popularity of chemical finishing has also increased. The chemicals and auxiliaries that are utilized in a year is about one-tenth of the world’s fiber production. About 6 million tons of chemicals are consumed for 60 million tons of fiber. The consumption of chemicals in finishing covers 40% of total textile auxiliaries. Within the textile finishing group, the product breakdown, based on TEGEWA, is given as a survey in the following table. In terms of value, the repellent group is the leader with the highest ratio of cost per amount. This reflects the relatively high cost of the fluorochemical subgroup of repellents.



BUSINESS OVERVIEW

The Company is in trading & manufacturing of Chemicals, Dyes and Auxiliaries products. Company produce finished Textile Auxiliaries & Chemicals by mixing basic Textile Auxiliaries & Chemicals with our standardised formulation of chemicals with the help of stirrers. The Company produce Foil Binders, Printing Inks and Zari Binders in our Company with the variety of ranges and specialisation as per the demand of the client.



SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

OUR PRODUCT

Textile Auxiliaries

The Textile Auxiliaries are specially used for washing and dyeing of yarns and fabrics. These auxiliaries are formulated for textile products in the forms of cationic, non-ionic, surfactants and amphoteric. These auxiliaries find usage in textile industries for dyeing, finishing, printing and sizing fabric applications. Textile auxiliaries chemicals, commonly called as the dyeing auxiliaries are formulated chemical compounds which are used in various operational processes in a textile. It is formulated chemicals used for, dyeing, printing, and effectively completing the manufacturing process to get the desired effect.

It is an essential product which is essential for a textile industry because it helps in the preparation of the substrate, which is used for colouration. It is also used for stabilization of the medium of application, plays a major role in increasing the fastness property of dyeing and modification of the substrates.

We are manufacturing the Foil Binders of different specifications as per the requirements of the processing houses. The product manufactured by us are innovative and compete with the market on the price range. The quality of our product is accepted by the processing houses and they got desired results by using our product satisfactorily, on account of that, we have developed cordial relation with the customers and got repetitive orders.

Value Added Printing Products

By looking at the revolution in the textile industries, in our Company, we manufacture the Value Added Printing

Products by way of dyes and chemical for the textile industry.

The Value Added Printing Products involves below mentioned products:

- Value Added Printing
- Glitter Powder

Our company was incorporated on December 10, 2021. In the period of 01.04.2022 to 31.03.2023, company's Revenue from **Textile Chemicals & Auxiliaries is Rs. 11021.65 Lakhs.**



OUTLOOK

The company was incorporated on 10th December, 2021 with an object to take over the undergoing business of M/S Ravi Chem which is engaged trading activity of Dyes and Intermediates. Further company got listed on BSE SME Stock Exchange and utilized the Net Proceeds to acquired M/S Polychem Export, Partnership Firm which is engaged in trading of Textile Dyes, Intermediaries, solvents, Resin, Chemicals and Auxiliaries. In the period of 3 Months, company has earned Net profit of Rs 51.73 lakhs in FY 21-22. After that in FY 22-23 company has earned Net profit of Rs 273.89 lakhs.

The roadmap of the company for is as follows:

- Our growth will depend upon the improvement of the operational efficiencies. The improvement of operational efficiency will enhance the profitability of the Company. We intend on implementing various measures to improve our operational efficiencies, including undertaking measures to reduce our consumption of disposable items and avoid wastage. We intend to maximize our operational efficiency by achieving greater integration and by implementing a stronger supply chain management.
- The Company is planning to expand its business activities in not only Gujarat but also in other states of India.

RISK AND CONCERNS

- Constant advancements are required to stay combative in the market, especially in terms of technology for improving product quality.
- Disruption in supply of materials from the major suppliers would adversely affect operations.
- Our business involves handling and storage of hazardous chemicals, which are a potential risk to the environment.
- Unable to retain or acquire competent and experienced employees may hamper the Company's ability to pursue its growth strategies effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the described policies and procedures of the Company. The Audit Committee and the Management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.



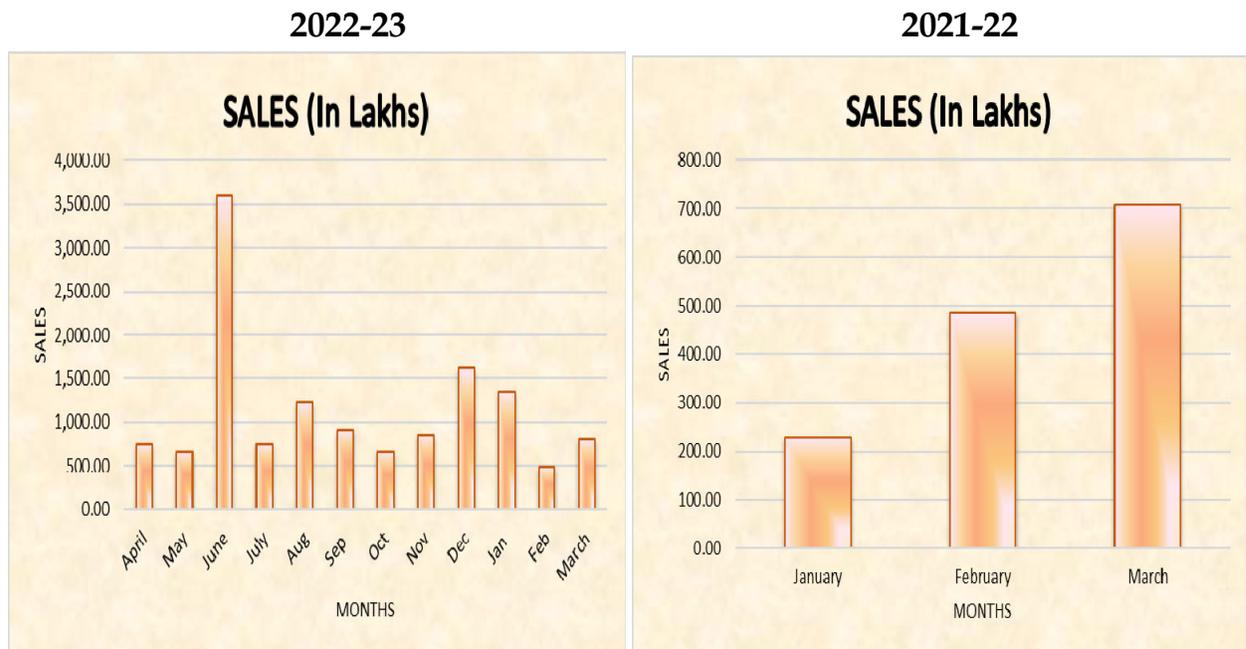


DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Since the company is incorporated on 10th December 2021, revenue from operation for the period ended on 31st March, 2023 is Rs. 11021.65 lakhs. EBITDA came in at around Rs. 703.85 Lakhs and Profit after Tax was Rs. 273.89 Lakhs. The company expects to be in a good wicket in FY24 leaving all the disruptions behind. The company was able to keep its operations afloat and has managed to remain focused on network building and human resource development to sustain growth for the coming years.

To conserve resources for the Company's future growth plans, no dividend is being recommended by the Directors for the year ended 31st March, 2023.

Company has recorded a total Sales of Rs 11021.65/- lakhs in current financial year 2022-23 as compared to Rs 1412.49/- in previous financial year 2021-22.



MATERIAL DEVELOPMENTS IN HUMAN RESOURCES



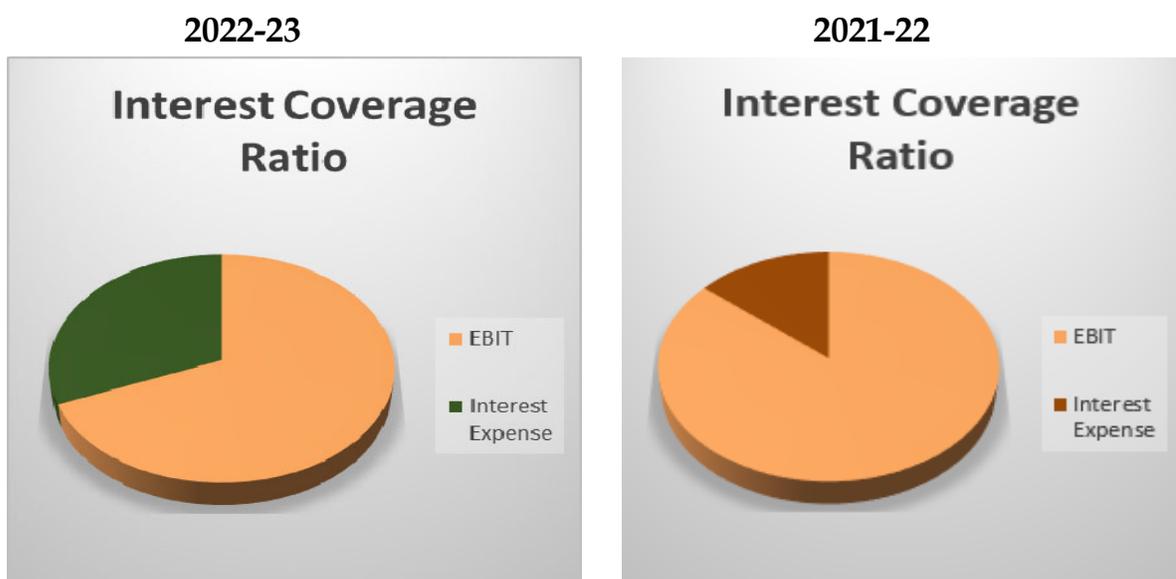
The company firmly believes that its human resources are the key enablers for the growth of the company and are an important asset. Hence, the success of the company is closely aligned to the goals of the human resources of the company. The company has over 122 employees, skilled and unskilled combined who are proficient and carry rich experience. They form a perfect team, and are the true reason behind the improvement of the performance of the Company. Taking this into account, the Company would continue to invest in developing its human capital and establishing its brand on the market to attract and retain the best talent.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIO

The Company was incorporated on December 10, 2021 therefore the ratios for financial year ended on March 31, 2022 will be comparable with figures of financial year ended on March 31, 2023.

- **Interest Coverage Ratio**

The interest coverage ratio measures the ability of a company to pay the interest on its outstanding debt. This measurement is used by creditors, lenders, and investors to determine the risk of lending funds to a company. The company's Interest Coverage ratio is 2.20% in FY 22-23 and 6.19 % in FY 2021-22.

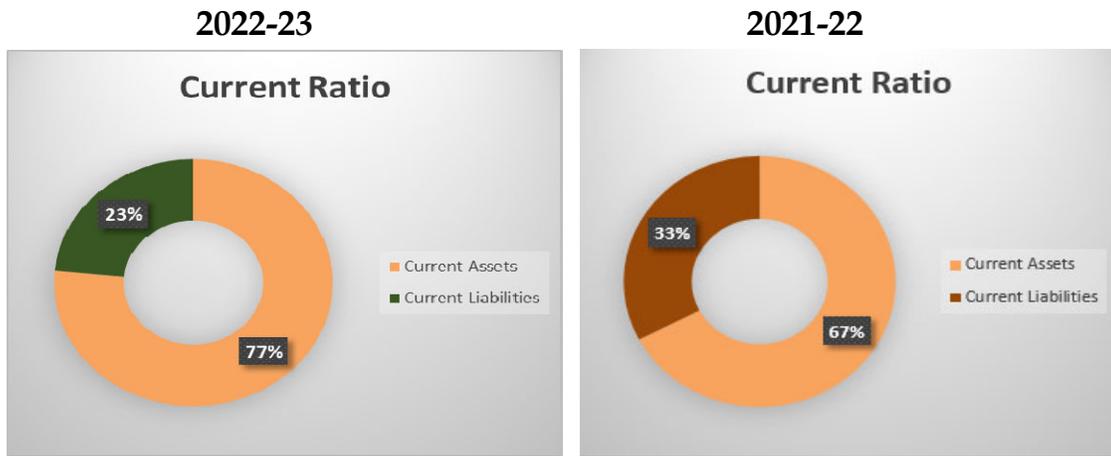


***Bank charges are not considered while at Interest and EBIT*



- **Current Ratio**

The company is maintaining its Current Ratio at 3.26% in FY 22-23 which is intended to make sure it has enough resources to meet its short-term obligations. That was 2.06 % in FY 21-22.

