



BHATIA
COLOUR CHEM LIMITED

BHATIA COLOUR CHEM LIMITED

CIN: U24290GJ2021PLC127878

Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh, Udhna, Surat -394210
Mob No. 9104294564 Email Id: account@bccindia.com Weblink: www.bccl.info

Date: 24/08/2022

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

Scrip ID/ Code : BCCL/543497

Subject : Annual Report for the Financial year 2021-2022

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 2021-22 and is also available on the website of the company at www.bccl.info

For **Bhatia Colour Chem Limited**

Hiral
Hiral Jainesh Shah
Company Secretary & Compliance Officer
M.No.: A50037



Place: Surat

Encl: Annual Report for Financial year 2021-2022.

1ST ANNUAL REPORT FY 2021-22



**BHATIA
COLOUR
CHEM
LIMITED**

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CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of the entire board I would like to express my sincere gratitude to all of you our Dear Shareholder, Employees and business partners at 1st Annual General meeting of your Company. I would like to thank you all for your constant support. Your trust has been inspirational and instrumental in shaping our success.

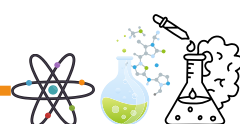
Launching IPO along with success in such Post-covid pandemic and Ukraine-Russia War circumstances is a milestone and this milestone is an occasion for celebrate with our dear Shareholders and an opportunity to chart the future. The Company has recorded satisfactory performance by achieving Revenue of Rs. 1,412.49 lakhs and EBIT of Rs. 84.90 lakhs.

**Mr. Bharat Brijlal
Bhatia**

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 labourers 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 earnings growth thus creating long term value for our stakeholders.



ABOUT US



Our Company was originally incorporated as 'BHATIA COLOUR CHEM LIMITED' under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated December 10, 2021. Subsequently, our Company filed the forms of conversion to change the CIN of the Company from PTC to PLC pursuant to a special resolution passed by our shareholders at the EGM held on January 21, 2022 and consequently the name of our Company was remain same as —Bhatia Colour Chem Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated February 10, 2022. The CIN of the Company is U24290GJ2021PLC127878.

On January 15, 2022, our Company has taken over the undergoing business together with all its assets and liabilities of the M/s Ravi Chem, proprietorship of Mr. Ravi Bhatia, Promoter of our Company. Later, the members of the Company had passed the Special Resolution in Extra Ordinary General Meeting held on February 21, 2022 for listing its Equity shares on SME Platform of BSE Limited (“SME Exchange”). M/S Interactive Financial Services Limited acted as Merchant Banker and Lead Manager to execute the listing procedure in compliance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 & Securities Contract Regulation Act, 1956.

Subsequently, the equity shares of our Company got listed on Bombay Stock Exchange (BSE) Limited with effect from March 24, 2022 pursuant to Initial Public Offer of the Company. Later, as per the object of issue company utilized net proceeds in acquiring M/S Polychem Exports, partnership firm on date.

BUSINESS OVERVIEW

Currently Company is in trading & manufacturing of Chemicals, Dyes and Auxiliaries products. We produce finished Textile Auxiliaries & Chemicals by mixing basic Textile Auxiliaries & Chemicals with our standardized formulation of chemicals with the help of stirrers. We produce Foil Binders, Printing Inks and Zari Binders in our Company with the variety of ranges and specialization as per the demand of the client. Our main strength of the products are our formulation of chemicals and quality maintenance. We being trader of Dyes and Auxiliaries products, supply's our products to mainly the processing house of the textile industries for the printing of the textile. Our products are mainly useful for the printing on Textile materials like Polyester & Cotton which includes, ambos on T shirts, Zari Prints and shading.



Glitter Powder



**Value Added
Printing**



Powder Chemical

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 OFFERINGS

The Chemical Industry in India, owing to increase in urbanisation, advancement in technology and population growth, has become an increasingly important component.

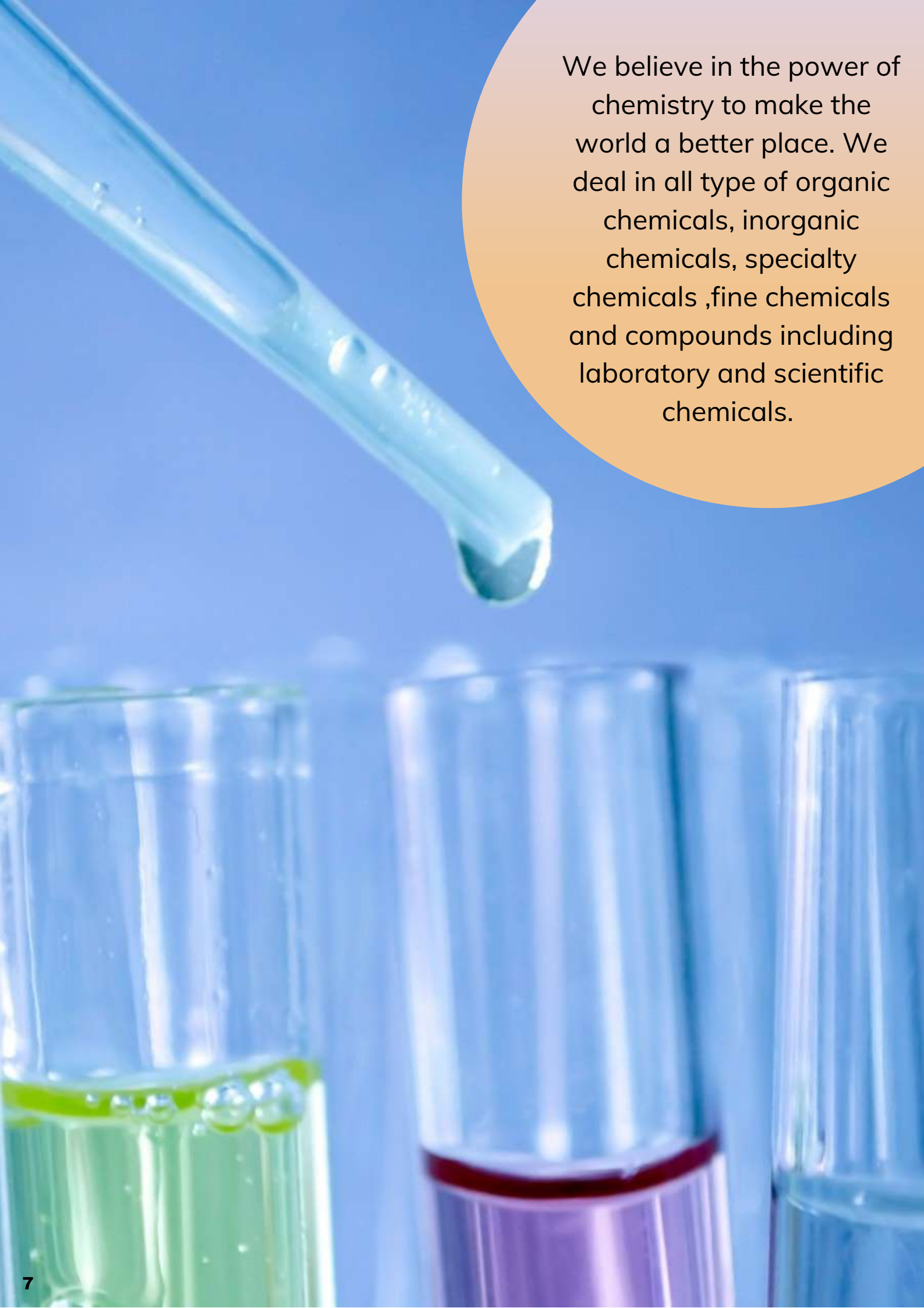
Along with this development, the dyestuff industry has also become an important contributor to the economic growth.

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 APPAREL



A laboratory setting with a blue background. A glass pipette is shown in the upper left, with a drop of liquid hanging from its tip. Below it, several test tubes are visible. The test tube on the left contains a yellowish liquid with bubbles. The test tube in the center contains a dark red liquid. The test tube on the right is empty. A large, semi-circular orange shape is on the right side of the image, containing text.

We believe in the power of chemistry to make the world a better place. We deal in all type of organic chemicals, inorganic chemicals, specialty chemicals ,fine chemicals and compounds including laboratory and scientific chemicals.

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 44 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 21 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 7 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 4 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

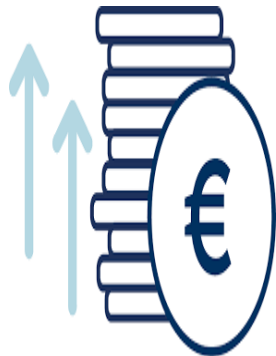
Mr. Nevil Prameshkumar Soni is an Independent Director of Bhatia Colour Chem Limited. He has completed his professional Degree of Certified Public Accountant (CPA), USA. He holds bachelor degree in commerce from the Gujarat University and Inter CA from the ICAI. He has started his career in the Audit, Accounts and Taxation of Indian entities with the Practicing Chartered Firm. He is having 10 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



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



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



WORKING CLOSER
WITH STAKEHOLDERS



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/ COMPLIANCE OFFICER

Hiral Jaineshshah-CS

Sunnyharishkumar vyaswala-CFO

REGISTERED OFFICE

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

CIN: U24290GJ2021PLC127878

Scrip ID/ Code: BCCL/543497

ISIN: INE0KQ001017

Ph No: 9104294564

Email ID: account@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 behaviour 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



Preservation of Documents

Whistle-blower Policy



Policy on Determination of Materiality

Performance Evaluation Policy



Archival Policy

Code of Practices and Procedures for Fair Disclosures of UPSI



Terms & Conditions of Appointment of Independent Director

Nomination & Remuneration Policy



Risk Management Policy

Board Diversity Policy



Related Party Transactions Policy

Prevention of Sexual Harassment at Work Place



Familiarization Programme for Independent Directors

NOTICE OF 1ST AGM

Date & Time:

Tuesday, 20th September, 2022 at
12.00 P.M.

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:

Wednesday, 14th September, 2022 to
Tuesday, 20th September, 2022
(both days inclusive)





BHATIA COLOUR CHEM LIMITED

CIN: U24290GJ2021PLC127878

Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat 394210
Mob No. 9104294564 Email Id: account@bccindia.com Weblink: www.bccl.info

NOTICE OF 01ST ANNUAL GENERAL MEETING

Notice is hereby given that the 1st Annual General Meeting of the Members of **BHATIA COLOUR CHEM LIMITED** will be held on Tuesday, 20th September, 2022 at 12.00 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, 2022 together with the report of the Board of Directors & Auditors' thereon.
2. To appoint a Director in place of Mr. Bharat Brijlal Bhatia, Executive Director (DIN: 09095082), 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. Bharat Brijlal Bhatia, Executive Director (DIN: 09095082), who retires by rotation at this annual general meeting, be and is hereby reappointed as director of the Company, liable to retire by rotation.”

3. **Reappointment of the statutory auditor:**

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 the Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013, read with the Companies (Audit and Auditors) rules, 2014, including any statutory enactment or modification thereof for time being in force, M/s **DSI & CO.**, Chartered Accountants, Surat (FRN: 127226W) be and are hereby re-appointed as a statutory Auditors of the Company for term of 5 years and to hold office from conclusion of this 1st Annual General Meeting till conclusion of 6th Annual General Meeting of the company, at such remuneration plus taxes and reimbursement of out of pocket expenses, if any per financial year on the basis of the recommendation of the Audit committee and approved by the Board of Directors as may be amended from time to time.”



SPECIAL BUSINESS:**4. Approval of Related Party Transaction (s):**

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“SEBI Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made there under, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of ‘Related Party’ under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, in the course of the business on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, for each of the financial years (FY), such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm’s length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as maybe required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

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

Sd/-

Date: 19/08/2022

Place: Surat

Hiral Jainesh Shah
Company Secretary



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 20th September, 2022, 12:00 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 139 of the Companies Act, 2013 and the Rules made thereunder, the current auditors of the Company, **DSI & CO.**, Chartered Accountants are eligible to hold the office for a period of Five years, from AGM 2022 upto AGM 2026. The reappointment of **DSI & CO.**, Chartered Accountants as auditors for the 2020-21 is subject to approval of shareholders in the ensuing annual general meeting and to authorize Board to fixing of their remuneration has been put up for the approval of members.
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 10.00 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 14th September, 2022 to 20th September, 2022 (both days inclusive).
11. The Shareholders are requested to direct change of address notifications and updates 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 2021-22, the Notice of the 1st 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 1st AGM and the Annual Report 2021-22 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 13th September, 2022.
20. The route map of the venue of Annual General Meeting is appended to this report. The prominent land mark near the venue is Nehru Nagar.
- 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. September 13, 2022.
- V. A person, whose name is recorded in the register of members as on the cut-off date, i.e. September 13, 2022 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. September 13, 2022 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 Saturday, September 17, 2022 at 9.30 a.m. and will end on Monday, September 19, 2022 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. September 13, 2022, 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. September 20, 2022.
- XI. **Instructions to Members for e-voting are as under:**

The voting period starts on Saturday 17th September, 2022 on open of working hours (i.e 9:30 hours) and ends on the close of working hours (i.e. 17:00 hours), Monday, 19th September, 2022. 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. 13th September, 2022 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 13th September, 2022.



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. 13th September, 2022, 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. 13th September, 2022 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"> 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 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 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



	<p>launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>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</p>



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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022-23058738 or 022-23058542-43

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 121071 then user ID is 121071001***



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 toll free no.: 1800 1020 990 and 1800 22 44 30 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 (Company email id).
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 (Company email id). 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

Sd/-

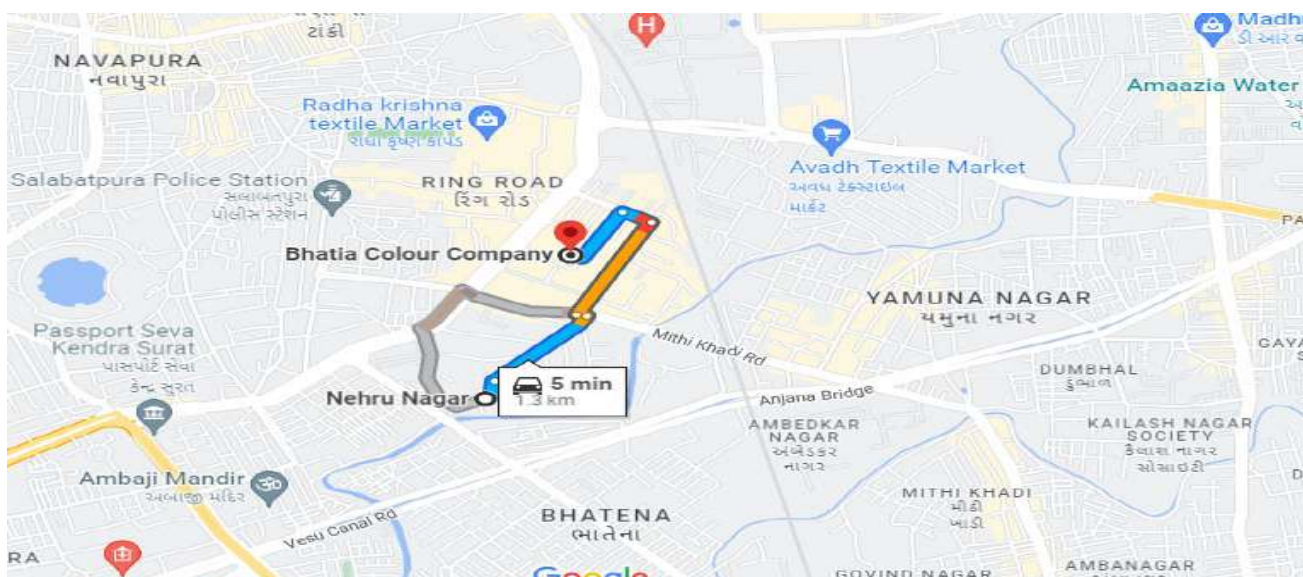
Hiral Jainesh Shah

Company Secretary & Compliance Officer

Date: 19/08/2022

Pace: Surat

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. Bharat Brijlal 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. Bharat Brijlal Bhatia
DIN	09095082
Date of Birth	06/11/1978 (43 years)
Qualification	Diploma in Chemical Engineering
Expertise in specific functional areas	Chemical Engineering
Experience	More than 20 years of experience in chemical and dyestuffs business
Terms and Conditions of Appointment/ Reappointment	As per the resolution at item No 2 of the notice convening this meeting, Mr. Bharat Brijlal 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. Bharat Brijlal Bhatia is a nephew of Mr. Rameshchand Chanduram Bhatia.
List of Companies in which directorship is held as on 31/03/2021	As attached below
Chairman / Member of the Committee of other Company	Nil
No. of Meetings of the Board Attended during the year	17

List of Companies in which Mr. Bharat Brijlal Bhatia holds directorship as on 31st March, 2022:

Sr.No	Name of the Company	Nature of Interest	Shareholding	Date on which interest arose
1.	Bhatia Colour Chem Limited	Managing Director	1320000	21/01/2022
2.	BNM Infra Private Limited	Director	5000	06/03/2021

For and on behalf of the Board of Directors

Sd/-

Hiral Jainesh Shah
Company Secretary

Date: 19/08/2022

Pace: Surat



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

Item No.3

Re-appointment of the statutory auditor:

The Board of the company at the board meeting held on 22/12/2022 had approved the appointment of **M/s DSI & CO.**, Chartered Accountant (FRN: 127226W) Surat, as Statutory Auditors of the Company subject to re-appointment at the ensuing Annual General Meeting for a term of five years till the conclusion of 6th Annual General Meeting.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of **M/s DSI & CO**, as the Statutory Auditors of the Company, for the term of five years till the Conclusion of 6th Annual General Meeting to be held in the year 2026-27, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s DSI & CO have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

The Board of Directors recommends remuneration of Rs. 5,00,000 plus applicable taxes and out of pocket expenses for the year 2022-23, subject to their re-appointment by the Members. The remuneration to be paid to the Statutory Auditors for the remaining period would be decided in line with the existing remuneration and shall commensurate with the services to be rendered by them during the said tenure.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.3 of the Notice for approval by the Members.



Item No.4

The Securities and Exchange Board of India (“SEBI”), vide its notification dated November 9, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 (“Amendments”) introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). The aforesaid amendments inter-alia included replacing of current threshold i.e. 10% (ten percent) of the listed entity’s consolidated turnover, for determination of material Related Party Transactions requiring prior Shareholders’ approval with the threshold of lower of 1,000 crore (Rupees One thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Bhatia Colour Chem Limited (“the Company”), being a trader & manufacturer of Chemicals, Dyes and Auxiliaries products, participates in the dealing and contracting with different entities in Bhatia group and partners in respective entities’ growth and transformation journeys.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with “related parties” are reviewed and approved by the Audit Committee.

The details of transactions that require approval are given below:

Sr. No	Description	Related Party 1	Related Party 2	Related Party 3
1.	Name of the related party	Bharat Brijlal Bhatia	Rameshchand Chanduram Bhatia	Ravi Ashokkumar Bhatia
2.	Nature of relationship [including nature of its interest (financial or otherwise)]	Director	Director	Director
3.	Type and Particulars of the proposed transaction	Acquiring of Unsecured Loan and Payment of Interest thereof	Acquiring of Unsecured Loan and Payment of Interest thereof	Acquiring of Unsecured Loan and Payment of Interest thereof
4.	Nature, Duration/tenure, material terms, monetary value and particulars of contract/arrangement	1. Loan will be acquired for not more than 10 Cr. and will be repayable on demand 2. Interest will be paid at interest rate upto 9% p.a. till the loan subsist	1. Loan will be acquired for not more than 20 Cr. and will be repayable on demand 2. Interest will be paid at interest rate upto 9% p.a. till the loan subsist	1. Loan will be acquired for not more than 10 Cr. and will be repayable on demand 2. Interest will be paid at interest rate upto 9% p.a. till the loan subsist



5.	Tenure of the transaction	Loan will be repayable on demand	Loan will be repayable on demand	Loan will be repayable on demand
6.	Value of the proposed transaction	Unsecured Loan upto an amount of Rs. 10 crores.	Unsecured Loan upto an amount of Rs. 20 crores	Unsecured Loan upto an amount of Rs. 10 crores
7.	Percentage of annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	Upto 70.80 % of the turnover of the company per annum.	Upto 141.59% of the turnover of the company per annum.	Upto 70.80% of the turnover of the company per annum.
8.	Benefits of the proposed transaction	The Company will benefit in form of easy availability of fund and resources at a shorter period of time		
9.	Details of the valuation report or external party report(if any) enclosed with the Notice	NOT APPLICABLE		
10.	Name of the Director or Key Managerial Personnel, who is related or interested	Bharat Brijlal Bhatia, Rameshchand Chanduram Bhatia and Ravi Ashokkumar Bhatia		
11.	Additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	NOT APPLICABLE		
12.	Any other information that may be relevant	NIL		

For and on behalf of the Board of Directors

Date: 19/08/2022
Pace: Surat

Sd/-
Hiral Jainesh Shah
Company Secretary



BOARD'S REPORT

FY 2021-22



BOARD'S REPORT

To,

The Members

BHATIA COLOUR CHEM LIMITED

Your Directors take pleasure in presenting the 1st Board's Report of the company on the business and operations together with the Audited Accounts for the financial year ended 31st March 2022.

1. FINANCIAL RESULTS & PERFORMANCE:

Financial performance of the Company for Financial Year 2021-22 is summarized below:

(Figure in Lakhs)

Particulars	2021-22*
Revenue from operations	1412.49
Other Income	0.67
Total Revenues	1413.16
Profit/ (Loss) before Exceptional & Extraordinary items & tax	71.20
Less: Exceptional items	0.07
Profit/ (Loss) before tax	71.12
Less: Tax Expenses	
- Current Tax	18.90
- Deferred Tax	0.48
- Income tax of earlier years	--
Net Profit/ (Loss) For The Year	51.73

* Figures regrouped wherever necessary.

* The Company was incorporated on December 10, 2021 therefore the figures for financial year ended on March 31, 2022 may not be comparable with figures of financial year ended on March 31, 2021.