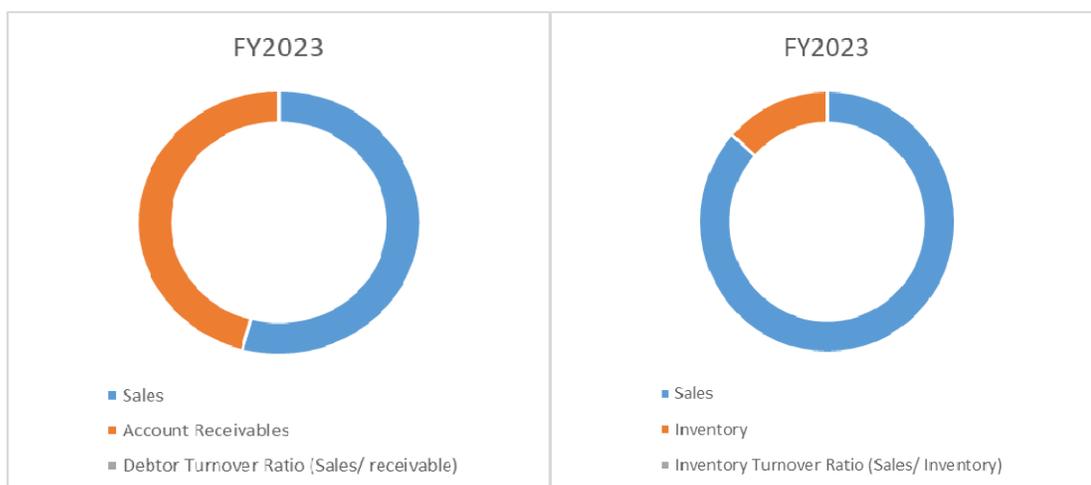


- **Debtor's and Inventory Turnover Ratio**

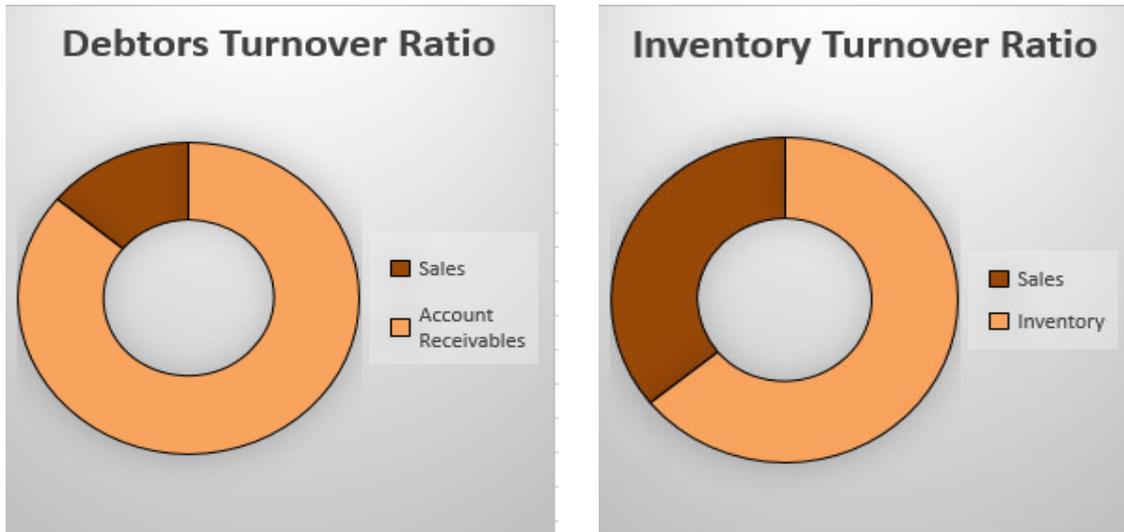
Debtor's Turnover Ratio measures how many times a business can turn its accounts receivable into cash during a period. The company is maintaining its Debtor's Turnover Ratio at **1.18%**, indicating good liquidity in financial year 22-23 which was 0.16 % in previous year 21-22.

The inventory turnover ratio is an important tool which measures how well a company generates sales from its inventory. The company in FY 2023 has maintain a healthy Inventory turnover ratio at **6.49%** which was 0.53 % in previous FY 2022, which suggests that the company is able to sell goods quickly and there is existence of demand for the products and services provided by the company.

FY 2022-23

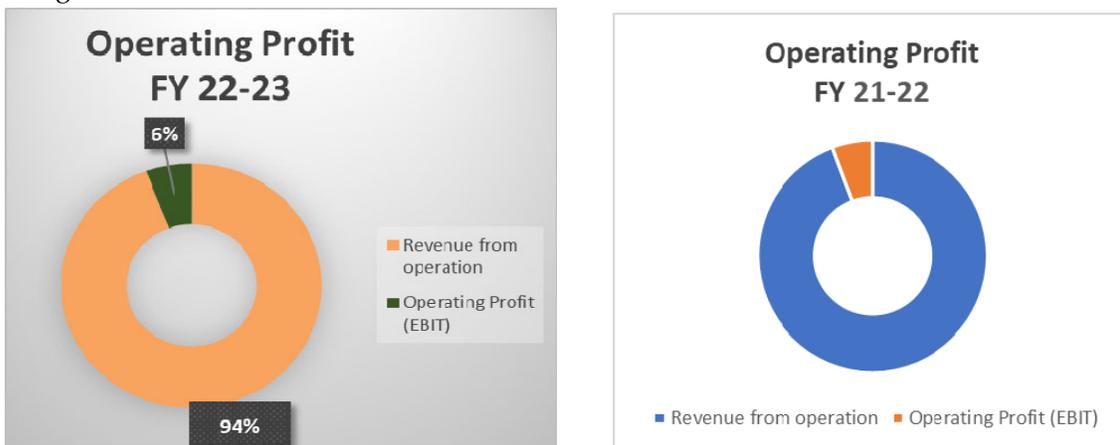


FY 2021-22



- **Operating Profit Margin (%)**

The operating margin measures how much profit a company makes on an amount of sales after paying for variable costs of production, such as wages and raw materials, but before paying interest or tax. It is calculated by dividing a company's operating income by its net sales. The Company aims to maintain a stable Operating Margin Ratio; however, in FY2023 Operating Profit Margin was 6.00%.

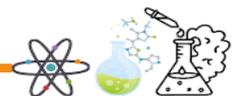


- **Debt to Equity**

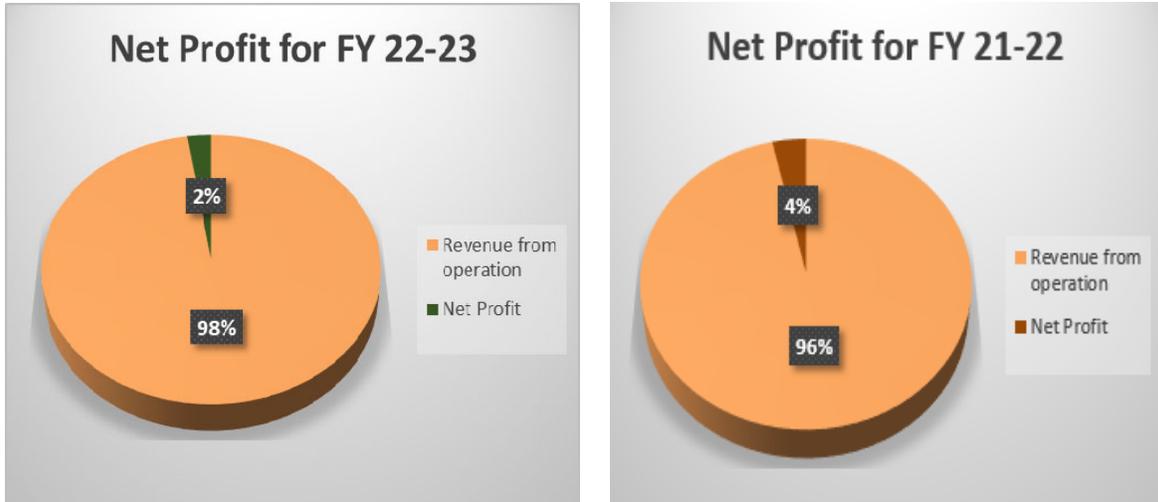
The debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage and is calculated by dividing a company's total liabilities by its shareholder equity. The FY23 Debt- to Equity ratio of the company is 0.33% which in FY22 was 1.14%.

- **Net Profit Margin (%)**

The Net profit margin is intended to be a measure overall success of a business. Net Profit of company for the year ended on 31st March, 2023 is Rs. 273.89 Lakhs which was Rs. 51.73 Lakhs in



FY 21-22. However, the company is expecting to be on more profitable terms in the upcoming financial year. In FY 2023, Net Profit Margin of the company was 2.49% and In FY 2022 is 3.66%.



RETURN ON NET WORTH

The Company witnessed a significant **Return on Equity at 4.63% in FY 22-23** which was 0.92% in FY 21-22. The company expects to be on a good wicket in the coming Fiscal Years.

$$\frac{\text{PAT (Rs. 273.89 lakhs)}}{\text{NET WORTH (Rs. 5916.31 lakhs)}} = \text{RETURN ON NET WORTH (4.63\%)}$$

Place: Surat
Date: 16/08/2023

For and on behalf of the Board of Directors
Bhatia Colour Chem Limited

Sd/-
Rameshchand Chanduram Bhatia
Whole-Time Director
DIN:09431185

Sd/-
Bharat Brijlal Bhatia
Chairman
DIN:09095082



THE DISCLOSURES PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 ARE AS UNDER:

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 22-23, ratio of the remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for F.Y. 2022-23 (in Rs.)	% increase in Remuneration in the F.Y. 2022-23	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Bharat Brijlal Bhatia Executive Director & Chairman	24,00,000	--	20.83:1
2.	Rameshchand Chanduram Bhatia Executive Director	24,00,000	--	20.83:1
3.	Ravi Ashokkumar Bhatia Executive Director	12,00,000	--	10.42:1
4.	Insiya Qaidjohar Nalawala Non- Executive Director	Nil	--	--
5.	Rutu Milindbhai Sanghvi Non- Executive Director	Nil	--	--
6.	Nevil Prameshkumar Soni Non- Executive Director	Nil	--	--
7.	Hiral Jainesh Shah* Company Secretary	1,80,000	--	NA
8.	Sunny Harishkumar Vyaswala Chief Financial Officer	7,38,000	8.33%	NA

*Hiral Jainesh Shah has resigned as a Company Secretary and Compliance Officer w.e.f 31/12/2022.



(ii) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2022-23:

Sr. No.	Name/ Designation	Remuneration Received during 2022-23	Qualification and experience of the employee	Date of Commencement of Employment	The age of such employee as on 31.03.23	The Last Employment Held by Such Employee Before Joining the Company	The Percentage of Equity Shares Held by The Employee in The Company Within the Meaning of Clause (iii) of Sub-Rule (2) Above	Whether Any Such Employee Is a Relative of Any Director or Manager of the Company and If So, Name of Such Director or Manager	Nature Of Relative
1	Bharat Brijlal Bhatia	24,00,000	Chemical Engineering, 21 Years	10/12/2021	45	Vap Chem-proprietorship	12.50%	Yes- Rameshchand Chanduram Bhatia	Paternal Uncle
2	Rameshchand Chanduram Bhatia	24,00,000	Under Graduate 45 Years	10/12/2021	66	S.N Enterprise Proprietorship	10.79%	Yes- Bharat Brijlal Bhatia	Nephew
3	Sanjeev Khurana (General Manager)	24,00,000	B. Tech, 35 years	01/01/2022	57	Vap Chem-proprietorship	--	--	--
4	Ravi Ashokkumar Bhatia	12,00,000	Under Graduate 22 Years	10/12/2021	44	Ravi Chem-proprietorship	2.94%	--	--
5	Sujeetkumar Mishra (Sales Manager)	9,80,000	Bachelors in Art, 32 years	01/01/2022	54	Bhatia Colour Co.- proprietorship	--	--	--
6	Shankarlal Patidar (Product Manager)	10,89,000	HSC, 34 Years	01/01/2022	56	Vap Chem-proprietorship	--	--	--
7	Shibu M Joseph (Marketing Personnel)	8,56,000	Polytechnic Graduate, 21 years	01/01/2022	48	Vap Chem-proprietorship	--	--	--
8	Sunny H Vyaswala (CFO)	7,38,000	B. Com, 19 years	01/01/2022	39	Vap Chem-proprietorship	--	--	--
9	Ram Singh (Lab Technician)	6,16,000	9th Pass, 27 years	01/01/2022	46	Polychem Export- Partnership Firm	--	--	--
10	Arvind Singh (Labour Management)	5,38,000	BA, 21 Years	01/01/2022	45	Vap Chem-proprietorship	--	--	--

No Directors receive any remuneration or sitting fees.



- (i) The median remuneration of employees of the Company during the Financial Year was Rs. 9600/- p.m.
- (ii) In the financial year 2022-23, there was decrease of 126.56% in the median remuneration of employees.
- (iii) There were 87 permanent employees on the rolls of the Company as on March 31, 2023.
- (iv) Average percentage decrease made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 2.02%. Average percentage increase made in the salaries of the managerial personnel in comparison of the last financial year is 4.63%.
- (v) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

Place: Surat
Date: 16/08/2023

For and on behalf of the Board of Directors
Bhatia Colour Chem Limited

Sd/-
Rameshchand Chanduram Bhatia
Whole-Time Director
DIN:09431185

Sd/-
Bharat Brijlal Bhatia
Chairman
DIN:09095082



STATEMENT ON RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk Management is a structured approach to manage uncertainty. An enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business system and processes, such that our responses to risk remain current and dynamic.

All businesses are fraught with risk and Textile Auxiliaries is not different. We at **BHATIA COLOUR CHEM LIMITED** seek to minimize the adverse impacts of all kinds of risks, thus enabling the company to leverage market opportunities effectively and enhance long term competitive advantage. Our Risk Management Framework involves identification, analyses, evaluation, treatment, mitigation and monitoring all kinds of risks like Strategic, External and operational risks.

Key Risks Impacting our Business	Impact	Mitigation Action
<p>Employee Health and Safety Risks</p> 	<p>We are in a business where employees have to work with chemicals that may be hazardous. Their safety is essential to business continuity.</p>	<ul style="list-style-type: none"> • Digitalisation of major process to ensure better reporting and investigation of accidents • Guide all safety-related aspects and conducts
<p>Product Quality Risks</p> 	<p>Inability to manufacture products in line with clients specification may reduce demand for our products and business goodwill</p>	<ul style="list-style-type: none"> • Presence of quality control team who check all customer supplies and ensure they are approved
<p>Operational Risks</p> 	<p>Inability to ensure operational efficiency and optimise cost may result in failure to meet business obligations as well as reduce our competitiveness</p>	<ul style="list-style-type: none"> • We have adopted best manufacturing practices at plant and continuously train our workforce • We undertake process optimisation and productivity improvement initiatives on a continual basis



<p style="text-align: center;">Raw material risks</p> 	<p>Failure to procure adequate quantity of raw material at right prices may impact business continuity and profitability.</p>	<ul style="list-style-type: none"> • Strong relationship with main suppliers • Long-term contracts with suppliers to ensure sustained raw material availability • Practice demand forecasting to better plan production and secure raw materials
<p style="text-align: center;">Business risks</p> 	<p>Low market demand for products and inability to secure new business due to capacity constraints may impact growth.</p>	<ul style="list-style-type: none"> • We are undertaking calibrated capacity expansions across multiple plants to meet the growing demand for our products • We enjoy deep and long-standing relations with most of our customers who continue to do business with us because of better quality products, our system and processes, and ability to meet their needs
<p style="text-align: center;">Sustainability risks</p> 	<p>Inability to ensure sustainable operations may result in severe damage to environment and lead to cancellation of licence to operate.</p>	<ul style="list-style-type: none"> • Our operations are aligned to Responsible Care, Together for Sustainability and Nicer Globe • Sustainable operations across all manufacturing facilities contributing to lower emissions and efficient energy and water management. Trees are also planted on yearly basis for a cleaner and greener environment

Place: Surat
Date: 16/08/2023

For and on behalf of the Board of Directors
Bhatia Colour Chem Limited

Sd/-
Rameshchand Chanduram Bhatia
Whole-Time Director
DIN:09431185

Sd/-
Bharat Brijlal Bhatia
Chairman
DIN:09095082



SECRETARIAL AUDIT REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To,
The Members,
BHATIA COLOUR CHEM LIMITED
(CIN: L24290GJ2021PLC127878)
Plot No. A/2/12, Road No. 1, Udhana
Udyog NagarSanghUdhna Surat-394210

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Bhatia ColourChem 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/our verification on test check basis of the **M/s. Bhatia ColourChem Limited**, 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, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Bhatia ColourChem Limited** for the financial year ended on **31st March, 2023** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
 - 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **the regulation is not applicable during the Financial Year 2022-23**
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **the regulation is not applicable during the Financial Year 2022-23**
 - 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) (Amendment) Regulations, 2016; **the regulation is not applicable during the Financial Year 2022-23** and;
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018: **the regulation is not applicable during the Financial Year 2022-23**
- vi. Other Laws Specifically Applicable to Company:
- a. Income Tax Act, 1961
 - b. Goods & Service Tax
 - c. Labour Laws

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

- i. Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited Stock Exchange of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the company has generally complied with the provisions of the act, rules, regulations and guidelines mentioned above.

- *XBRL of Intimation of Board Meeting to be held on 24/02/2023 was filed delayed by 6 Days.*
- *2,08,750 shares held by the Promoters of the Company are in Physical Form as on 31st March, 2023.*
- *Form MGT-14 and Form DIR-12 for Resignation of Company Secretary and Compliance Officer and Appointment of Compliance Officer were filed delayed.*

I further report that, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CFO and Statutory Auditor of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

I further report, that the compliance by the company of applicable financial laws, like direct and indirect tax laws, Pollution control, CRZ laws and Labour laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

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



As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

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

I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs except following:

- 1. The 2,08,750 Equity Shares held by the Non-Promoter Group which were Lock-in as per Regulation 239 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 were transferred to the Promoters of the Company through Corporate Action executed by the company.*

Place: Surat
Date: 16/08/2023

Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985
PR No.12004GJ424500
UDIN: F006116E000809754

This report is to be read with our letter dated 16th August, 2023 which is annexed and forms an integral part of this report.



To,
The Members
Bhatia Colour Chem Limited
(CIN: L24290GJ2021PLC127878)
Plot No. A/2/12, Road No. 1,
UdhanaUdyog Nagar Sangh
Udhna Surat - 394210

Our Secretarial Audit report dated 16th August, 2023 is to be read along with this letter.

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

Place: Surat
Date: 16/08/2023

Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985
PR No.12004GJ424500
UDIN: F006116E000809754



Form No. AOC-2

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

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

1 Details of contracts or arrangements or transactions not at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/trans actions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
NIL								

2 Details of material contracts or arrangement or transactions at arm's length basis

SN	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances , if any
1	Bharat Brijlal Bhatia Managing Director	Remuneration	Monthly	2,00,000	21/01/2022	--
2		Interest	Annually	Interest @ 9% p.a	08/03/2022	--
3	Rameshchand Chanduram Bhatia Whole-Time Director	Remuneration	Monthly	2,00,000	21/01/2022	--
4		Interest	Annually	Interest @ 9% p.a	08/03/2022	--
5	Ravi Ashokkumar Bhatia Whole-Time Director	Remuneration	Monthly	1,00,000	21/01/2022	--
6		Interest	Annually	Interest @ 9% p.a	08/03/2022	--
7	Hiral Jainesh Shah* Company Secretary	Salary	Monthly	20,000	22/12/2021	--
8	Sunny Harishkumar Vyaswala Chief Financial Officer	Salary	Monthly	60,000	22/12/2021	--
9	Vishwa Ronak Patel* Company Secretary	Salary	Monthly	28,000	22/04/2023	--
10	Bhatia Colour Company Proprietor firm of Bharat Brijlal Bhatia	Purchase	Annually	At prevailing market rate	21/02/2022	--
		Sales	Annually	At prevailing market rate	21/02/2022	--
11	Vap Chem Partnership firm of Bharat Brijlal Bhatia	Purchase	Annually	At prevailing market rate	21/02/2022	--
		Sales	Annually	At prevailing market rate	21/02/2022	--
12	Shreenathji Industries Partnership firm of Bharat Brijlal Bhatia	Purchase	Annually	At prevailing market rate	21/02/2022	--
		Sales	Annually	At prevailing market rate	21/02/2022	--

*Hiral Jainesh Shah has resigned as a Company Secretary and Compliance Officer w.e.f 31/12/2022.

*Vishwa Ronak Patel was appointed as a Company Secretary and Compliance Officer w.e.f 22/04/2023.

Place: Surat

For and on behalf of the Board of Directors Bhatia Colour Chem Limited

Date: 16/08/2023

Sd/-
Rameshchand Chanduram Bhatia
Whole-Time Director
DIN:09431185

Sd/-
Bharat Brijlal Bhatia
Chairman
DIN:09095082



ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(See Rule 8 of Companies(Accounts) Rules, 2014)

A Conservation of Energy	NIL
(i) the steps taken or impact on conservation of energy	
(ii) the steps taken by the company for utilising alternate sources of energy	
(iii) the capital investment on energy conservation equipment	
B Technology absorption	NIL
(i) the efforts made towards technology absorption	
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii) in case of imported technology (imported during last three years reckoned from the beginning of the financial year)	
a The details of technology imported	
b the year of import	
c whether the technology been fully absorbed	
d if not fully absorbed areas where absorption has not taken place& reasons thereof	
(iv) the expenditure incurred on research & development.	
C Foreign Exchange	
Details of Earning in Foreign Exchange	
	<u>Current Year</u> <u>Previous Year</u>
Export of goods calculated on FOB basis	
Interest and dividend	
Royalty	
Know-how	
Professional & consultation fees	
Other income	
Total Earning in Foreign Exchange	NIL NIL
Details of Expenditure in Foreign Exchange	
Import of goods calculated on CIF basis	
(i)raw material	
(ii)component and spare parts	
(iii)capital goods	
Expenditure on account of	
(i) Royalty	
(ii) Know- HOW	
Professional & consultation fees	
Interest	
Other matters	
Dividend paid	
Total Expenditure in foreign exchange	NIL NIL

Place: Surat

For and on behalf of the Board of Directors Bhatia Colour Chem Limited

Date: 16/08/2023

Sd/-
Rameshchand Chanduram Bhatia
Whole-Time Director
DIN:09431185

Sd/-
Bharat Brijlal Bhatia
Chairman
DIN:09095082



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

BHATIA COLOUR CHEM LIMITED

(CIN: L24290GJ2021PLC127878)

Regd Office: Plot No. A/2/12, Road No. 1, Udhana

Udyog Nagar Sangh Udhna Surat-394210

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BHATIA COLOUR CHEM LIMITED** having CIN: L24290GJ2021PLC127878 and having registered office at Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN)] status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment
1	Bharat Brijlal Bhatia	09095082	10/12/2021
2	Rameshchand Chanduram Bhatia	09431185	10/12/2021
3	Ravi Ashokkumar Bhatia	09431186	10/12/2021
4	Insiya Qaidjohar Nalawala	08436102	21/02/2022
5	Rutu Milindbhai Sanghvi	09494473	21/02/2022
6	Nevil Prameshkumar Soni	08206415	21/02/2022

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: SURAT

Date: 16/08/2023

Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116E000809787



Financial Statements FY 2022-23



STANDALONE FINANCIAL STATEMENTS

OF

BHATIA COLOUR CHEM LTD

CIN : L24290GJ2021PLC127878

For the Year Ended 31-03-2023

Assessment Year 2023-24

AUDITOR'S REPORT TO THE MEMBERS

To The Members of Bhatia Colour Chem Limited

A Report on the standalone Financial Statements

We have audited the accompanying standalone financial statements of **Bhatia Colour Chem Limited** ("the Company"), which comprises the balance sheet as at **March 31, 2023**, the statement of profit and loss, statement of cash flows of the Company and the statement of changes in equity for the year ended March 31, 2023, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as 'the standalone financial statements')

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, cash flows and changes in equity for the year ended March 31, 2023.

B Basis of Opinion

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

C Key audit matters

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

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the auditors' responsibilities for the audit of the standalone financial statements section of our report, including in relation to that matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

The key audit matter	How the matter was addressed in our audit
<p>Revenue Recognition</p> <p>Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations.</p> <p>The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms and conditions. Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/rebates and any taxes or duties collected on behalf of the government such as goods and services tax etc. Customer acceptance is used to estimate the provision for price increase/decrease. Revenue is only recognised to the extent that is highly probable, a significant reversal will not occur.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> * Assessing the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. * Evaluating the integrity of the information and technology general control environment and testing the operating effectiveness of key IT application controls. * Evaluating the design and implementation of company's controls in respect of revenue recognition. * Testing the effectiveness of such controls over revenue cut off at year end. * Testing by selecting samples of revenue transactions recorded during the year by verification of underlying documents. * Testing on a sample basis, the supporting documents for sales transactions recorded during the period closure to the yearend and subsequent to the yearend to determine whether revenue was recorded in the correct period.

D Information other than the standalone financial statements and auditors' report thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

E Responsibility of the Management and Board of Directors for the standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

In preparing the standalone financial statements, Management and Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The company's Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

F Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

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

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

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

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

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

G Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 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) 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 standalone balance sheet, the standalone statement of profit and loss, the standalone cash flow statement and standalone statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with schedule V of the Companies Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has been no amount which was required to be transferred to the Investor Education and Protection Fund by the Company during the year.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Board of Directors of the Company has not paid or proposed any dividend either interim or final in the current previous year.