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 is incorporated on 10th December 2021 and has recorded a total revenues of Rs. 1413.16 lakhs during the year. The company has incurred Net profit of Rs. 51.73 lakhs in period of 3 months.

3. DIVIDEND:

Keeping in mind the overall performance and outlook for your Company, your Board of Directors doesn't declared 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, 2022.



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, 2022.

During the year under review, the Company has made following issues.

No. of Persons to whom allotment is made	Preferential basis/private placement/right issue	Date of Allotment	No. of Shares Allotted	Face value of shares allotted	Price and form of consideration
8	Right Issue	12/01/2022	50,000	Rs. 10 per share	On Face Value of Rs 10 at premium of Rs. 150 each at cash
8	Right Issue	18/01/2022	7,00,000	Rs. 10 per share	On Face Value of Rs 10 at premium of Rs. 70 each at cash
8	Bonus Issue	21/01/2022	52,00,000	Rs. 10 per share	On Face value of Rs. 10 as Bonus Shares
5	Conversion of loan into equity Shares	18/02/2022	12,33,750	Rs. 10 per share	On Face Value of Rs 10 at premium of Rs. 70 each otherwise than in cash
175	Initial public offer	21/03/2022	50,00,000	Rs. 10 per share	On Face Value of Rs 10 at premium of Rs. 70 each at cash

6. MATERIAL CHANGES:

1. The company has acquired M/s. Ravi Chem, a proprietorship firm pursuant to the agreement entered on 15th January, 2022 in the board meeting held on 03rd January, 2022

2. Initial Public Offer and Listing Of Shares:

The Company was converted into a Limited Company and is known as Bhatia Colour Chem Limited by passing special resolution in the meeting of the members of the Company held on January 21, 2022.

The members of the Company had passed the Special Resolution in Extra Ordinary General Meeting held on February 21, 2022 for listing its Equity shares on SME Platform of BSE Limited ("SME Exchange"). M/S Interactive Financial Services Limited acted as Merchant Banker and Lead Manager to execute the listing procedure in compliance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 & Securities Contract Regulation Act, 1956.

The equity shares of your Company are listed on Bombay Stock Exchange (BSE) Limited with effect from March 24, 2022 pursuant to Initial Public Offer of the Company.

3. The company has acquired M/s. Polychem Exports, a Partnership firm pursuant to the agreement entered on 23rd March, 2022 in the Board Meeting held on 21st February, 2022.



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, 2022, 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, 2022 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:

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 is available on Company's website at <https://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. Hence 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, 2022 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 17 (Seventeen) 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.	17/12/2021	3	3
2.	22/12/2021	3	3
3.	03/01/2022	3	3
4.	05/01/2022	3	3
5.	12/01/2022	3	3
6.	13/01/2022	3	3
7.	18/01/2022	3	3
8.	21/01/2022	3	3
9.	21/01/2022	3	3
10.	25/01/2022	3	3
11.	03/02/2022	3	3
12.	18/02/2022	3	3
13.	21/02/2022	3	3
14.	22/02/2022	6	6
15.	08/03/2022	6	6
16.	21/03/2022	6	6
17.	31/03/2022	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 2021-2022, Four (4) meetings of Audit Committee were held on following dates:

- ❖ 22/02/2022
- ❖ 08/03/2022
- ❖ 21/03/2022
- ❖ 31/03/2022

Attendance of members for the meeting of Audit Committee held during the year 2021-2022 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 2021-2022, Two (2) meetings of Nomination And Remuneration Committee were held on following dates:

- ❖ 22/02/2022
- ❖ 21/03/2022



Attendance of members for the meeting of Nomination & Remuneration Committee held during the year 2021-2022 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;
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	6,00,000
Rameshchand Chanduram Bhatia	Executive Whole Time Director	6,00,000
Ravi Ashokkumar Bhatia	Executive Whole Time Director	3,00,000
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:

- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- 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.
- 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 2021-2022, One (1) meetings of Stakeholder's Relationship Committee were held on following dates

❖ 22/02/2022

Attendance of members for the meeting of Nomination & Remuneration Committee held during the year 2021-2022 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	1	1
2	Nevil Prameshkumar Soni	Member	1	1
3	Bharat Brijlal Bhatia	Member	1	1

Name & Designation and address of the Compliance Officer

CS HIRAL JAINESH SHAH
 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	NA*
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

*Company was incorporated on December 10, 2021



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 2021-22 one meeting of Independent Director was held on the following date:

- ❖ 21/03/2022

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 was 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:**

Your board proposes the appointment of M/s **DSI & CO.**, Chartered Accountants,(FRN: 127226W) Surat, as Auditors of the Company, who were appointed in Board meeting held on 22/12/2022 subject to reappointment at ensuing annual general meeting for a term of five years from conclusion of this AGM to the conclusion of the AGM for the financial year ending 2026-27.The Company has received letter from auditors, to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act 2013.



- **SECRETARIAL AUDITOR:**

The Board had appointed Mr. Ranjit Kejriwal, Practicing Company Secretary to conduct Secretarial Audit for financial year 2021-22. 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.



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 2022. 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 not required to maintain Cost Records as specified by Central Government under section 148(1) of the Companies Act, 2013, and accordingly such accounts and records are not 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 31/03/2022

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	--	--
Sunny Harishkumar Vyaswala	Chief Financial Officer	22/12/2021	--	--



Appointments:

- Mrs. Hiral Jainesh Shah was appointed as Company Secretary (CS) in Board Meeting held on 22/12/2021
- Mr. Sunny Harishkumar Vyaswala was appointed as Chief Financial Officer (CFO) in Board Meeting held on 21/02/2022
- Mrs. Insiya Qaidjohar Nalawala was appointed as Independent Director in EOGM held on 21/02/2022
- Mrs. Rutu Milindbhai Sanghvi was appointed as Independent Director in EOGM held on 21/02/2022
- Mr. Nevil Prameshkumar Soni was appointed as Independent Director in EOGM held on 21/02/2022

Change in Designation:

- Mr. Bharat Brijlal Bhatia was appointed as managing director in EOGM held on 21/01/2022.
- Mr. Rameshchand Chanduram Bhatia was appointed as Whole-time Director in EOGM held on 21/01/2022.
- Mr. Ravi Ashokkumar Bhatia was appointed as Whole-time Director in EOGM held on 21/01/2022.

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Bharat Brijlal Bhatia (DIN: 09095082), 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	5,34,98,140
2	Rameshchand Chanduram Bhatia	10,10,12,406
3	Ravi Ashokkumar Bhatia	2,35,31,290



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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.bccl.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)



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 record 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

Your company adopted policy of “Prevention of Sexual Harassment of Women at Workplace”. There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of any such complaints of harassment, internal complaints committee has been set up to redress the complaints, if any.

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company did not receive any complains on sexual harassment during the year and hence no complaints remain pending as of 31st March, 2022. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

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: 19/08/2022

For and on behalf of the Board of Directors

Sd/-

Rameshchand Chanduram Bhatia

Director

DIN:09095082

Sd/-

Bharat Brijlal Bhatia

Chairman

DIN:09095082



MANAGEMENT DISCUSSION AND ANALYSIS REPORT



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

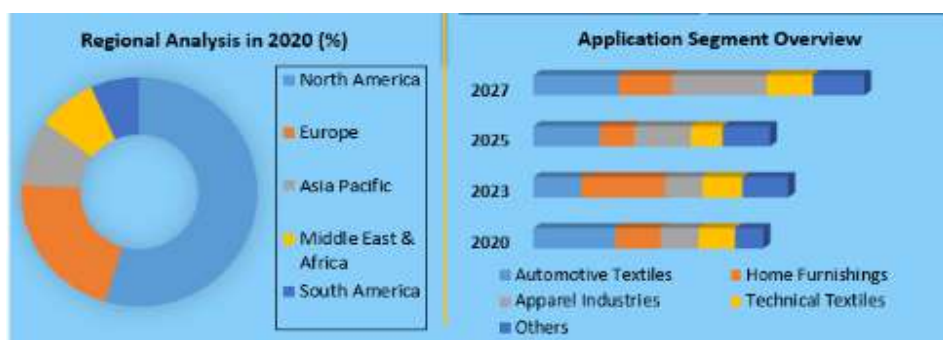
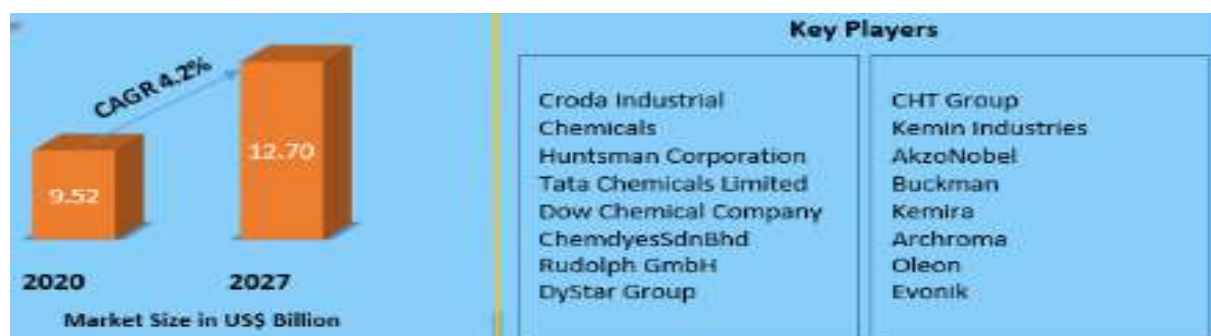
This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words ‘anticipate’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘will’ and other similar expressions as they relate to the Company and/or its Businesses are intended to identify such forward-looking 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 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 analysed 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 Auxiliaries Market Dynamics:**

The technology development in the textile printing and fabric dyeing processes are expected to drive the market growth during the forecast period. An increase in the consumer's demand is expected to witness significant effect for the textile chemicals industries. In addition, a consumer shifts towards environmental friendly chemicals, development of packaging industries and the demand for home furnishing products, which require large textile chemicals are some of the prominent factors behind the growth of the global textile auxiliaries market. On the other hand, presence of substitutes and lack of skilled person to obtain the product via different process are limiting the global textile auxiliaries market growth. Also, presence of natural textile auxiliaries and fluctuation in the raw material cost are expected to hamper the market growth.

- **Textile Auxiliaries Market Segment analysis:**

By product type, dyeing & printing application segment is projected to grow at a constant rate. Rapid growth in the fabric production and high acceptance of textile products by the growing population is expected to increase the demand for textile auxiliaries. Textile auxiliaries included various chemical components, which are used for functioning at different stages of fabric production. Key textile auxiliaries contains pre-treatment agents, dyeing agents, printing agents, finishing agents, and spinning and weaving agents auxiliaries that are expected to enhance the quality of fabric materials, with the durability.

Apparel segment is expected to contribute XX% share in the global textile auxiliaries market. The demand for sports and activewear is expected to drive the market growth. The auxiliary textile chemicals are help to prevent odor and bacterial infection caused by the clothing like undergarments, socks, T-shirts, and other sports apparel. A consumer preference for fashion and customization are increasing the apparel sales. Customizing apparel products according to the consumer requirements delivers a high potential for the apparel key players to increase the bottom line of business.