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

Annexure-A TO THE INDEPENDENT AUDITOR'S REPORT

Auditor's Report to the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act.

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Bhatia Colour Chem Limited** of even date)

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

1 In respect of the Company's Property, Plant and Equipment and Intangible Assets:

- (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipments.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of property, plant and equipments and right-of-use of assets so as to cover all assets, which is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, the management has physically verified the property, plant and equipments and no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanation given to us and the records examined by us, since the company is not having any immovable properties as at the balance sheet date, reporting under Clause 3(i)(c) of the Order is not applicable to the company.
- (d) The company has not revalued any of its Property, Plant and Equipments (including right-of-use assets) or Intangible Assets during the year.
- (e) According to the information and explanation given to us, the company is not holding any Benami Property and hence no proceedings are initiated or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

2 In respect of its inventories and working capital

- (a) The physical verification of the inventory has been conducted at reasonable interval by the management and in our opinion the coverage and procedure of such verification by the Management is appropriate considering the size of the company and nature of its business and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.
- (b) The company has not availed any working capital facilities and the working capital facilities as on the balance sheet date of the preceding year, reported in the standalone financial statements are pertaining to the partnership firm M/s. Polychem Exports, whose running business together with all assets and liabilities have been taken over by the company in the preceding year, vide agreement dated 23-03-2022 and accordingly, the company is not required to file any quarterly returns/statements with the banks during the year and hence, reporting under clause 3(ii)(b) of the Order is not applicable.

3 Investments, guarantees, securities and loans

With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the company to companies, firms, limited liability partnerships or any other parties :-

- (a-d) According to the information and explanations provided to us, the Company has not made any fresh investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or to other parties and hence, reporting under clause 3(iii)(a-d) of the order is not applicable to the company.
- (e) There were no loans and advances in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnership or any other parties. Accordingly, the reporting under clause 3(iii)(f) is not applicable to the company.

4 Compliance of Section 185 and 186 of the Companies Act, 2013

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 185 and 186 of the Act, in respect of grant of loans, whereas, it has not made any investments or granted any guarantees or securities during the year.

5 Public Deposits:

The company has neither accepted any deposits from public nor accepted any amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the reporting under clause 3(v) of the order is not applicable to the company.

6 Cost Records:

According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of the activities carried out by the company. Therefore, the provisions of clause 3(vi) of the Order is not applicable to the Company.

7 Statutory Dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts are payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) There was no amount of statutory dues as referred to in sub-clause (a), which have not been deposited on account of any disputes as at the year end.

8 Surrender or disclosure of transactions and income not recorded in the books of accounts:

In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income, in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

9 Repayment of financial dues:

- (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.

- (c) The term loans have been applied for the purpose for which the loans were obtained.

- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) On an overall examination of the standalone financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence, the reporting under clause 3(ix)(f) of the Order is not applicable to the company.

10 Utilization of fund raised by way of Initial Public Offer, Preferential allotment or Private placement, etc.:

- (a) In our opinion and according to the information and explanations given to us, the company has not raised money by way of Initial Public Offer or further public offer (including debt instrument) during the year and hence, the reporting under clause 3(x)(a) of the order are not applicable to the company.

- (b) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment and private placement of shares or made any allotment of convertible debentures (fully, partially or optionally convertible) during the year and hence, the reporting under clause 3(x)(b) of the order are not applicable to the company.

11 Frauds and whistle-blower complaints

- (a) In our opinion and according to the information and explanations given to us, no fraud by the Company or any fraud on the company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year under consideration.
- (c) In our opinion and according to the information and explanations given to us, no whistle-blower complaints have been received by the company during the year.

12 Compliance of Nidhi Company:

The company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the reporting under clause 3(xii) of the Order is not applicable to the company.

13 Transactions with the related parties:

In our opinion and according to the information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the notes to financial statements as required by the applicable Accounting Standards.

14 Internal Audit System

- (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the company issued till the date of the audit report, for the period under audit have been considered by us.

15 Non - Cash Transactions:

In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or the persons connected with its directors, as provided in Section 192 of the Companies Act, 2013. Accordingly, the reporting under clause 3(xv) of the order are not applicable to the company.

16 Registration u/s. 45 IA of Reserve Bank of India Act, 1934:

- (a) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi)(a) of the order are not applicable to the company.
- (b) In our opinion and according to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, the reporting under clause 3(xvi)(b) of the order are not applicable.
- (c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly, the reporting under clause 3(xvi)(c) of the order are not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Group does not have any Core Investment Company (CIC) and accordingly, the reporting under clause 3(xvi)(d) of the order are not applicable.

17 Cash Losses:

According to the information and explanation given to us and the records examined by us, the company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

18 Issues, Observations, etc. raised by outgoing auditors:

According to the information and explanation given to us and the records examined by us, there has not been any resignation of the statutory auditors during the year and accordingly, the reporting under clause 3(xviii) of the order are not applicable.

19 Material Uncertainty:

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

20 Corporate Social Responsibility:

- (a) In our opinion and according to the information and explanations given to us, the company is not covered by the criteria specified under section 135. Hence, the company is not required to comply with second proviso to sub-section (5) of section 135 of the said Act.
- (b) In our opinion and according to the information and explanations given to us, the company is not covered by the criteria specified under section 135. Hence, the company is not required to comply with sub-section (6) of section 135 of the said Act.

21 Qualification, adverse remark in CARO of the companies included in consolidated financial statement:

In our opinion, clause 3(xxi) of the Order is not applicable on standalone Financial Statement. Hence, we are not required to express our opinion as required in this clause.

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(F) under 'Report on other legal and regulatory requirements' section of our report to the members of **Bhatia Colour Chem Limited** of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Bhatia Colour Chem Limited** (“the Company”) as at March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management’s responsibility for internal financial controls

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

Auditors’ responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Opinion

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

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

Standalone Balance Sheet as at March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	Schedule	As at 31-03-2023 Amount in `	As at 31-03-2022 Amount in `
I EQUITY & LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	1	1,223.38	1,223.38
(b) Reserve & Surplus	2	4,692.93	4,419.04
(c) Money Received against Share Warrants		-	-
		5,916.31	5,642.41
2 Share Application Money Pending Allotment		-	-
3 Non Current Liabilities			
(a) Long Term Borrowings	3	1,930.65	2,014.42
(b) Deferred Tax Liabilities (Net)	4	-	0.48
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	5	8.09	1.32
		1,938.74	2,016.23
4 Current Liabilities			
(a) Short Term Borrowings	6	45.83	4,407.84
(b) Trade Payables	7		
- Total outstanding dues of micro enterprises and small enterprises; and		375.90	943.62
- Total outstanding dues of creditors other than micro enterprise and small enterprises		2,887.58	1,762.26
(c) Other Current Liabilities	8	22.70	13.40
(d) Short Term Provisions	9	108.50	24.19
		3,440.51	7,151.31
Total		11,295.55	14,809.95
II ASSETS			
1 Non Current Assets			
(a) Property, Plant and Equipments	10		
(i) Tangible Assets		59.85	42.54
(ii) Intangible Assets		0.11	0.22
(iii) Intangible Assets under Development		-	-
(iv) Capital Work in Process		-	-
		59.96	42.76
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans & Advances		-	-
(e) Other Non-Current Assets	11	9.60	12.80
2 Current Assets			
(a) Current Investment		-	-
(b) Inventories	12	1,699.05	2,524.17
(c) Trade Receivables	13	9,316.88	8,588.72
(d) Cash & Cash Equivalents	14	28.70	3,396.09
(e) Short Term Loans & Advances	15	181.37	245.40
(f) Other Current Assets		-	-
		11,226.00	14,754.38
Total		11,295.55	14,809.95
Significant Accounting Policies & Notes on Financial Statements	24		

For & on behalf of the Board
Bhatia Colour Chem Limited

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Bharat Bhatia
Mng. Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Wholetime Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Vishwa Patel
Company
Secretary

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYK7012

Place : Surat
Date : 20-05-2023

Place : Surat
Date : 20-05-2023

Standalone Statement of Profit and Loss for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	Schedule	For the Year Ended On 31-03-2023 Amount in `	For the Period Ended On 31-03-2022 Amount in `
I INCOME			
Revenue from Operations	16	11,021.65	1,412.49
Other Income	17	13.18	0.67
Total		11,034.83	1,413.16
II EXPENDITURE			
Cost of Materials	18	9,393.03	1,340.05
Purchase of Stock-in-Trade		-	-
Change in Inventories of Finished Goods	19	(93.88)	(207.29)
Employee Benefit Expenses	20	336.30	71.54
Financial Costs	21	344.67	13.75
Depreciation and Amortisation Expenses	22	19.04	4.54
Other Expenses	23	658.36	119.38
Total		10,657.51	1,341.96
III Profit before Exceptional and Extraordinary Items and Tax		377.32	71.20
IV Exceptional Items		(0.01)	-
V Extraordinary Items		3.33	0.07
VI Profit/(Loss) before tax		374.00	71.12
VII Tax Expenses :			
Current Tax		100.59	18.91
Deferred Tax		(0.48)	0.48
VIII Profit/(Loss) for the period from Continuing Operations		273.89	51.73
IX Profit / (Loss) from discontinuing operations		-	-
X Tax expense of discounting operations		-	-
XI Profit / (Loss) after Tax from Discontinuing Operations		-	-
XII Profit / (Loss) for the period		273.89	51.73
XIII Earning per Share			
- Basic		2.24	0.42
- Dilluted		2.24	0.42

Significant Accounting Policies & Notes on Financial Statements 24

For & on behalf of the Board
Bhatia Colour Chem Limited

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Bharat Bhatia
Mng. Director
DIN : 09095082

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Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

Place : Surat
Date : 20-05-2023

Standalone Audited Cash Flow Statement for the Year Ended on March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

		For the Year Ended on 31-03-2023 Amount in `		For the Period Ended on 31-03-2022 Amount in `
A	Cash Flow from Operating Activities			
	Net Profit before tax and extraordinary items	377.33		71.20
	Add: <u>Adjustments for :</u>			
	Depreciation Expenses	15.84		1.34
	Exceptional Items	(0.01)		-
	Interest Expenses	310.82	326.65	13.71
				15.05
			703.98	86.24
	Less: <u>Adjustments for :</u>			
	Extraordinary Items	3.33		0.07
	Interest Income	13.18	16.51	0.67
				0.74
	Operating P/(L) before working capital changes		687.47	85.50
	Less: <u>Adjustments for :</u>			
	Decrease/(Increase) in Other Current Liabilities	(9.29)		(13.40)
	Increase/(Decrease) in Short Term Loans and Advances	(64.03)		245.40
	Decrease/(Increase) in Trade Payables	(557.61)		(2,705.88)
	Decrease/(Increase) in Long Term Provisions	(6.77)		(1.32)
	Decrease/(Increase) in Short Term Provisions	(84.31)		(24.19)
	Increase/(Decrease) in Inventories	(825.12)		2,524.17
	Increase/(Decrease) in Trade Receivables	728.16	(818.96)	8,588.72
				8,613.50
	Cash generated from operation		1,506.43	(8,528.00)
	Less: Provision for Tax		100.59	18.91
			1,405.84	(8,546.91)
	Less: Prior Year Expenses		-	-
	Net Cash generated from Operating Activities	(A)	1,405.84	(8,546.91)
B	Cash Flow from Investing Activities			
	Add: <u>Adjustments for :</u>			
	Interest Income	13.18		0.67
	Sale of Fixed Assets	2.60	15.78	-
				0.67
	Less: <u>Adjustments for :</u>			
	Increase in Fixed Assets	35.62	35.62	44.10
				44.10
	Net Cash (used in) Investing Activities	(B)	(19.84)	(43.43)
C	Cash Flow from Financing Activities			
	Add: <u>Adjustments for :</u>			
	Increase in share capital	-		1,223.38
	Increase in share premium	-	-	4,367.30
				5,590.68
	Less: <u>Adjustments for :</u>			
	Interest Paid on secured & Unsecured Loan	310.82		13.71
	Decrease/(Increase) in Secured Loan	4,394.09		(4,641.85)
	Decrease/(Increase) in Non-Current Assets	(3.20)		12.80
	Decrease/(Increase) in Unsecured Loan	51.69	4,753.40	(1,780.42)
				(6,395.76)
	Net Cash used in Financing Activities	(C)	(4,753.40)	11,986.44
	Net Incr./(Decr.) in cash and cash equivalents	(A+B+C)	(3,367.40)	3,396.09
	Cash and cash equivalents at the beginning of the year		3,396.09	-
	Cash and cash equivalents at the end of the year		28.70	3,396.09

For & on behalf of the Board
Bhatia Colour Chem Limited

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Bharat Bhatia
Mng. Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Wholetime Director
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Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

Place : Surat
Date : 20-05-2023

Standalone Statement of Changes in Equity for the year ended on March 31, 2023

	As at 31-03-2023 Amount in `	As at 31-03-2022 Amount in `
EQUITY SHARE CAPITAL		
<u>Authorised Capital Equity Share Capital of ` 10 each:</u>		
Opening Balance	1,250.00	-
Changes in Equity Share capital during the year	-	1,250.00
Closing Balance	<u>1,250.00</u>	<u>1,250.00</u>
No. of Equity Shares of ` 10/- each at the end of the year	1,25,00,000	1,25,00,000
<u>Issued, Subscribed and Paid-up Equity Share Capital of ` 10 each fully paid up</u>		
Opening Balance	1,223.38	-
Changes in Equity Share capital during the year	-	1,223.38
Closing Balance	<u>1,223.38</u>	<u>1,223.38</u>
<u>Reconciliation of Changes in No. of Equity Shares during the Year</u>		
Equity Shares of ` 10/- each at the beginning of the year	1,22,33,750	-
Add: Shares issued during the year	-	1,22,33,750
Equity Shares of ` 10/- each at the end of the year	<u>1,22,33,750</u>	<u>1,22,33,750</u>
OTHER EQUITY		
Profit & Loss Account	325.63	51.73
Share Premium	4,367.30	4,367.30
	Total	4,419.04
Profit and Loss Account		
Opening Balance	51.73	-
Add : Profit for the year	273.89	51.73
	<i>Sub Total</i>	51.73
Share Premium		
Opening Balance	4,367.30	-
Add : Additions during the year	-	4,928.63
	4,367.30	4,928.63
Less: Transfer for issue of Bonus Shares - Refer note 1 (1.7)	-	520.00
Share Issue Expenses - Refer note 1 (1.8)	-	41.32
	<i>Sub Total</i>	4,367.30
	Total	4,419.04

For & on behalf of the Board
Bhatia Colour Chem Limited

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Bharat Bhatia
Mng. Director
DIN : 09095082

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Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

Place : Surat
Date : 20-05-2023

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

1 SHARE CAPITAL

Authorised Capital:

1,25,00,000 (Previous Year : 1,25,00,000) Equity Shares of `10/- each

	As at 31-03-2023 Amount in `	As at 31-03-2022 Amount in `
	1,250.00	1,250.00
Total	1,250.00	1,250.00

Issued, Subscribed and Paid-up

1,22,33,750 (Previous Year : 1,22,33,750) Equity Shares of `10/- each fully paid up

	1,223.38	1,223.38
Total	1,223.38	1,223.38

1.1 Reconciliation of shares outstanding at the beginning and at the end of the period.

Equity Shares of `10/- each at the beginning
Add : Shares issued during the period
Equity Shares of `10/- each at the end of the period

	No. of Shares	No. of Shares
	1,22,33,750	-
	-	1,22,33,750
	1,22,33,750	1,22,33,750

1.2 Terms/ rights attached to equity shares

The company has only one class of equity shares having a par value of `10/- per share. Each shareholder of equity share is entitled to one vote per share.

In the event of the liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

1.3 Details of shareholders holding more than 5% shares in the companyEquity Shares of ` 10/- each fully paid

	31-03-2023		31-03-2022	
	No. of Shares	% of holding	No. of Shares	% of holding
1 Bharat Brijlal Bhatia	15,28,750	12.50%	13,20,000	10.79%
2 Rameshchand C. Bhatia	13,20,000	10.79%	13,20,000	10.79%
3 Harsha Rajesh Jhaveri	-	-	7,50,500	6.13%
4 Jignesh Amrutlal Thobhani	6,51,200	5.32%	6,51,200	5.32%
5 Rajesh Liladhar Bhatia	10,62,500	8.68%	-	-
6 Others holding below 5% Shares	76,71,300	62.71%	81,92,050	66.96%
Total	1,22,33,750	100.00%	1,22,33,750	100.00%

1.4 Details of shareholding of Promoters in the company

Sr. No.	Name of the Promotor	% Change during the Year	31-03-2023		31-03-2022	
			No. of Shares	% of holding	No. of Shares	% of holding
1	Bharat Brijlal Bhatia	1.71%	15,28,750	12.50%	13,20,000	10.79%
2	Rameshchand C. Bhatia	0.00%	13,20,000	10.79%	13,20,000	10.79%
3	Ravi Ashokkumar Bhatia	0.00%	3,60,000	2.94%	3,60,000	2.94%
	Total	1.71%	32,08,750	26.23%	30,00,000	24.52%

1.5 No shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment.

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

As at	As at
31-03-2023	31-03-2022
Amount in `	Amount in `

- 1.6 The Company has not allotted any shares pursuant to contracts, without payment being received in cash since its incorporation.
- 1.7 During the financial year 2021-22, the company has issued 52,00,000 Equity Shares as Bonus Shares in the ratio of 10:65 to the existing Equity Shareholders of the company by capitalisation of Reserves of the company.
- 1.8 During the year under consideration the company has not issued any shares. However, during the financial year 2021-22, the company has issued 1,22,33,750 Equity Shares including 50,00,000 Equity Shares issued under the SME IPO, which got listed on the BSE on 24-03-2022 having BSE Scrip Code 543497. The transaction costs in the preceding year pertaining to the issue have been debited to the share premium account.
- 1.9 The company has not bought back its shares since its incorporation.
- 1.10 The company has not forfeited its shares since its incorporation.

2 RESERVES & SURPLUSProfit and Loss Account

Opening Balance	51.73	-
Add : Profit for the year	273.89	51.73
<i>Sub Total</i>	325.63	51.73

Share Premium

Opening Balance	4,367.30	4,928.63
Less: Transfer for issue of Bonus Shares - Refer note 1 (1.7)	-	520.00
Share Issue Expenses - Refer note 1 (1.8)	-	41.32
<i>Sub Total</i>	4,367.30	4,367.30
Total	4,692.93	4,419.04

3 LONG TERM BORROWINGSTerm Loan Account with

- Edelweiss Retail Finance Ltd.	205.94	229.23
Less : Installments due within 12 months	26.84	23.29
	179.10	205.94
- Indusind Bank Ltd. (ECLGS)	-	578.45
Less : Installments due within 12 months	-	578.45
	-	-
- Edelweiss Retail Finance Ltd. (ECLGS)	28.59	42.86
Less : Installments due within 12 months	16.35	14.79
	12.24	28.07
- HDFC Bank Ltd. (Car Loan)	13.23	-
Less : Installments due within 12 months	2.64	-
	10.59	-
- ICICI Bank Ltd. (Business Loan)	-	8.32
Less : Installments due within 12 months	-	8.32
	-	-
<i>Sub Total</i>	201.93	234.01

Unsecured Loans

- From Directors & Promoters	1,728.72	1,780.42
<i>Sub Total</i>	1,728.72	1,780.42
Total	1,930.65	2,014.42

3.1 Repayment Schedule of Term Loans

Sr. No.	Particulars	Within 12 Months	Within 1-2 Years	Within 2-3 Years	Within 3-4 Years
(i)	Term Loan from Edelweiss Retail Finance Ltd.	26.84	30.92	35.63	41.05
(iii)	Term Loan from Edelweiss Retail Finance Ltd.	16.35	12.24	-	-
(iv)	Term Loan from HDFC Bank Ltd.	2.64	2.42	2.86	3.10
	Total	45.83	45.58	38.49	44.15

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	As at 31-03-2023 Amount in `	As at 31-03-2022 Amount in `
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- 3.2 The company has not availed any secured loans, however, the amount of secured loans reported above are in respect of the partnership business of M/s. Polychem Exports takeover by the company as a running business together with all its assets and liabilities, vide business takeover agreement dated 23-03-2022.

The term loan from Edelweiss Retail Finance Ltd. originally obtained by the firm M/s. Polychem Exports is secured against the mortgage of Shop No. 201 to 216, Laxmiba Complex, Cinema Road, Bardoli, which is belonging to the directors of the company and their relatives, which is repayable in 145 months carrying floating rate of interest @ 14.25% p.a. The business term loan with ICICI Bank Ltd. originally obtained by the firm M/s. Polychem Exports is secured by the personal guarantee of the directors of the company and their relatives.

The Term Loan from Indusind Bank Ltd. originally sanctioned to the firm M/s. Polychem Exports under the Emergency Credit Line Guarantee Scheme (ECLGS) of the National Credit Guarantee Trustee Company Ltd. (NCGTCL) to mitigate the economic distress faced due to Covid-19, has been availed against the existing cash credit facilities and the said term loan is repayable in 4 years (including 12 months moratorium for principal repayment), which carries floating rate of interest EBLR (presently 9.15%) + 1%, subject to maximum of 9.25% p.a., which stands fully repaid during the year under consideration.

The Term Loan from Edelweiss Retail Finance Limited. originally sanctioned to the firm M/s. Polychem Exports under the Emergency Credit Line Guarantee Scheme (ECLGS) of the National Credit Guarantee Trustee Company Ltd. (NCGTCL) to mitigate the economic distress faced due to Covid-19 is secured against the existing term loans and the said term loan is repayable in 48 months (including 12 months moratorium for principal repayment), which carries floating rate of interest of 14% p.a.

The Vehicle Loan from HDFC Bank Ltd. is secured against the hypothecation of the Vehicle, which carries interest @ 8.15% p.a. and is repayable in 60 equal installments.

- 3.3 The closing balances of unsecured loans are subject to confirmation, however, the Directors have certified the respective balances. Interest @ 9% to 10.50% p.a. (Previous Year: 9% p.a.) have been paid on the unsecured loans.

4 DEFERRED TAX LIABILITIES (NET)

Opening Balance		0.48	-
Add: Transfer from/(to) Profit and Loss Account		(0.48)	0.48
Total		-	0.48

- 4.1 Deferred Tax Liability/Asset is recognised as per AS-22 (Accounting for Taxes on Income) arising out of temporary timing differences. As per AS-22 "Accounting for Taxes and Income" issued by ICAI, company has recognised deferred tax assets of ` 48,044/- (Previous Year : Deferred Tax Liability of ` 48,044), on account of timing difference attributable to the claim of depreciation, which has been set off against the deferred tax liability.

5 LONG TERM PROVISIONS

<u>Gratuity Provision</u>			
Opening Balance		1.32	-
Add : Provision made during the Year		6.77	1.32
Total		8.09	1.32

- 5.1 The Company's liability towards gratuity to its employees is provided on the basis of an actuarial valuation basis. Actuarial gains and losses are recognised in full in the statement of profit and loss in the year in which they occur.

6 SHORT TERM BORROWINGS

Current Maturities of Long Term Debts	45.83	624.85
Cash Credit Facilities with the Indusind Bank Ltd.	-	1,658.99
Working capital Demand Loan (WC DL) with the Indusind Bank Ltd.	-	2,124.00
Total	45.83	4,407.84

- 6.1 The amount of short term borrowings as reported above have not been availed by the company but had been availed by the partnership firm M/s. Polychem Exports, whose running business together with all its assets and liabilities have been takeover by the company vide business takeover agreement dated 23-03-2022 and the same stands fully repaid during the year under consideration.

- 6.2 The company has not availed any working capital facilities but the working capital reported above from Indusind Bank Ltd. originally had been sanctioned to M/s. Polychem Exports, which is secured against the equitable mortgage of immovable properties belonging to the directors of the company and their relatives. The said working facilities is further secured by way of bank FDRs of the said firm and personal guarantee of the directors of the company and their relatives, and the same stands fully repaid during the year under consideration.

7 TRADE PAYABLES

<u>Trade Payables</u>			
- Micro, Small and Medium Enterprises	375.90	943.62	
- Others	2,887.58	1,762.26	
Total	3,263.48	2,705.88	

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

As at	As at
31-03-2023	31-03-2022
Amount in `	Amount in `

Trade Payable Ageing Schedule

Sr. No.	Particulars	<u>Outstanding for following periods from due date of payment</u>				Total	Total
		For Less Than 1 Year	For 1 - 2 Years	For 2 - 3 Years	For More than 3 Years	As On 31-03-2023	As On 31-03-2022
(i)	<u>MSME</u>						
	- As on 31-03-2023	375.51	0.39	NA	NA	375.90	-
	- As on 31-03-2022	943.62	NA	NA	NA	-	943.62
(ii)	<u>Others</u>						
	- As on 31-03-2023	2,722.64	164.95	NA	NA	2,887.58	-
	- As on 31-03-2022	1,762.26	NA	NA	NA	-	1,762.26
					<i>Sub Total</i>	3,263.48	2,705.88
(iii)	<u>Disputed Dues - MSME</u>						
	- As on 31-03-2023	-	-	-	-	-	-
	- As on 31-03-2022	-	-	-	-	-	-
(iv)	<u>Disputed Dues - Others</u>						
	- As on 31-03-2023	-	-	-	-	-	-
	- As on 31-03-2022	-	-	-	-	-	-
					<i>Sub Total</i>	-	-
					Total	3,263.48	2,705.88

7.1 The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under the MSMED Act.

7.2 Trade Payables are non interest bearing and are normally settled within the terms. There are no other amounts paid/payable towards interest/principal under the MSMED Act.