- **Textile Auxiliaries Market Regional Analysis:**

Regionally, Asia Pacific is expected to dominate the textile auxiliaries market and is expected to grow at CAGR of XX % during the forecast period. Developing regions like India, China, and Japan are major contributors for the textile auxiliaries market growth in the Asia Pacific region. An increase in consumer disposable income coupled with the adoption of casual clothing is expected to increase the clothing demand. India is the second largest exporter of textiles. The strict environmental regulations in China have forced several dye manufacturers to shut down their plants, which are expected to enable the Indian key players to penetrate the international market. The government initiatives are encouraging the country's textile production.

The objective of the report is to present a comprehensive analysis of the Global Textile Auxiliaries Market including all the stakeholders of the industry. The past and current status of the industry with forecasted market size and trends are presented in the report with the analysis of complicated data in simple language. The report covers all the aspects of the industry with a dedicated study of key players that includes market leaders, followers and new entrants. External as well as internal factors that are supposed to affect the business positively or negatively have been analyzed, which will give a clear futuristic view of the industry to the decision-makers.



The report also helps in understanding Global Textile Auxiliaries Market dynamics, structure by analysing the market segments and projects the Global Textile Auxiliaries Market size. Clear representation of competitive analysis of key players by Application, price, financial position, Product portfolio, growth strategies, and regional presence in the Global Textile Auxiliaries Market make the report investor's guide.

Global Textile Auxiliaries Market			
Report Coverage	Details		
Base Year:	2020	Forecast Period:	2021-2027
Historical Data:	2016 to 2020	Market Size in 2020:	US \$ 9.52 Bn.
Forecast Period 2021 to 2027 CAGR:	4.2%	Market Size in 2027:	US \$ 12.70 Bn.
Segments Covered:	by Product Type	<ul style="list-style-type: none"> • Pre-Treatment Agents • Dyeing & Printing Agents, • Finishing Agents • Softening Agents • Anti-Foaming Agents • Knitting & Weaving • Odour Absorbers • Corrosion Inhibitors • Spin Finish • Others 	
	by Application	<ul style="list-style-type: none"> • Automotive Textiles • Home Furnishings • Apparel Industries • Technical Textiles • Digital Printing • Other 	

(Source: <https://www.maximizemarketresearch.com/market-report/global-textile-auxiliariesmarket/63608/>)

- **Textile Finishing Chemicals Market:**

The global textile finishing chemicals market is estimated to grow from USD 6.2 billion in 2019 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.



Source: <https://www.marketsandmarkets.com/Market-Reports/textile-finishing-chemical-market-38378136.html>



2. INDIAN ECONOMIC SCENARIO

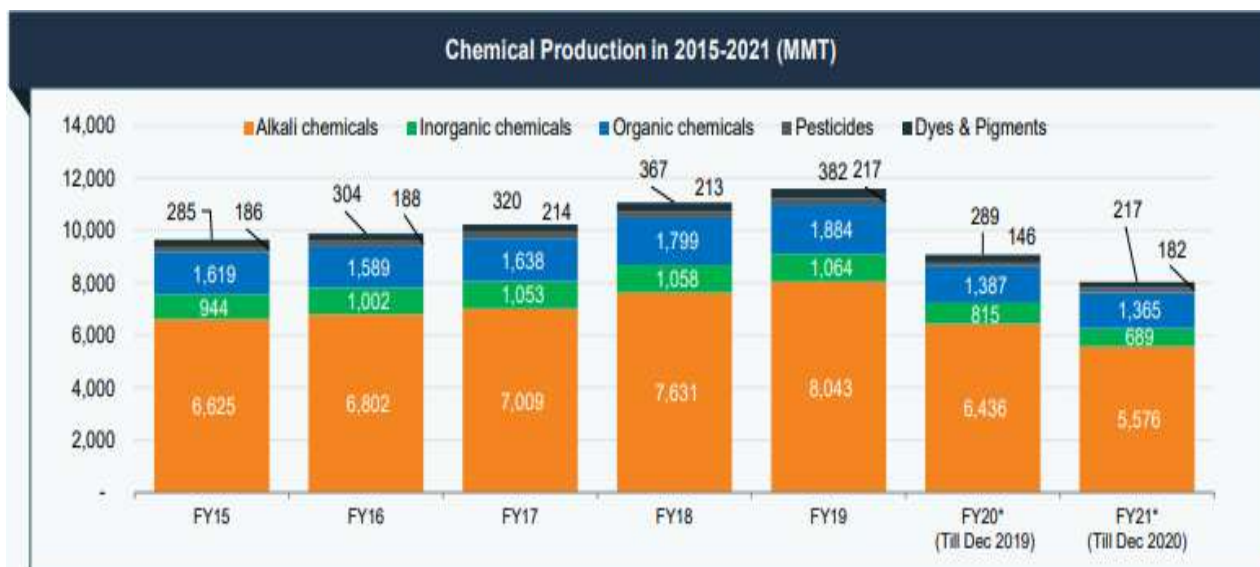
- **Chemicals market in India**

India’s chemicals industry is de-licensed, except for few hazardous chemicals. In the Indian chemical industry, alkali chemicals have the largest share with ~69% in the total production; 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.

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 ` 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.

Insecticides share 53% of the total domestic agrochemicals market, followed by Herbicides. Agrochemicals are the key revenue component of India, which exports 50% of its total production. Petrochemicals consumption stood at 22 million tonnes in 2019-20, out of which 16.5 million tonnes was polymer products.

Chemicals industry in India covers >80,000 commercial products. India’s chemicals industry is de-licensed, except for a few hazardous chemicals. Specialty chemicals constitute for 22% of the total chemicals and petrochemicals market in India. Demand for specialty chemicals is expected to register 12% CAGR in 2019-22. Specialty chemical companies are seeking at import substitutions while exploring export opportunities to accelerate their business. The Indian dyes and pigments market is projected to reach US\$ 63 billion by 2022, accounting for about 16% of the global dye production.

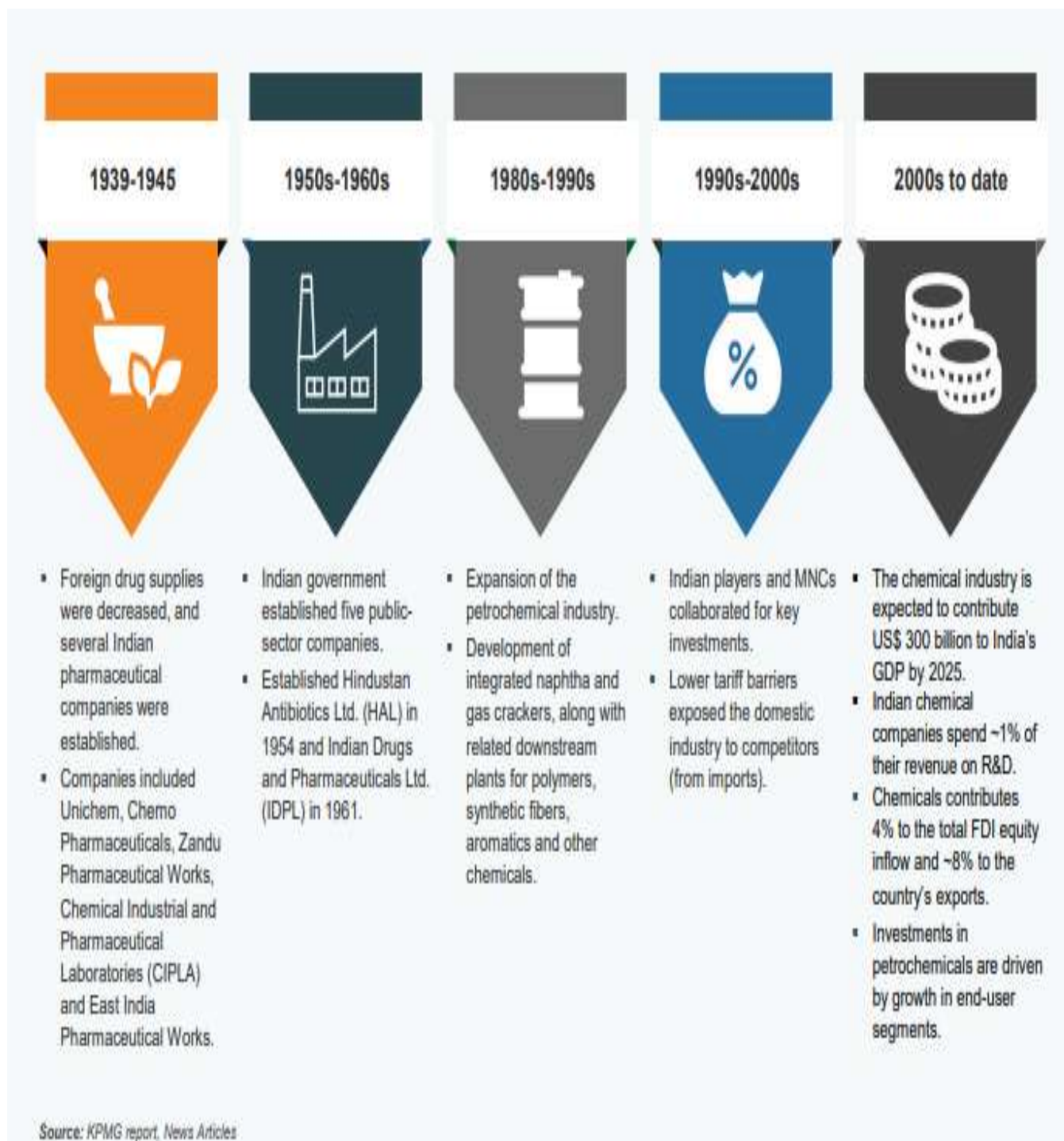


Alkali chemicals accounted for 69.45% of the total chemical production from April to December 2020.

(Source:<https://www.ibef.org/download/Chemicals-September-2021.pdf> and <https://www.ibef.org/industry/chemicals-presentation>)



- Evolution of the Indian chemical sector

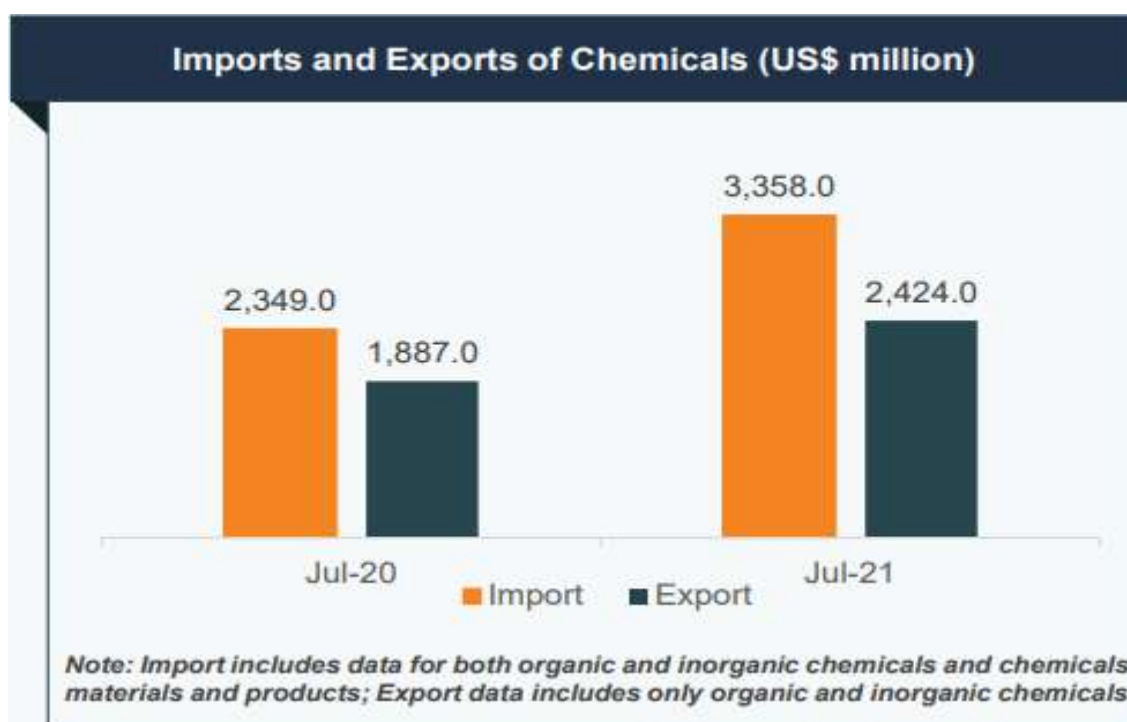


(Source:<https://www.ibef.org/download/Chemicals-September-2021.pdf> and <https://www.ibef.org/industry/chemicals-presentation>)



- **Exports & Import by Indian Market in Chemical & Dyes Industry**

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. In July 2021, production volumes of key chemicals stood at 909,310 MT and petrochemicals at 1,867,351 MT. The specialty chemicals sector is expected to reach US\$ 40 billion by 2025. In July 2021, exports of organic and inorganic chemicals increased 28.46% YoY to reach US\$ 2.42 billion. In July 2021, imports of organic and inorganic chemicals increased 42.95% YoY to reach US\$ 3.36 billion. For petrochemicals, imports of petroleum and crude products decreased 10.6% YoY to reach US\$ 9,581.85 million in December 2020.



(Source: <https://www.ibef.org/download/Chemicals-September-2021.pdf> and <https://www.ibef.org/industry/chemicals-presentation>)

- **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.

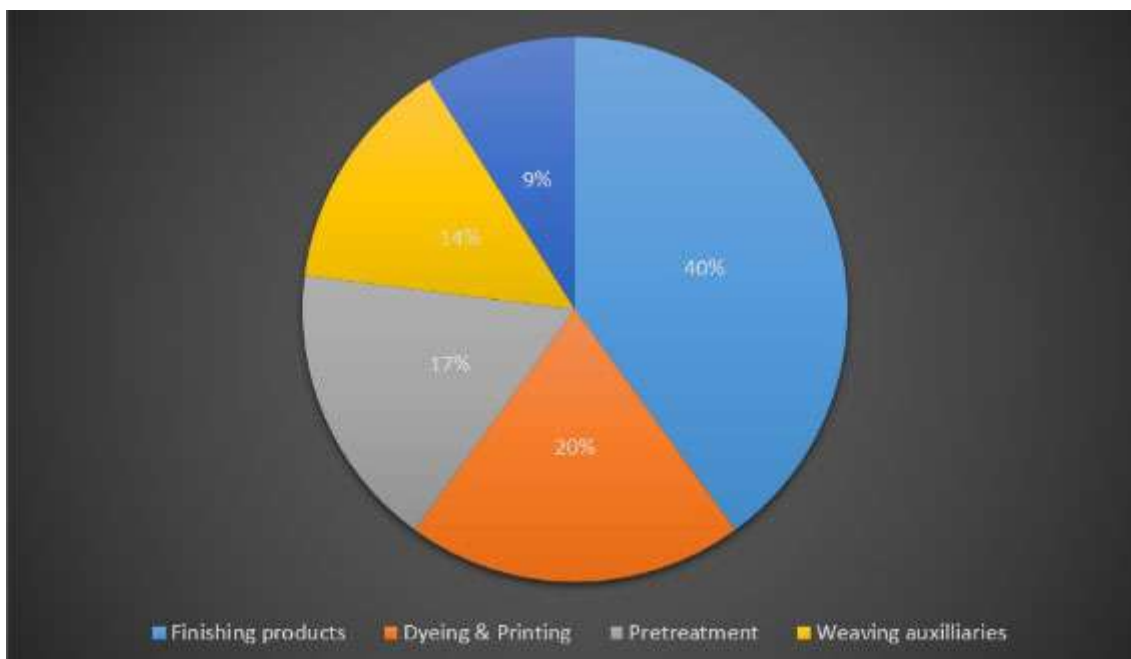
Stringent environmental regulations imposed in China against pollution have forced several Chinese textile dye manufacturers to discontinue their operations, thereby resulting in opportunities for Indian players to further penetrate the international market.

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.



(Source: <https://www.textileproperty.com/chemical-finishing-in-textile/>)



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.



OPPORTUNITIES AND THREATS

SWOT Analysis

S

- More than two decades' experience of the Promoter in the line of activity
- Sound customer base
- Excellent relations with customers

W

- Limited geographical area of Operations
 - Family Owned unit.
 - Lack of professionalism.

O

- Develop new Composition of Products.
- Geographical Expansion

T

- Tough competition
- Low margin business



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

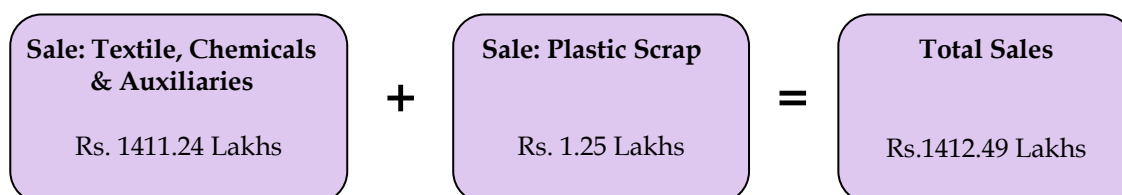
By looking at the revolution in the textile industries, in our Company, we manufacture the Value Added Printing

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 and on January 15, 2022, our Company has taken over the Business together with all its assets and liabilities of the M/s Ravi Chem, proprietorship of Mr. Ravi Bhatia, Promoter of our Company. In the period of three months, company's Revenue from **Textile Chemicals & Auxiliaries is 1412.49 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 51.73 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,2022 is Rs. 1412.49 lakhs. EBITDA came in at around Rs. 89.44 Lakhs and Profit after Tax was Rs.51.73 Lakhs. The company expects to be in a good wicket in FY23 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, 2022.



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 218 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.

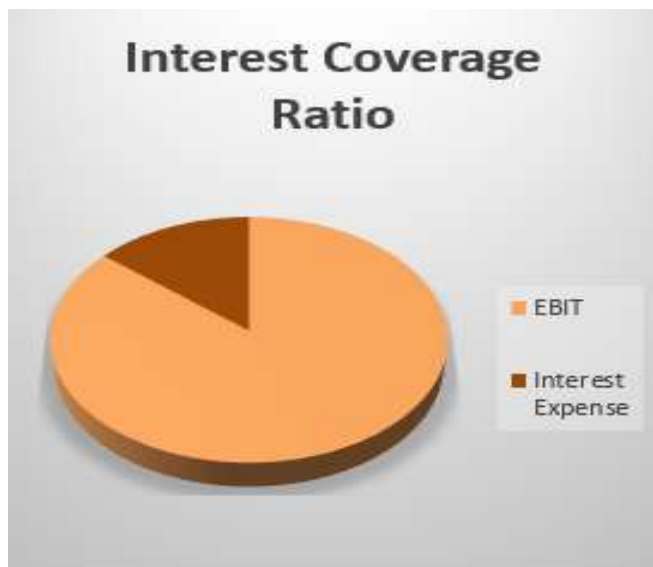


DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The Company was incorporated on December 10, 2021 therefore the ratios for financial year ended on March 31, 2022 may not be comparable with figures of financial year ended on March 31, 2021.

- **Interest Coverage Ratio**

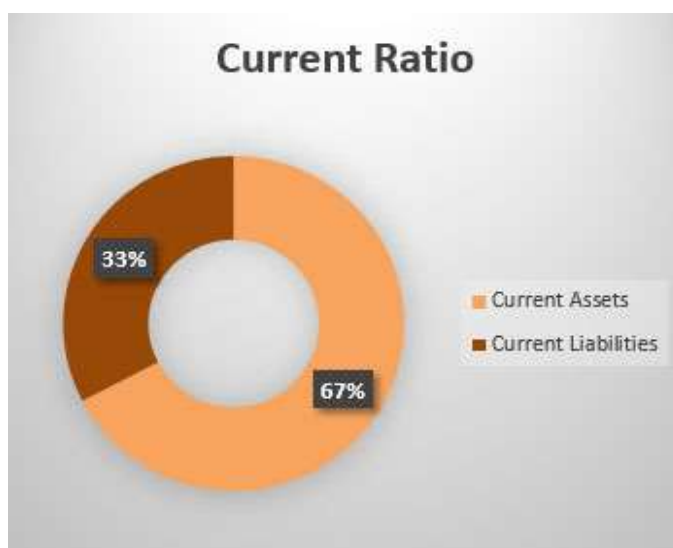
The interest coverage ratio measures the ability of a company to pay the interest on its outstanding debt. This measurement is used by creditors, lenders, and investors to determine the risk of lending funds to a company. The company’s Interest Coverage ratio is 6.19 % in FY 2021-22.



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

- **Current Ratio**

The company is maintaining its Current Ratio at 2.06 % which is intended to make sure it has enough resources to meet its short-term obligations.



- 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 **0.16 %**, indicating good liquidity.

The inventory turnover ratio is an important tool which measures how well a company generates sales from its inventory. The company in FY2022 has maintain a healthy Inventory turnover ratio at **0.53 %**, 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.



- Operating Profit Margin (%)**

The operating margin measures how much profit a company makes on a 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 FY2022 Operating Profit Margin was 6.01%.



- **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 FY22 Debt- to Equity ratio of the company is 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 2022 is Rs. 51.73 Lakhs. However, the company is expecting to be on profitable terms in the upcoming financial year. In FY 2022, Net Profit Margin of the company was 3.66%.