7.3 The company was incorporated on 10-12-2021 and accordingly, the detail of trade payables for 2 year and above is not applicable to the company since two years has not been elapsed as on the Balance Sheet date.

8 OTHER CURRENT LIABILITIES

TDS/TCS Payable	22.70	13.40
Total	22.70	13.40

9 SHORT TERM PROVISIONS

Provision for Expenses	7.91	5.28
<u>Provision for -</u>		
- Income Tax	100.59	18.91
Total	108.50	24.19

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	As at 31-03-2023 Amount in `	As at 31-03-2022 Amount in `
11 OTHER NON-CURRENT ASSETS		
Deferred Revenue Expenses	9.60	12.80
Total	9.60	12.80

12 INVENTORIES

(As taken valued and certified by the management)

Raw Materials (Refer note 12.1)

- Textile Chemicals & Auxiliaries

1,374.44 2,306.70

Finished Goods (Refer note 12.1)

- Textile Chemicals & Auxiliaries

301.17 207.29

Other Consumables (Refer note 12.1)

- Packing material

23.44 10.18

Total	1,699.05	2,524.17
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12.1 Inventories of raw materials and other consumables are valued at cost whereas, inventories of finished goods are valued at lower of cost or market value. Inventories are taken, valued and certified by the management.

13 TRADE RECEIVABLES

(Unsecured and Considered good)

Over Six Months	5,677.98	-
Others	3,638.91	8,588.72
Total	9,316.88	8,588.72

Trade Receivable Ageing Schedule

Sr. No.	Particulars	Outstanding for following periods from due date of payment					Total As On 31-03-2023	Total As On 31-03-2022
		For Less Than 6 Months	For 6 Months - 1 Year	For 1 - 2 Years	For 2 - 3 Years	For More than 3 Years		
(i)	<u>Undisputed & Unsecured - Considered good</u>							
	- As on 31-03-2023	3,638.91	729.70	4,948.27	-	-	9,316.88	-
	- As on 31-03-2022	8,588.72	-	-	-	-	-	8,588.72
(ii)	<u>Undisputed & Unsecured - Considered Doubtful</u>							
	- As on 31-03-2023	-	-	-	-	-	-	-
	- As on 31-03-2022	-	-	-	-	-	-	-
(iii)	<u>Disputed & Unsecured - Considered good</u>							
	- As on 31-03-2023	-	-	-	-	-	-	-
	- As on 31-03-2022	-	-	-	-	-	-	-
(iv)	<u>Disputed & Unsecured - Considered Doubtful</u>							
	- As on 31-03-2023	-	-	-	-	-	-	-
	- As on 31-03-2022	-	-	-	-	-	-	-
Total							9,316.88	8,588.72

13.1 Debts dues by Related Parties *

- By directors & other officers of the company

16.34 317.30

- By Firms or Private companies in which the directors are partner or director or member

- 121.43

* The debts due by related parties are not pertaining to the business of the company, but it relates to the business of M/s. Ravi Chem and M/s. Polychem Exports whose running business had been takeover by the company along with all its assets and liabilities vide business takeover agreements in the preceding year.

13.2 The company was incorporated on 10-12-2021 and hence, the detail of trade receivables over six months and above in the preceding year is not applicable to the company since six months has not been elapsed as on the Balance Sheet date of the preceding year.

14 CASH & CASH EQUIVALENTS

Cash on hand 5.77 32.14

Balances with Banks in :

- Current Accounts

22.93 3,034.22

- In Fixed Deposit Accounts

- 329.73

Total	28.70	3,396.09
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Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	As at 31-03-2023 Amount in `	As at 31-03-2022 Amount in `
15 SHORT TERM LOANS & ADVANCES		
Advance Tax & TDS/TCS Receivable	79.23	8.10
Deposits	24.30	68.20
Balance with GST	33.98	138.42
Advances for Capital Expenditure	9.94	3.00
Prepaid Expenses	2.86	2.22
Other Advances <i>(Recoverable in cash or kind or for value to be received in cash)</i>	31.05	25.46
Total	181.37	245.40

10 PROPERTY, PLANT AND EQUIPMENTS

(All amounts are in INR in Lacs unless otherwise stated)

Sr. No.	Particulars	GROSS BLOCK			As on 31-03-2023	As on 01-04-2022	DEPRECIATION		NET BLOCK		
		As on 01-04-2022	Addition during the period	Deduction during the period			For the period	Deduction during the period	As on 31-03-2023	As on 31-03-2023	As on 31-03-2022
A	Tangible Assets-										
1	Factory Construction Work	20.28	0.32	-	20.61	0.34	1.90	-	2.23	18.37	19.95
2	Borwel Pump	0.09	-	-	0.09	0.00	0.01	-	0.01	0.08	0.09
3	Plant & Machinery	2.98	5.22	-	8.20	0.13	1.35	-	1.48	6.72	2.85
4	Office Equipments	1.27	0.97	-	2.24	0.07	0.92	-	0.99	1.25	1.20
5	Generator	0.57	-	-	0.57	0.02	0.11	-	0.13	0.45	0.55
6	Vehicles	12.48	24.72	2.61	34.59	0.56	7.55	0.02	8.09	26.50	11.92
7	Telephone and Mobile	0.11	2.11	-	2.22	0.01	0.31	-	0.32	1.91	0.10
8	Computer	3.91	2.22	-	6.14	0.18	3.08	-	3.26	2.87	3.73
9	Furniture and Fixtures	2.17	-	-	2.17	0.01	0.46	-	0.47	1.70	2.16
	<i>Sub Total</i>	43.87	35.57	2.61	76.83	1.33	15.68	0.02	16.98	59.85	42.54
B	Intangible Assets										
1	Website	0.24	0.05	-	0.28	0.01	0.16	-	0.17	0.11	0.22
	<i>Sub Total</i>	0.24	0.05	-	0.28	0.01	0.16	-	0.17	0.11	0.22
	Total	44.10	35.62	2.61	77.11	1.34	15.84	0.02	17.16	59.96	42.76
	Previous Year's Figures	-	44.10	-	44.10	-	1.34	-	1.34	42.76	-

10.1 Depreciation on Property, Plant and Equipments is calculated on Written Down Value Method. The depreciation for the respective assets has been computed on the basis of their useful life as specified in Schedule II to the Companies Act, 2013, in accordance with the information and explanations as provided to us by the management of the company.

10.2 Property, Plant and Equipments are stated at cost of acquisition less depreciation.

10.3 The carrying amounts of the company's assets are reviewed at each Balance Sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated recoverable amount.

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	For the Year Ended On 31-03-2023 Amount in `	For the Period Ended On 31-03-2022 Amount in `
16 REVENUE FROM OPERATIONS		
<u>Sales of Products:</u>		
- Textile Dyes, Chemicals & Auxiliaries	10,955.23	1,411.24
- Plastic Granules	44.35	-
- Scrap	22.07	1.25
Total	11,021.65	1,412.49
17 OTHER INCOME		
Other Interest	0.45	0.67
Interest on Bank FDRs	12.73	-
Total	13.18	0.67
18 COST OF MATERIALS		
<u>Textile Dyes, Chemicals, Auxiliaries & Plastic Granules</u>		
Opening Stock	2,306.70	-
Add: Purchases	8,460.77	3,646.75
	10,767.47	3,646.75
Less: Closing Stock	1,374.44	2,306.70
Total	9,393.03	1,340.05
18.1 In the preceding year, the purchases are inclusive of the stock of goods transferred from M/s. Ravi Chem and M/s. Polychem Exports, whose running business had been takenover by the company along with all its assets and liabilities vide business takeover agreements.		
19 CHANGES IN INVENTORY OF FINISHED GOODS		
<u>Textile Chemicals & Auxiliaries</u>		
Opening Stock	207.29	-
Less: Closing Stock	301.17	207.29
Total	(93.88)	(207.29)
20 EMPLOYEE BENEFIT EXPENSES		
Wages & Salaries Expenses	109.29	22.13
Salary to Staff	160.24	33.08
Provisions for Gratuity Expenses	6.77	1.32
Directors Remuneration	60.00	15.00
Total	336.30	71.54
21 FINANCIAL EXPENSES		
Bank Interest	105.75	10.83
Bank Charges	33.85	0.04
Other Interest	205.07	2.87
Total	344.67	13.75
22 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation	15.84	1.34
Amortisation of Deferred Revenue Expenses	3.20	3.20
Total	19.04	4.54

Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

	For the Year Ended On 31-03-2023 Amount in `	For the Period Ended On 31-03-2022 Amount in `
23 OTHER EXPENSES		
(a) <u>Operating Expenses</u>		
Electricity Expenses	3.48	0.52
Factory Expenses	1.76	0.09
Laboratory Expenses	0.94	0.18
Rent Expenses	15.68	3.18
<i>Sub Total</i>	21.85	3.97
(a) <u>Sales and Administrative Expenses</u>		
Legal and Professional Expenses	21.95	0.51
Auditor's Remuneration	5.00	2.50
Office Expenses	4.53	0.72
Brokerage & Commission Expenses	207.97	51.49
Freight & Transportation Expenses	36.25	5.37
Insurance Expenses	2.61	0.72
Consumption of Packing Materials	335.15	50.53
Rent, Rates & Taxes	1.67	0.02
Printing & Stationery Expenses	2.68	0.19
Traveling Expenses	2.27	0.10
Vehicle Expenses	16.44	3.25
<i>Sub Total</i>	636.50	115.41
Total	658.36	119.38

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

24 Significant Accounting Policies & Notes on Financial Statements

1 Corporate Information

Bhatia Colour Chem Limited (the company) is a public limited company, incorporated on 10-12-2021 under the provisions of the Companies Act, 2013 having CIN: L24290GJ2021PLC127878 and having its registered office at Plot No. A/2/12, Road No. 1, Udhna Udyog Nagar, Udhna, Surat - 394 210. The company is engaged in the business of trading and manufacturing of textile chemicals, auxiliaries and plastic granules.

The standalone financial statements for the year ended on March 31, 2023 were authorised for issue in accordance with a resolution of the directors on 20-05-2023.

2 Basis of Accounting

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP') to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013 ('the Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the circulars and guidelines issued by the RBI from time to time to the extent they have an impact on the financial statements and current practices prevailing in India. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements are presented in Indian Rupees (INR) and all values are recorded to the nearest rupees (INR), except otherwise indicated.

3 Use of Estimates

The preparation of the financial statement in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustments to the carrying amounts of assets or liabilities in future periods.

4 Prior period Items

Previous years adjustments are on account of payment of taxes, duties, interest etc., of earlier years due to short / excess provision thereof etc. which has been shown under the head 'Extraordinary Items'.

5 Recognition of Income and Expenditure

All incomes and Expenditure are accounted on accrual basis. Sales, Purchases and all expenses are accounted for exclusive of tax, duties, gst, cess, etc. collected on behalf of the government and are net of goods returned, discount, rate difference, late payment interest, transport & freight, claim, etc. and are inclusive of other direct expenses on purchases.

6 Government Grants

During the period under consideration the company has not received any government grants.

7 Employee Benefits

Contribution to employee's benefit funds remitted to statutory authority is charged to revenue. Liability in respect of Gratuity of employees of the company is provided for as per actuarial valuation as at the current period ended. Actuarial gains and losses are recognised in full in the statement of profit and loss, in the period/year in which they occur.

8 Borrowing Cost

The total borrowing cost on the acquisition of fixed assets if pertaining to the period up to the date on which the said fixed assets have been put-to-use, has been capitalized in the respective fixed assets and the cost for the period after the said fixed assets have been put-to-use has been debited to the Profit and Loss Account.

9 Segment Reporting

The company has only one business segment and geographical segment. Therefore there is no separate reportable segment as per AS-17.

10 Dues to small scale and ancillary undertakings

` 3.76 Crores (Previous Year : ` 9.44 Crores) due to micro and small enterprises registered under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act). There are no other amounts paid/payable towards interest/principal under the MSMED; and

The above information has been determined to the extent such parties have been identified on the basis of the information available with the company regarding the status of suppliers under the MSMED.

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

11 Related Party Disclosure

The detail of related parties and total amount of transactions entered with the related parties for the year under consideration are given below.