RETURN ON NET WORTH

The Company witnessed a significant **Return on Equity at 0.92%**. The company expects to be on a good wicket in the coming Fiscal Years.

$$\frac{\text{PAT (RS.51.73 lakhs)}}{\text{NET WORTH (RS.5642.41 lakhs)}} = \text{RETURN ON NET WORTH (0.92\%)}$$

Date: 19/08/2022

Place: Surat

For BHATIA COLOUR CHEM IMITED

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 2021-22, ratio of the remuneration of the employees of the Company for the financial year 2021-22 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. 2021-22 (in Rs.)	% increase in Remuneration in the F.Y. 2021-22	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Bharat Brijlal Bhatia Executive Director & Chairman	6,00,000	--	9.09:1
2.	Rameshchand Chanduram Bhatia Executive Director	6,00,000	--	9.09:1
3.	Ravi Ashokkumar Bhatia Executive Director	3,00,000	--	4.55:1
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	60,000	--	0.91:1
8.	Sunny Harishkumar Vyaswala Chief Financial Officer	1,80,000	--	2.73:1



(ii) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2021-22:

Sr. No.	Name/ Designation	Remuneration Received during 2021-22	Qualification and experience of the employee	Date of Commencement of Employment	The age of such employee as on 31.03.22	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	600000	Chemical Engineering, 20 Years	10/12/2021	44	Vap Chem-proprietorship	10.79%	Yes- Rameshchand Chanduram Bhatia	Paternal Uncle
2	Rameshchand Chanduram Bhatia	600000	Under Graduate 44 Years	10/12/2021	65	S.N Enterprise Proprietorship	10.79%	Yes- Bharat Brijlal Bhatia	Nephew
3	Sanjeev Khurana (General Manager)	600000	B.Tech, 34 years	01/01/2022	56	Vap Chem-proprietorship	--	--	--
4	Ravi Ashokkumar Bhatia	300000	Under Graduate 21 Years	10/12/2021	43	Ravi Chem-proprietorship	2.94%	--	--
5	Sujeetkumar Mishra (Sales Manager)	240000	Bachelors in Art, 31 years	01/01/2022	53	Bhatia Colour Co.- proprietorship	--	--	--
6	Shankarlal Patidar (Product Manager)	231000	HSC, 33 Years	01/01/2022	55	Vap Chem-proprietorship	--	--	--
7	Shibu M Joseph (Marketing Personnel)	210000	Polytechnic Graduate, 20 years	01/01/2022	47	Vap Chem-proprietorship	--	--	--
8	Sunny H Vyaswala (CFO)	180000	B.Com, 18 years	01/01/2022	38	Vap Chem-proprietorship	--	--	--
9	Ram Singh (Lab Technician)	150000	9th Pass, 26 years' Experience	01/01/2022	45	Polychem Export-Partnership Firm	--	--	--
10	Arvind Singh (Labour Management)	132000	BA, 20 Years	01/01/2022	44	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. 22,000/- p.m.
- (ii) The Company was incorporated on December 10, 2021 therefore the median remuneration of employees may not be comparable with figures of financial year ended on March 31, 2021;
- (iii) There were 84 permanent employees on the rolls of the Company as on March 31, 2022;
- (iv) The Company was incorporated on December 10, 2021 therefore increase in remuneration of Key Managerial personnel may not be comparable with figures of financial year ended on March 31, 2021
- (v) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.
- (vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

For Bhatia Colour Chem Limited

Date: 19/08/2022

Place: Surat

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>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>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>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

FOR BHATIA COLOUR CHEM LIMITED

Date: 19/08/2022
Place: Surat

Sd/-
BHARAT BRIJLAL BHATIA
Chairman
(DIN: 09095082)



SECRETARIAL AUDIT REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

[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: U24290GJ2021PLC127878)
Plot No. A/2/12, Road No. 1, Udhana
Udyognagar Sangh Udhna 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 Colour Chem 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 Colour Chem 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, 2022** 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 Colour Chem Limited** for the financial year ended on **31st March, 2022** 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) Regulations, 2014; **the regulation is not applicable during the Financial Year 2021-22**
 - 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 2021-22**
 - 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 2021-22** and
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018: **the regulation is not applicable during the Financial Year 2021-22**
- vi. Other Laws Specifically Applicable to Company:
- a. Income Tax Act, 1961
 - b. Goods & Service Tax and other Indirect Taxes
 - 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

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 Authorized Capital of the company has increased from Rs 15,00,000 to Rs 12,00,00,000 on 22.12.2021 and changed the clause 5 of Memorandum of Association.*
2. *50,000 Equity shares of Face- Value of Rs 10/- each at a price Rs 160/- including premium of Rs 150/- per share were issued to existing equity shareholders of the company by way of Right issue on 12.01.2022*
3. *7,00,000 Equity shares of Face- Value of Rs 10/- each at a price Rs 80/- including premium of Rs 70/- per share were issued to existing equity shareholders of the company by way of Right issue on 18.01.2022*
4. *52,00,000 Equity Shares of Rs 10 each were issued as fully paid bonus shares on 21.01.2022 to the existing equity shareholders of the company.*
5. *The company has been converted from Private Limited Company to Public Limited Company on 21.01.2022.*
6. *The company converted its unsecured loan of Rs 9,87,00,000 into 12,33,750 equity shares at Face- Value of Rs 10/- each at a price Rs 80/- including premium of Rs 70/- on 18.02.2022*
7. *The Authorized Capital of the company has increased from Rs 12,00,00,000 to Rs 12,50,00,000 on 21.02.2022 and changed the clause 5 of Memorandum of Association.*
8. *50,00,000 Fresh equity shares of Face- Value of Rs 10/- each at a price Rs 80/- including premium of Rs 70/- per share were issued through IPO and the company was listed on 24.03.2022 at BSE-SME exchange.*

Place: Surat
Date: 19/08/2022

Sd/-
Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985
PR No. 12004GJ424500
UDIN: F006116D000818015

This report is to be read with our letter dated 19th August, 2022 which is annexed and forms an integral part of this report.



To,
The Members
Bhatia Colour Chem Limited
(CIN: U24290GJ2021PLC127878)
Plot No. A/2/12, Road No. 1,
Udhana Udyog Nagar Sangh
Udhna Surat - 394210

Our Secretarial Audit report dated 19th August, 2022 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: 19/08/2022

Sd/-
Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985
PR No.: 12004GJ424500
UDIN: F006116D000818015



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:

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

1 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	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
Not Applicable								

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	Remuneration	Monthly	2,00,000	21/01/2022	--
2	Managing Director	Interest	Annually	Interest @9% p.a	08/03/2022	--
3	Rameshchand Chanduram Bhatia	Remuneration	Monthly	2,00,000	21/01/2022	--
4	Whole-Time Director	Interest	Annually	Interest @9% p.a	08/03/2022	--
5	Ravi Ashokkumar Bhatia	Remuneration	Monthly	1,00,000	21/01/2022	--
6	Whole-Time Director	Interest	Annually	Interest @9% p.a	08/03/2022	--
7	Hiral Jainesh Shah	Salary	Monthly	20,000	22/12/2021	--
8	Company Secretary	Salary	Monthly	60,000	22/12/2021	--
9	Sunny Harishkumar Vyaswala	Salary	Monthly	60,000	22/12/2021	--
9	Chief Financial Officer	Salary	Monthly	60,000	22/12/2021	--
9	Ravi chem- proprietorship of Director	Machinery Rent	Event Based	13,500	17/12/2021	--
10	Ravi chem- proprietorship of Director	Acquisition	Event Based	As per Agreement	03/01/2022	--
11	Polychem Exports-Partnership of Director	Acquisition	Event Based	As per Agreement	21/02/2022	--

For Bhatia Colour Chem Limited

Date: 19/08/2022
Place: Surat

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

Date: 19/08/2022

Place: Surat

For Bhatia Colour Chem Limited

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: U24290GJ2021PLC127878)

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: U24290GJ2021PLC127878 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, 2022 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: 19/08/2022

Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116D000818037



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, 2022**, the statement of profit and loss, statement of cash flows of the Company and the statement of changes in equity for the period from 10th December 2021 to 31st March 2022, 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, 2022, and its profit, cash flows and changes in equity for the period from 10th December 2021 to 31st March 2022.

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 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 setvices 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 enviornment 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 Infomration, 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 standaloane 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

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 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 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) 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 any other parties. Moreover, the opening balances of loans and advances which were granted to related parties by the proprietary concern M/s. Ravi Chem and the firm viz. M/s. Polychem Exports, whose running business together with all its assets and liabilities have been taken over by the company vide business takeover agreement dated 15-01-2022 and 23-03-2022 respectively, stands recovered back by the company. The detail of opening balance of the loans and advances granted by the said M/s. Ravi Chem and M/s. Polychem Exports, which stands recovered by the company during the year is as under.

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

Sr. No	Particulars	Guarantee	Security	Loans	Advances in Nature of Loan
(i)	<u>Aggregate Amount granted by the M/s. Ravi Chem and M/s. Polychem Exports</u>				
	- Subsidiaries	-	-	-	-
	- Associates	-	-	-	-
	- Joint ventures	-	-	-	-
	- Other parties *	-	-	132.80	-
	Total	-	-	132.80	-
(ii)	<u>Aggregate Amount granted during the year</u>				
	- Subsidiaries	-	-	-	-
	- Associates	-	-	-	-
	- Joint ventures	-	-	-	-
	- Other parties	-	-	-	-
	Total	-	-	-	-
(iii)	<u>Balance outstanding as on 31-03-2022</u>				
	- Subsidiaries	-	-	-	-
	- Associates	-	-	-	-
	- Joint ventures	-	-	-	-
	- Other parties	-	-	-	-
	Total	-	-	-	-

* The opening balance of loans and advances stands recovered by the company in the year under consideration itself.

- (b) In our opinion and according to the information and explanation given to us, the terms and conditions of the opening balance of loans granted by the said concerns are prime facie not prejudicial to the interest of the Company.

In respect of opening balance of said loans, the schedule of repayment of principal and payment of interest has not been stipulated, however, the repayments of principal amounts and receipts of interest stands fully recovered by the company as on the balance sheet date.

- (c) In our opinion and according to the information and explanation given to us, in respect of the opening balance of loans and advances, there is no stipulated repayment schedule of principal and interest and hence, the reporting under clause 3(iii)(c) of the order is not applicable to the company, moreover, the entire amounts stands received back by the company as on the balance sheet date.
- (d) In our opinion and according to the information and explanation given to us, in respect of the opening balance of the loans and advances, there is no stipulated repayment schedule of principal and interest and since no amount remained outstanding as on the balance sheet date, there is no overdue and accordingly, the reporting under clause 3(iii)(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.

Since the incorporation of the company, six months have not been elapsed, the reporting of the undisputed amounts payable in respect of the aforesaid dues which were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable is not applicable to the company.

- (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:

Since the company was incorporated during the year under consideration itself, the reporting of transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year, in the tax assessments under the Income Tax Act, 1961 (43 of 1961) is not applicable to the company and accordingly, the reporting under clause 3(viii) of the Order is not applicable to the Company.

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 moneys raised by way of initial public offer during the year were applied for the purpose for which those were raised, whereas, the company has not raised any moneys by way of further public offer (including debt instruments) during the year.

- (b) In our opinion and according to the information and explanations given to us, the company has raised monies by way of preferential allotment and private placement of shares during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised. The company has not made any allotment of convertible debentures (fully, partially or optionally convertible) during the year.

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 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 financial year and since this being the first year of the company, the reporting of cash losses in the immediately preceding financial year is not applicable in the case of the company.

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: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

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, 2022, 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 of 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, 2022, 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: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

FINANCIAL STATEMENT

FY 2021-22

Standalone Balance Sheet as at March 31, 2022

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

	Notes	As at 31-03-2022 Amount in ₹
I EQUITY & LIABILITIES		
1 Shareholder's Funds		
(a) Share Capital	1	1,223.38
(b) Reserve & Surplus	2	4,419.04
(c) Money Received against Share Warrants		-
		5,642.41
2 Share Application Money Pending Allotment		-
3 Non Current Liabilities		
(a) Long Term Borrowings	3	2,014.42
(b) Deferred Tax Liabilities (Net)	4	0.48
(c) Other Long Term Liabilities		-
(d) Long Term Provisions	5	1.32
		2,016.23
4 Current Liabilities		
(a) Short Term Borrowings	6	4,407.84
(b) Trade Payables	7	
- Total outstanding dues of micro enterprises and small enterprises; and		943.62
- Total outstanding dues of creditors other than micro enterprise and small enterprises		1,762.26
(c) Other Current Liabilities	8	13.40
(d) Short Term Provisions	9	24.19
		7,151.31
Total		14,809.95
II ASSETS		
1 Non Current Assets		
(a) Property, Plant and Equipments	10	
(i) Tangible Assets		42.54
(ii) Intangible Assets		0.22
(iii) Capital Work in Process		-
(iv) Intangible Assets under Development		-
		42.76
(b) Non-Current Investments		-
(c) Deferred Tax Assets (Net)		-
(d) Long Term Loans & Advances		-
(e) Other Non-Current Assets	11	12.80
2 Current Assets		
(a) Current Investment		-
(b) Inventories	12	2,524.17
(c) Trade Receivables	13	8,588.72
(d) Cash & Cash Equivalents	14	3,396.09
(e) Short Term Loans & Advances	15	245.40
(f) Other Current Assets		-
		14,754.38
Total		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
Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Hiral Shah
Company
Secretary

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

Place : Surat
Date : 28-05-2022

Standalone Statement of Profit and Loss for the Period Ended March 31, 2022

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

	Notes	For the Period Ended On 31-03-2022 Amount in ₹
I INCOME		
Revenue from Operations	16	1,412.49
Other Income	17	0.67
	Total	1,413.16
II EXPENDITURE		
Cost of Materials	18	1,340.05
Purchase of Stock-in-Trade		-
Change in Inventories of Finished Goods	19	(207.29)
Employee Benefit Expenses	20	71.54
Financial Costs	21	13.75
Depreciation and Amortisation Expenses	22	4.54
Other Expenses	23	119.38
	Total	1,341.96
III Profit before Exceptional and Extraordinary Items and Tax		71.20
IV Exceptional Items		-
V Extraordinary Items		0.07
VI Profit/(Loss) before tax		71.12
VII Tax Expenses :		
Current Tax		18.91
Deferred Tax		0.48
VIII Profit/(Loss) for the period from Continuing Operations		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		51.73
XIII Earning per Share of face value of ₹ 10 each		
- Basic (In ₹)		0.42
- Dilluted (In ₹)		0.42
- Weighted (In ₹)		0.64

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
Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Hiral Shah
Company
Secretary

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

Place : Surat
Date : 28-05-2022

Standalone Audited Cash Flow Statement for the Period Ended on March 31, 2022

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

		For the Period Ended on 31-03-2022 Amount in ₹	
A Cash Flow from Operating Activities			
Net Profit before tax and extraordinary items			71.20
Add: Adjustments for :			
Depreciation Expenses		1.34	
Interest Expenses		13.71	15.05
			<u>86.24</u>
Less: Adjustments for :			
Extraordinary Items		0.07	
Interest Income		0.67	0.74
			<u>85.50</u>
Operating P/(L) before working capital changes			
Less: Adjustments for :			
Decrease/(Increase) in Other Current Liabilities		(13.40)	
Decrease/(Increase) in Long Term Provisions		(1.32)	
Decrease/(Increase) in Short Term Provisions		(24.19)	
Increase in Inventories		2,524.17	
Increase/(Decrease) in Short Term Loans and Advances		245.40	
Decrease/(Increase) in Trade Payables		(2,705.88)	
Increase/(Decrease) in Trade Receivables		8,588.72	8,613.50
			<u>(8,528.00)</u>
Cash generated from operation			<u>18.91</u>
Less: Provision for Tax			(8,546.91)
Less: Prior Year Expenses			-
Net Cash generated from Operating Activities	(A)		<u>(8,546.91)</u>
B Cash Flow from Investing Activities			
Add: Adjustments for :			
Interest Income		0.67	0.67
Less: Adjustments for :			
Increase in Fixed Assests		44.10	44.10
Net Cash (used in) Investing Activities	(B)		<u>(43.43)</u>
C Cash Flow from Financing Activities			
Add: Adjustments for :			
Increase in share capital		1,223.38	
Increase in share premium		4,367.30	5,590.68
Less: Adjustments for :			
Interest Paid on secured & Unsecured Loan		13.71	
Decrease/(Increase) in Secured Loan		(4,641.85)	
Increase in Non-Current Assets		12.80	
Decrease/(Increase) in Unsecured Loan		(1,780.42)	(6,395.76)
Net Cash used in Financing Activities	(C)		<u>11,986.44</u>
Net Incr./ (Decr.) in cash and cash equivalents	(A+B+C)		3,396.09
Cash and cash equivalents at the beginning of the year			-
Cash and cash equivalents at the end of the year			3,396.09

For & on behalf of the Board
Bhatia Colour Chem Limited

Sd/-
Bharat Bhatia
Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Hiral Shah
Company
Secretary

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

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

Place : Surat
Date : 28-05-2022

Standalone Statement of Changes in Equity for the year ended on March 31, 2022

	As at 31-03-2022 Amount in ₹	As at 31-03-2021 Amount in ₹
EQUITY SHARE CAPITAL		
<u>Authorised Capital Equity Share Capital of ₹ 10 each:</u>		
Opening Balance	-	-
Changes in Equity Share capital during the year	1,250.00	-
Closing Balance	1,250.00	-
No. of Equity Shares of ₹ 10/- each at the end of the year	125.00	-
<u>Issued, Subscribed and Paid-up Equity Share Capital of ₹ 10 each fully paid up</u>		
Opening Balance	-	-
Changes in Equity Share capital during the year	1,223.38	-
Closing Balance	1,223.38	-
<u>Reconciliation of Changes in No. of Equity Shares during the Year</u>		
Equity Shares of ₹ 10/- each at the beginning of the year	-	-
Add: Shares issued during the year	1,22,33,750	-
Equity Shares of ₹ 10/- each at the end of the year	1,22,33,750	-
OTHER EQUITY		
Profit & Loss Account	51.73	-
Share Premium	4,367.30	-
	Total	4,419.04
<u>Profit and Loss Account</u>		
Opening Balance	-	-
Add : Profit for the year	51.73	-
	<i>Sub Total</i>	51.73
<u>Share Premium</u>		
Opening Balance	-	-
Add : Additions during the year	4,928.63	-
	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

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

For & on behalf of the Board
Bhatia Colour Chem Limited

Sd/-
Bharat Bhatia
Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Hiral Shah
Company
Secretary

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

Place : Surat
Date : 28-05-2022

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

As at
31-03-2022
Amount in ₹**1 SHARE CAPITAL**Authorised Capital:

1,25,00,000 (Previous Year : Nil) Equity Shares of ₹ 10/- each	1,250.00
Total	1,250.00

Issued, Subscribed and Paid-up

1,22,33,750 (Previous Year : Nil) Equity Shares of ₹ 10/- each fully paid up	1,223.38
Total	1,223.38

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

	No. of Shares
Equity Shares of ₹ 10/- each at the beginning	-
Add : Shares issued during the period	1,22,33,750
Equity Shares of ₹ 10/- each at the end of the period	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 company**Equity Shares of ₹ 10/- each fully paid**

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

1.4 Details of shareholding of Promotors in the company

Sr. No.	Name of the Promotor	% Change during the Year	31-03-2022		10-12-2021	
			No. of Shares	% of holding	No. of Shares	% of holding
1	Bharat Brijlal Bhatia	-11.21%	13,20,000	10.79%	11,000	22.00%
2	Rameshchand C. Bhatia	-11.21%	13,20,000	10.79%	11,000	22.00%
3	Ravi Ashokkumar Bhatia	-3.06%	3,60,000	2.94%	3,000	6.00%
4	Shareholders other than Promotors	25.48%	92,33,750	75.48%	25,000	50.00%
	Total	-	1,22,33,750	100.00%	50,000	100.00%

The company was incorporated during the year under consideration on 10-12-2021 and accordingly, there is no share capital at the beginning of the period, hence, the percentage change in the share holding of promotors as at the end of the current year is computed with respect to the date of issue of shares for the first time, in the year under consideration.

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 Period Ended March 31, 2022

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

As at
31-03-2022
Amount in ₹

- 1.6 This being the first year of the company, the detail of shares allotted pursuant to contracts, without payment being received in cash during the past 5 years, is not applicable.
- 1.7 During the year under consideration, on 21-01-2022, 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 issued 50,00,000 Equity Shares under the SME IPO, which got listed on the BSE on 24-03-2022 having BSE Scrip Code 543497. The transaction costs pertaining to the issue have been debited to the share premium account.
- 1.9 This being the first year of the company, the detail of buyback of shares during the past 5 years, is not applicable.
- 1.10 This being the first year of the company, the detail of forfeiture of shares during the past 5 years, is not applicable.

2 RESERVES & SURPLUSProfit and Loss Account

Opening Balance

Add : Profit for the year

	-
	51.73
<i>Sub Total</i>	51.73

Share Premium

Less: Transfer for issue of Bonus Shares - Refer note 1 (1.7)

Share Issue Expenses - Refer note 1 (1.8)

	4,928.63
	520.00
	41.32
<i>Sub Total</i>	4,367.30
Total	4,419.04

3 LONG TERM BORROWINGSTerm Loan Account with

- Edelweiss Retail Finance Ltd.

Less : Installments due within 12 months

229.23

23.29

205.94

- Indusind Bank Ltd. (ECLGS)

Less : Installments due within 12 months

578.45

578.45

-

- Edelweiss Retail Finance Ltd. (ECLGS)

Less : Installments due within 12 months

42.86

14.79

28.07

<i>Sub Total</i>	234.01
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Business Loan Account with

- ICICI Bank Ltd.

Less : Installments due within 12 months

8.32

8.32

<i>Sub Total</i>	-
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Unsecured Loans

- From Directors

1,780.42

Total	2,014.42
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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.	23.29	26.84	30.92	35.63
(ii)	Term Loan from Indusind Bank Ltd.	578.45	-	-	-
(iii)	Term Loan from Edelweiss Retail Finance Ltd.	14.79	17.00	11.07	-
(iv)	Term Loan from ICICI Bank Ltd	8.32	-	-	-
	Total	624.85	43.84	41.99	35.63

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

As at
31-03-2022
Amount in ₹

- 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.

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.

- 3.3 The closing balances of unsecured loans are subject to confirmation, however, the Directors have certified the respective balances. No interest on unsecured loans have been paid during the current period.

4 DEFERRED TAX LIABILITIES (NET)

Opening Balance	-
Add: Transfer from/(to) Profit and Loss Account	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 liability of ₹ 0.48 lacs (Previous Year : NA), on account of timing difference attributable to the claim of depreciation.

5 LONG TERM PROVISIONS

<u>Gratuity Provision</u>	
Opening Balance	-
Add : Provision made during the Year	1.32
Total	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	624.85
Cash Credit Facilities with the Indusind Bank Ltd.	1,658.99
Working capital Demand Loan (WCDL) with the Indusind Bank Ltd.	2,124.00
Total	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.