(i) List of related parties and description of relationship

Sr. No.	Description of relationship	Names of related parties
1	Key Management Personnel	(i) Bharat Brijlal Bhatia (ii) Rameshchand Chanduram Bhatia (iii) Ravi Ashokkumar Bhatia (iv) CFO Sunny Vyaswala (v) CS Hiral Shah (<i>resigned</i>) (vi) CS Vishwa Patel
2	Relative of Key Management Personnel	(i) Madhu Brijlal Bhatia (ii) Sonal Bharat Bhatia (iii) Priti Brijlal Bhatia (iv) Reena Rameshchand Bhatia (v) Dhawal Rameshchand Bhatia (vi) Apoorva Dhawal Bhatia (vii) Smt. Kamini Ashokkumar Bhatia
3	Enterprises Controlled by the Key Management personnel	(i) M/s. Bhatia Colour Co. (ii) M/s. Polychem Industries (iii) M/s. Shreenathji Industries (iv) M/s. Polychem Exports (v) M/s. VAP Chem (vi) M/s. VAP Fab (vii) M/s. S. N. Enterprise (viii) M/s. Awesome Sparklers (ix) M/s. Bhatia Farm (x) M/s. Brijbee (xi) M/s. Ravi Chem (xii) M/s. Shreeji Chemical (xiii) BNM Infra Pvt. Ltd.

(ii) Transactions made during the year with the related parties.

(a) Key Management Personnel

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount
1	Bharat Brijlal Bhatia	Unsecured Loan Received	1,690.15
		Unsecured Loan Repaid	1,529.66
		Unsecured Loan O/s. Balance	732.69
		Interest on Unsecured Loan	41.35
		Director's Remuneration	24.00
		Director's Remuneration O/s. Balance	2.99
2	Rameshchand Chanduram Bhatia	Unsecured Loan Received	350.65
		Unsecured Loan Repaid	692.52
		Unsecured Loan O/s. Balance	748.70
		Interest on Unsecured Loan	89.39
		Director's Remuneration	24.00
		Director's Remuneration O/s. Balance	2.49
3	Ravi Ashokkumar Bhatia	Unsecured Loan Received	2.85
		Unsecured Loan Repaid	9.95
		Unsecured Loan O/s. Balance	247.33
		Interest on Unsecured Loan	21.24
		Director's Remuneration	12.00
4	CFO Sunny Vyaswala	Salary Expenses	7.98
5	CS Hiral Shah (<i>resigned</i>)	Salary Expenses	1.91
6	CS Vishwa Patel	Salary Expenses	0.56
		Salary Expenses O/s. Balance	0.28

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(b) Relatives of the Key Management Personnel

There are no transactions with the relatives of the key management personnels.

(c) Transactions with the entities controlled by the key management personnel.

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount
1	Bhatia Colour Co.	Purchases	579.08
		Sales	4.88
1	Vap Chem	Purchases	169.95
		Sales	437.51
1	Shreenathji Industries	Purchases	242.98
		Sales	8.70

12 Taxation

Tax comprises of Current tax and Deferred tax. Current tax in the books is recognised by opting the provisions of section 115BAA as introduced vide Taxation Laws (Amendment) Ordinance of 2019 to the Income Tax Act, 1961. Deferred Tax Liability is recognised on account of temporary timing differences. During the year, company has recognised deferred tax assets of ` 0.48 lacs (Previous Year : Deferred Tax Liability ` 0.48 lacs) on account of timing difference attributable to the claim of depreciation, which has been set off against the deferred tax liability.

13 Impairment of Assets

The carrying amounts of the company's assets are reviewed at each balance sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated recoverable amount.

14 Provisions, Contingent Liabilities and Contingent Assets

The Company claims to have no Contingent liability and hence, it is not provided for in the books of accounts. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the assessee.

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

15 Other Information

The various other information as required under Schedule III of the Companies Act, 2013 are as follows:-

(All amounts are in INR in Lacs unless otherwise stated)

Sr. No.	Particulars	As on 31-03-2023	As on 31-03-2022
(i)	<u>Contingent Liabilities and Commitments (to the extent not provided for)</u>		
	(1) <u>Contingent Liabilities</u>		
	(a) Claims against the company not acknowledged as debts	Nil	Nil
	(b) Guarantees	Nil	Nil
	(c) Other money for which the company is contingently liable	Nil	Nil
	(2) <u>Commitments</u>		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
	(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
	(c) Other commitments	Nil	Nil
(ii)	<u>Dividend proposed and Arrears of dividends</u>		
	(1) Dividend proposed to be distributed to equity shareholders	Nil	Nil
	(2) Dividend proposed to be distributed to equity shareholders per share	Nil	Nil
	(3) Dividend proposed to be distributed to preference shareholders	Nil	Nil
	(4) Dividend proposed to be distributed to preference shareholders per share	Nil	Nil
	(5) Arrears of fixed cumulative dividends on preference shares	Nil	Nil
(iii)	Amount of Securities issued for specific purpose, but not utilised for the specific purpose	Nil	Nil

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

Sr. No.	Particulars	As on 31-03-2023	As on 31-03-2022
(iv)	Amount of borrowings from banks & financial institution not utilised for the specific purpose	Nil	Nil
(v)	Assets other than Property, Plant and Equipment, Intangible Assets and non-current investments which don't have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.	Nil	Nil
(vi)	<u>Payment to Auditors</u>		
	(1) As Auditor	5.00	2.50
	(2) for taxation matters	Nil	Nil
	(3) for company law matters	Nil	Nil
	(4) for management services	Nil	Nil
	(5) for other services	Nil	Nil
	(6) for reimbursement of expenses	Nil	Nil
(vii)	<u>Value of Imports on C.I.F. basis</u>		
	(1) Raw Material	Nil	Nil
	(2) Components and spare parts	Nil	Nil
	(3) Capital Goods	Nil	Nil
(viii)	Expenditure in foreign currency during the year on account of royalty, know-how, professional and consultation fees, interest and other matters.	Nil	Nil
(ix)	<u>Imported and Indigenous Consumption</u>		
	<u>Raw materials</u>		
	- Imported Materials	-	-
	- Indigenous Materials	9,393.03	1,340.05
	- Percentage of Imported Materials	0.00%	0.00%
	- Percentage of Indigenous Materials	100.00%	100.00%
	<u>Spare Parts and Components</u>		
	- Imported Materials	Nil	Nil
	- Indigenous Materials	Nil	Nil
	- Percentage of Imported Materials	Nil	Nil
	- Percentage of Indigenous Materials	Nil	Nil
(x)	<u>Dividend remitted in foreign currencies</u>		
	(1) Amount remitted during the year in foreign currencies on account of dividends	Nil	Nil
	(2) Total number of non-resident shareholders	Nil	Nil
	(3) Total number shares held by non-resident shareholders	Nil	Nil
(xi)	<u>Earning in foreign exchange</u>		
	(1) F.O.B. value of Exports	Nil	Nil
	(2) Royalty, Know-how, professional and consultation fees	Nil	Nil
	(3) Interest and dividend	Nil	Nil
	(4) Other income	Nil	Nil
(xii)	<u>Undisclosed income</u>		
	(1) Transaction not recorded in the books of accounts that have been surrendered or disclosed as income in tax assessments under the Income Tax Act, 1961	Nil	Nil
	(2) Previously unrecorded income and related assets which have been properly recorded in the books of accounts during the year.	Nil	Nil

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

Sr. No.	Particulars	As on 31-03-2023	As on 31-03-2022
(xiii)	Corporate Social Responsibility (CSR)	NA	NA
(xiv)	<u>Detail of Crypto Currency or Virtual Currency</u>		
	(1) Profit or loss on transactions in Crypto or Virtual Currency	Nil	Nil
	(2) Amount of currency held as at the reporting date	Nil	Nil
	(3) Deposits or advances from any person for the purpose of trading or investing in Crypto or Virtual Currency	Nil	Nil

16 Additional Regulatory Information:

- (i) The company does not have any immovable property whose title deeds are not in the name of the company.
- (ii) The Company has not revalued any of its Property, Plant and Equipments.
- (iii) Company has not given any Loans or Advances in the nature of loans to its promoters, directors, key managerial personnel and related parties.
- (iv) CWIP Ageing Schedule
In absence of any Capital Work In Progress such details are not applicable.
- (v) There is no intangible asset under development as at the year-end.
- (vi) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and the rules made thereunder.
- (vii) The company is not required to file the quarterly statements of current assets with the Banks for its borrowings.
- (viii) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- (ix) The Company does not have any transactions with companies struck off u/s. 248 of the Companies Act, 2013 or u/s. 560 of the Companies Act, 1956.
- (x) No charges or satisfaction is pending to be registered with Registrar of Companies beyond the statutory period.
- (xi) The company does not have any subsidiary and hence, there is no violation with regard to the number of layers prescribed u/s. 2(87) of the Act r.w. Companies (Restriction on number of Layers) Rules, 2017.
- (xii) Ratio Analysis

(All amounts are in INR in Lacs unless otherwise stated)

Sr. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22	Change (Refer Note Below)
(a)	Current Ratio <i>(Current Assets / Current Liabilities)</i>	3.26	2.06	-
	Current Assets	11,226.00	14,754.38	
	Current Liabilities	3,440.51	7,151.31	
(b)	Debt-Equity Ratio <i>(Total Debts / Shareholder's Fund)</i>	0.33	1.14	-
	Total Debts <i>(i.e. Long Term Borrowings + Short Term Borrowings + Current Maturities Of Long Term Debt)</i>	1,976.48	6,422.26	
	Shareholder's Fund <i>(i.e. Paid-up Share Capital + Reserves and Surplus)</i>	5,916.31	5,642.41	
(c)	Debt Service Coverage Ratio <i>(Earnings available for debt service / Debt Service)</i>	0.75	2.49	-
	Earnings Available For Debt Service <i>(i.e. Net Profit Before Tax + Depreciation & Other Amortizations + Interest + Other Adjustments like Loss on Sale of Fixed Assets)</i>	703.85	89.37	
	Debt Service <i>(i.e. Interest Expenses + Principal Repayments)</i>	935.92	35.92	

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(All amounts are in INR in Lacs unless otherwise stated)

Sr. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22	Change (Refer Note Below)
(c)	Interest Service Coverage Ratio	2.20	6.19	-
	Earning Before Interest & Tax	684.82	84.83	
	Interest Expenses	310.82	13.71	
(d)	Return on Equity Ratio <i>(Net Profit after tax / Average Shareholder's Equity)</i>	4.74%	0.92%	-
	Net Profit after tax	273.89	51.73	
	Average Shareholder's Equity <i>(i.e. Avg. of Paid-up Share Capital and Reserves & Surplus)</i>	5,779.36	5,642.41	
(e)	Inventory Turnover ratio <i>(Cost Of Goods Sold / Average Inventory)</i>	4.45	0.53	-
	Cost of Goods Sold	9,393.03	1,340.05	
	Average Inventory (Refer note below)	2,111.61	2,524.17	
(f)	Trade Receivables Turnover ratio <i>(Net Credit Sales / Average trade receivables)</i>	1.23	0.16	-
	Net Credit Sales of the company	11,021.65	1,412.49	
	Average Trade Receivables (Refer note below)	8,952.80	8,588.72	
(g)	Trade Payables Turnover Ratio <i>(Net Credit Purchases / Average Trade Payables)</i>	2.83	1.35	-
	Net Credit Purchases of the company (Refer note below) <i>(i.e. Purchases of Material and Stock in Trade Employee Benefit Expenses and Other Expenses)</i>	8,460.77	3,646.75	
	Average Trade Payables (Refer note below) <i>(i.e. Average of Trade Payables and Other Payables)</i>	2,984.68	2,705.88	
(h)	Net capital Turnover ratio <i>(Net Sales / Average Working Capital)</i>	1.43	0.19	-
	Net Sales <i>(i.e. Revenue From Operations)</i>	11,021.65	1,412.49	
	Average Working Capital (Refer note below) <i>(Working Capital = Current Assets - Current Liabilities)</i>	7,694.28	7,603.07	
(i)	Net Profit Ratio <i>(Net profit after tax / Net Sales)</i>	2.49%	3.66%	-
	Net Profit After Tax	273.89	51.73	
	Net Sales <i>(i.e. Revenue From Operations)</i>	11,021.65	1,412.49	
(j)	Return on Capital employed <i>(Earning before interest and tax / Capital Employed)</i>	8.68%	0.70%	-
	Earning Before Interest and Taxes	684.82	84.83	
	Capital Employed (Refer note below) <i>(i.e. Tangible Net Worth + Total Debt + Deferred Tax Liability)</i>	7,892.79	12,065.16	
(k)	Return on investment <i>(Value of investment increased / Value of Investment at start of the year)</i>	NA	NA	
	Value of Investment at Time 0	Nil	Nil	
	Value of Investment at Time 1	Nil	Nil	
	Value of Investment Increased	Nil	Nil	

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(l) Reasons for significant variation in ratios, subject to note 1 and 2 below:

1 In the preceding year, since the company was incorporated on 10-12-2021, the financials are in respect of part of the year, whereas, in the current year, the financials are for the entire year and hence, the variation in excess of 25% in various ratios of the current year in comparison to the preceding year, are mainly on account of different volume as also the periods of business in the current year as compared to the preceding year.

2 Further, the ratios in the preceding year, as mentioned hereinabove, relating to and consisting of inventory, trade receivables and trade payables are not fully comparable since in the preceding year, the company had takenover two existing business entities one sole proprietary business viz. M/s. Ravi Chem Prop. Ravi Ashokkumar Bhatia (one of the promotor of the company) and the other partnership firm viz. M/s. Polychem Exports, as a running business together with all its assets and liabilities, vide business takeover agreement dated 15-01-2022 and 22-03-2022 respectively, which includes their inventory, trade receivables and trade payables as well and accordingly, the figures of inventory, trade receivables and trade payables as reported in the preceding year balance sheet are not commensurate/comparable with the actual volume/turnover of the business of the company.

(i) Current Ratio

The current ratio has increased substantially, since the company has fully repaid the short term borrowings in the current year.

(ii) Debt-Equity Ratio

The debt equity ratio has declined materially, since the company has fully repaid the short term borrowings in the current year.

(iii) Debt Service Coverage Ratio

The debt service coverage ratio has declined materially, since the company has fully repaid the short term borrowings in the current year and the volume of business in both the years are not fully comparable.

(iv) Interest Service Coverage Ratio

The interest service coverage ratio has declined materially, since the interest expenses in the current year has gone up substantially and also considering the fact that the volume of business in both the years are not fully comparable.

(v) Return on Equity Ratio

The return on equity ratio has increased materially, since the net profit after tax in the current year has increased many folds as compared to last year, considering the substantial increase in the volume of business in the current year.

(vi) Inventory Turnover ratio

The inventory turnover ratio has increased materially, since the cost of goods sold has increased in the current year on account of substantial increase in the volume of business as compared to preceding year, whereas, inventory level has slightly decreased in the current year as compared to preceding year.

(vii) Trade Receivables Turnover ratio

The trade receivable ratio has increased materially, since the net credit sales has increased in the current year on account of substantial increase in the volume of business as compared to preceding year, whereas, the average trade receivable has not increased substantially in the current year as compared to preceding year.

(viii) Trade Payables Turnover Ratio

The trade payable ratio has increased materially, since the net credit purchases has increased in the current year on account of substantial increase in the volume of business as compared to preceding year, whereas, the average trade payables has not increased substantially in the current year as compared to preceding year.

(ix) Net capital Turnover ratio

The net capital turnover ratio has increased materially, since the net sales has increased in the current year on account of substantial increase in the volume of business as compared to preceding year, whereas, the average working capital has almost remained in line with the preceding year.

(x) Net Profit Ratio

The net profit ratio has decreased in percentage term despite substantial increase in the amount, which is mainly on account of substantial increase in the volume of business as compared to preceding year and accordingly, the ratio is not fully comparable.

(xi) Return on Capital employed

The return on capital employed ratio has increased on account of substantial increase in earning before interests and tax (EBIT) in the current year as compared to preceding year as well as complete repayment of short term borrowings in the current year.

17 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

18 Utilisation of Borrowed funds, share premium or any other source or kind of fund:

(A) Company has not advanced or loaned or invested any funds to any person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the Intermediary shall -

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Significant Accounting Policies & Notes on Standalone Financial Statements for the Year Ended March 31, 2023

(B) Company has not received any funds from any person(s) or entity(ies) including foreign entities (Funding Party) with the understanding that the company shall -

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

For & on behalf of the Board
Bhatia Colour Chem Limited

As per our report of even date
For DSI & Co.
Chartered Accountants
ICAI FRN 127226W

Sd/-
Bharat Bhatia
Mng. Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Wholetime Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Vishwa Patel
Company
Secretary

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 23136712BGWYKK7012

Place : Surat
Date : 20-05-2023

Place : Surat
Date : 20-05-2023

Significant Accounting Policies & Notes on Financial Statements for the Period Ended September 30, 2022

(j) Related Party Disclosure

The detail of related parties and total amount of transactions entered with the related parties for the year under consideration are given below.

(i) List of related parties and description of relationship

Sr. No.	Description of relationship	Names of related parties
1	Associate Concerns	(i) M/s. Bhatia Colour Co. (ii) M/s. Polychem Industries (iii) M/s. Shreenathji Industries (iv) M/s. Polychem Exports (v) M/s. VAP Chem (vi) M/s. VAP Fab (vii) M/s. S. N. Enterprise (viii) M/s. Awasome Sparklers (ix) M/s. Bhatia Farm (x) M/s. Brijbee (xi) M/s. Ravi Chem (xii) M/s. Shreeji Chemical (xiii) BNM Infra Pvt. Ltd.
2	Key Management Personnel	(i) Bharat Brijlal Bhatia (ii) Rameshchand Chanduram Bhatia (iii) Ravi Ashokkumar Bhatia (iv) CFO Sunny Vyaswala (v) CS Hiral Shah
3	Relative of Key Management	(i) Madhu Brijlal Bhatia (ii) Sonal Bharat Bhatia (iii) Priti Brijlal Bhatia (iv) Reena Rameshchand Bhatia (v) Dhawal Rameshchand Bhatia (vi) Apoorva Dhawal Bhatia (vii) Smt. Kamini Ashokkumar Bhatia

(ii) Transactions made during the year with the related parties.

(a) Transactions with the Associated Concerns.

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount Rs.
1	Ravi Chem	Purchase of Sole Proprietary Business	
2	Polychem Export	Purchase of Partnership Business	

(b) Key Management Personnel

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount Rs.
1	Bharat Brijlal Bhatia	Unsecured Loan Received	16,90,15,261
		Unsecured Loan Repaid	15,29,65,750
		Unsecured O/s. Balance	7,32,69,194
		Interest on Unsecured Loan	41,35,048
		Director's Remuneration	24,00,000
		Director's Remuneration O/s. Balance	2,99,200

Significant Accounting Policies & Notes on Financial Statements for the Period Ended September 30, 2022

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount Rs.
2	Rameshchand Chanduram	Unsecured Loan Received	3,50,65,000
		Unsecured Loan Repaid	6,92,52,350
		Unsecured O/s. Balance	7,48,70,082
		Interest on Unsecured Loan	89,38,917
		Director's Remuneration	24,00,000
		Director's Remuneration O/s. Balance	2,49,200
3	Ravi Ashokkumar Bhatia	Unsecured Loan Received	2,85,000
		Unsecured O/s. Balance	2,47,33,137
		Interest on Unsecured Loan	21,23,840
		Director's Remuneration	12,00,000
		Director's Remuneration O/s. Balance	(20,200)
4	CFO Sunny Vyaswala	Salary Expenses	7,01,040
5	CS Hiral Shah	Salary Expenses	1,70,650
6	CS Vishwa Patel	Salary Expenses	55,600
		Salary Expenses O/s. Balance	27,800

(c) Relatives of the Key Management Personnel

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount Rs.
1	Dhawal Rameshchand Bhatia	Advances Given	26,408
		Advances Received back	26,408







BHATIA COLOUR CHEM LIMITED

CIN: L24290GJ2021PLC127878

Regd office: Plot No.A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat 394210

Mob No.9104294564 Email Id: cs@bccindia.com Weblink: www.bccl.info

ATTENDANCE SLIP

Name of the member (s):	
Registered Address	

Folio No		*DP ID	
No. Of Shares		*Client ID	

* Applicable to holders holding Shares in demat /electronic form

I hereby record my attendance at the 2nd Annual General Meeting of the Company held on Saturday, the 16th day of September, 2023 at Registered Office of the company at Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210

Shareholders Signature

Notes:

1. Please fill attendance slip and hand it over at the entrance of the Meeting Hall.
2. Member's signature should be in accordance with the specimen signature in the Register of Members of the Company.
3. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the Annual General Meeting of the Company.





BHATIA COLOUR CHEM LIMITED

CIN: L24290GJ2021PLC127878

Regd office: Plot No.A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat
394210

Mob No.9104294564 Email Id: cs@bccindia.com Weblink: www.bccl.info

Form No. MGT-11

PROXY FORM

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

CIN: L24290GJ2021PLC127878

Name: BHATIA COLOUR CHEM LIMITED

Registered office: Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

*DP ID:

* Applicable for holders holding shares in demat/electronic mode

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

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

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 02nd Annual General Meeting of the company, to be held on the Saturday, the 16th day of September, 2023 at 01.00 p.m. at Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210 and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	ORDINARY BUSINESS
1.	To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31 st March, 2023 together with the report of the Board of Directors & Auditors' thereon.
2.	To appoint a Director in place of Mr. Rameshchand Chanduram Bhatia, Executive Whole Time Director (DIN: 09431185), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.
	SPECIAL BUSINESS
3.	To consider the increase in remuneration of Mr. Ravi Ashokumar Bhatia (DIN: 09431186), Whole-Time director of the company
4.	To ratify the remuneration of Cost Auditor for the financial year ending March 31, 2023 and in this regard, pass the following resolution as an Ordinary Resolution:

Signed this day of 2023

Signature of shareholder

Signature of Proxy holder(s)

Affix a
Re. 1
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. A holder may vote either for or against each resolution.





BHATIA COLOUR CHEM LIMITED

CIN: L24290GJ2021PLC127878

Regd office: Plot No.A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat 394210

Mob No.9104294564 Email Id: cs@bccindia.com Weblink: www.bccl.info

Form No. MGT- 12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

CIN: L24290GJ2021PLC127878

Name: BHATIA COLOUR CHEM LIMITED

Registered Office: Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210

1. Name of the First Named :
Shareholder (In block letters)
Postal Address
2. Registered folio No./ :
DP ID No./Client ID No.*
(*Applicable to investors holding
Shares in dematerialized form)

Class of Shares

1. I/We hereby exercise my/our vote in respect of the following resolution(s) as set out in the Notice of Annual General Meeting of Company scheduled to be held on 16th day of September, 2023 at 01.00 p.m. at the Registered Office of the Company at Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat-394210, which is proposed to be placed for consideration of members at the aforesaid AGM of the Company, by sending my/our assent (FOR) and/or dissent (AGAINST) to the said Resolution(s) by placing the tick () mark at the appropriate box below:

Item No.	Item	Nature of Resolution	No. of Shares	I/we assent to the resolution (FOR)	I/we assent to the resolution (AGAINST)	(ABSTAIN)
1.	To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31 st March, 2023 together with the report of the Board of Directors & Auditors' thereon.	Ordinary				
2.	To appoint a Director in place of Mr. Rameshchand Chanduram Bhatia, Executive Whole Time Director (DIN: 09431185), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.	Ordinary				
3.	To consider the increase in remuneration of Mr. Ravi Ashokumar Bhatia (DIN: 09431186), Whole-Time director of the company	Special				
4.	To ratify the remuneration of Cost Auditor for the financial year ending March 31, 2023 and in this regard, pass the following resolution as an Ordinary Resolution:	Special				

Place: Surat

Date:

(Member)

ELECTRONIC VOTING PARTICULAR

EVEN (E VOTING EVENT NUMBER)
125165

E-Voting shall start on Wednesday, 13th September, 2023 (09.00 a.m) and will be open till Friday, 15th September, 2023 till the close of working hours (i.e. 05.00 p.m.)

Note: Please read the instruction printed overleaf carefully before exercising your vote



THE MINISTRY OF CORPORATE AFFAIRS HAS TAKEN A “GREEN INITIATIVE IN THE CORPORATE GOVERNANCE” BY ALLOWING PAPERLESS COMPLIANCES BY THE COMPANIES AND HAS ISSUED CIRCULAR STATING THAT SERVICE OF NOTICE/DOCUMENTS INCLUDING ANNUAL REPORT CAN BE SENT BY E-MAIL TO ITS MEMBERS. TO SUPPORT THIS GREEN INITIATIVE OF THE GOVERNMENT, MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESS, SO FAR, ARE REQUESTED TO GET THEIR E-MAIL ADDRESSES REGISTERED, IN RESPECT OF ELECTRONIC HOLDING WITH DEPOSITORY THROUGH THEIR CONCERNED DEPOSITORY PARTICIPANTS, MEMBERS, WHO HOLD SHARES IN PHYSICAL FORM, ARE REQUESTED TO GET THEIR SHARES DEMATERIALIZED



LEADERSHIP



TEAM MEMBERS