- 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.

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

As at
31-03-2022
Amount in ₹**7 TRADE PAYABLES**Trade Payables

- Micro, Small and Medium Enterprises	943.62
- Others	1,762.26
Total	2,705.88

Trade Payable Ageing Schedule

Sr. No.	Particulars	Outstanding for following periods from due date of				Total As On 31-03-2022
		For Less Than 1 Year	For 1 - 2 Years	For 2 - 3 Years	For More than 3 Years	
(i)	<u>MSME</u>					
	- As on 31-03-2022	943.62	NA	NA	NA	943.62
	- As on 31-03-2021	NA	NA	NA	NA	NA
(ii)	<u>Others</u>					
	- As on 31-03-2022	1,762.26	NA	NA	NA	1,762.26
	- As on 31-03-2021	NA	NA	NA	NA	NA
	<i>Sub Total</i>					2,705.88
(iii)	<u>Disputed Dues - MSME</u>					
	- As on 31-03-2022	-	-	-	-	-
	- As on 31-03-2021	-	-	-	-	-
(iv)	<u>Disputed Dues - Others</u>					
	- As on 31-03-2022	-	-	-	-	-
	- As on 31-03-2021	-	-	-	-	-
	<i>Sub Total</i>					-
	Total					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 hence, the detail of trade payables for 1 year and above is not applicable to the company since one year has not been elapsed as on the Balance Sheet date.

8 OTHER CURRENT LIABILITIES

TDS/TCS Payable	13.40
Total	13.40

9 SHORT TERM PROVISIONS

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

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

10 PROPERTY, PLANT AND EQUIPMENTS

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

Sr. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As on 01-04-2021	Addition during the period	Deduction during the period	As on 31-03-2022	As on 01-04-2021	For the period	Deduction during the period	As on 31-03-2022	As on 31-03-2022	As on 31-03-2021
A	Tangible Assets										
1	Factory Construction Work	-	20.28	-	20.28	-	0.34	-	0.34	19.95	-
2	Borwel Pump	-	0.09	-	0.09	-	0.00	-	0.00	0.09	-
3	Plant & Machinery	-	2.98	-	2.98	-	0.13	-	0.13	2.85	-
4	Office Equipments	-	1.27	-	1.27	-	0.07	-	0.07	1.20	-
5	Generator	-	0.57	-	0.57	-	0.02	-	0.02	0.55	-
6	Vehicles	-	12.48	-	12.48	-	0.56	-	0.56	11.92	-
7	Telephone and Mobile	-	0.11	-	0.11	-	0.01	-	0.01	0.10	-
8	Computer	-	3.91	-	3.91	-	0.18	-	0.18	3.73	-
9	Furniture and Fixtures	-	2.17	-	2.17	-	0.01	-	0.01	2.16	-
	<i>Sub Total</i>	-	43.87	-	43.87	-	1.33	-	1.33	42.54	-
B	Intangible Assets										
1	Website	-	0.24	-	0.24	-	0.01	-	0.01	0.22	-
	<i>Sub Total</i>	-	0.24	-	0.24	-	0.01	-	0.01	0.22	-
	Total	-	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.

10.4 The Company has not revalued any of its Property, Plant and Equipments or intangible assets during the year.

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

As at
31-03-2022
Amount in ₹**11 OTHER NON-CURRENT ASSETS**

Deferred Revenue Expenses	12.80
Total	12.80

12 INVENTORIES

(As taken valued and certified by the management)

<u>Raw Materials (Refer note 12.1)</u>	
- Textile Chemicals & Auxiliaries	2,306.70
<u>Finished Goods (Refer note 12.1)</u>	
- Textile Chemicals & Auxiliaries	207.29
<u>Other Consumables (Refer note 12.1)</u>	
- Packing material	10.18
Total	2,524.17

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)

Trade Receivables	8,588.72
Total	8,588.72

Trade Receivable Ageing Schedule

Sr. No.	Particulars	Outstanding for following periods from due date of payment					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 31-03-2022	8,588.72	-	-	-	-	8,588.72
	- As on 31-03-2021	-	-	-	-	-	-
(ii)	<u>Undisputed & Unsecured - Considered Doubtful</u>						
	- As on 31-03-2022	-	-	-	-	-	-
	- As on 31-03-2021	-	-	-	-	-	-
(iii)	<u>Disputed & Unsecured - Considered good</u>						
	- As on 31-03-2022	-	-	-	-	-	-
	- As on 31-03-2021	-	-	-	-	-	-
(iv)	<u>Disputed & Unsecured - Considered Doubtful</u>						
	- As on 31-03-2022	-	-	-	-	-	-
	- As on 31-03-2021	-	-	-	-	-	-
	Total						8,588.72

13.1 Debts dues by Related Parties *

- By directors & other officers of the company	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 takenover by the company along with all its assets and liabilities vide business takeover agreements.

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

As at
31-03-2022
Amount in ₹

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

14 CASH & CASH EQUIVALENTS

Cash on hand	32.14
<u>Balances with Banks in :</u>	
- Current Accounts	3,034.22
- In Fixed Deposit Accounts	329.73
Total	<u>3,396.09</u>

15 SHORT TERM LOANS & ADVANCES

Advance Tax & TDS/TCS Receivable	8.10
Deposits	68.20
Balance with GST	138.42
Advances for Capital Expenditure	3.00
Prepaid Expenses	2.22
Other Advances <i>(Recoverable in cash or kind or for value to be received in cash)</i>	25.46
Total	<u>245.40</u>

Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

**For the Year
Ended On
31-03-2022**
Amount in ₹

16 REVENUE FROM OPERATIONSSales of Products:

- Textile Chemicals & Auxiliaries

1,412.49

Total	1,412.49
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17 OTHER INCOME

Other Interest

0.67

Total	0.67
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18 COST OF MATERIALSTextile Chemicals & Auxiliaries

Opening Stock

-

Add: Purchases

3,646.75

3,646.75

Less: Closing Stock

2,306.70

Total	1,340.05
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18.1 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 GOODSTextile Chemicals & Auxiliaries

Opening Stock

-

Less: Closing Stock

207.29

Total	(207.29)
--------------	-----------------

20 EMPLOYEE BENEFIT EXPENSES

Wages & Salaries Expenses

22.13

Salary to Staff

33.08

Provisions for Gratuity Expenses

1.32

Directors Remuneration

15.00

Total	71.54
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21 FINANCIAL EXPENSES

Bank Interest

10.83

Bank Charges

0.04

Other Interest

2.87

Total	13.75
--------------	--------------

22 DEPRECIATION AND AMORTISATION EXPENSES

Depreciation

1.34

Amortisation of Deferred Revenue Expenses

3.20

Total	4.54
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Notes on Standalone Financial Statements for the Period Ended March 31, 2022

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

**For the Year
Ended On
31-03-2022
Amount in ₹**

23 OTHER EXPENSES

(a)	<u>Operating Expenses</u>	
	Electricity Expenses	0.52
	Factory Expenses	0.09
	Laboratory Expenses	0.18
	Rent Expenses	3.18
	<i>Sub Total</i>	3.97
(a)	<u>Sales and Administrative Expenses</u>	
	Legal and Professional Expenses	0.51
	Auditor's Remuneration	2.50
	Office Expenses	0.72
	Brokerage & Commission Expenses	51.49
	Freight & Transportation Expenses	5.37
	Insurance Expenses	0.72
	Consumption of Packing Materials	50.53
	Rent, Rates & Taxes	0.02
	Printing & Stationery Expenses	0.19
	Traveling Expenses	0.10
	Vehicle Expenses	3.25
	<i>Sub Total</i>	115.41
	Total	119.38

Significant Accounting Policies & Notes on Financial Statements for the Period Ended March 31, 2022

24 Significant Accounting Policies & Notes on Financial Statements

1 Corporate Information

Bhatia Colour Chem Limited (the company) is a public limited company, incorporated during the year under consideration on 10-12-2021 under the provisions of the Companies Act, 2013 having CIN: U24290GJ2021PLC127878 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 and auxiliaries.

The standalone financial statements for the period ended on March 31, 2022 were authorised for issue in accordance with a resolution of the directors on 28-05-2022.

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) in lacs, 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

Since this being the first year of the company, there are no prior period 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

Rs. 943.62 lacs (Previous Year : Not Applicable) 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 Financial Statements for the Period Ended March 31, 2022

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
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 Rs.
1	Bharat Brijlal Bhatia	Unsecured Loan Received	604.29
		Unsecured Loan Repaid	70.25
		Unsecured Loan O/s. Balance	534.98
		Interest on Unsecured Loan	1.05
		Director's Remuneration	6.00
		Director's Remuneration O/s. Balance	5.99
		Allotment of Fully Paid Up Equity Shares	141.90
2	Rameshchand Chanduram Bhatia	Unsecured Loan Received	1,022.79
		Unsecured Loan Repaid	14.00
		Unsecured Loan O/s. Balance	1,010.12
		Interest on Unsecured Loan	1.48
		Director's Remuneration	6.00
		Director's Remuneration O/s. Balance	5.99
		Allotment of Fully Paid Up Equity Shares	141.90
3	Ravi Ashokkumar Bhatia	Unsecured Loan Received	235.00
		Unsecured Loan O/s. Balance	235.31
		Interest on Unsecured Loan	0.35
		Director's Remuneration	3.00
		Director's Remuneration O/s. Balance	1.00
		Allotment of Fully Paid Up Equity Shares	38.70
4	CFO Sunny Vyaswala	Salary Expenses	1.80
		Salary Expenses O/s. Balance	0.50
5	CS Hiral Shah	Salary Expenses	0.60
		Salary Expenses O/s. Balance	0.18

Significant Accounting Policies & Notes on Financial Statements for the Period Ended March 31, 2022

(b) Relatives of the Key Management Personnel

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount Rs.
1	Dhawal Rameshchand Bhatia	Advances Received back Interest Income Allotment of Fully Paid Up Equity Shares	125.00 0.15 64.50
2	Smt. Kamini Ashokkumar Bhatia	Advances Received back	2.30
3	Rameshchand Bhatia HUF	Advances Received back Interest Income	5.50 0.01
4	Madhu Brijlal Bhatia	Allotment of Fully Paid Up Equity Shares	64.50
5	Sonal Bharat Bhatia	Allotment of Fully Paid Up Equity Shares	64.50
6	Reena Rameshchand Bhatia	Allotment of Fully Paid Up Equity Shares	64.50

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

Sr. No.	Name of the Key Management Personnel	Nature of Transaction	Amount Rs.
1	M/s. Ravi Chem	Purchase of Sole Proprietary Business Rent Expenses	167.93 0.14
2	M/s. Polychem Export	Purchase of Partnership Business	1,155.33

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 liabilities of ₹ 0.48 lacs (Previous Year : NA) on account of timing difference attributable to the claim of depreciation.

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 During the year under consideration, the company has entered into an agreement for takeover of sole proprietary business of M/s. Ravi Chem, Prop. Ravi Ashokkumar Bhatia (one of the promotor of the company) as a running business together with all its assets and liabilities and for which the company has made payment of ₹ 500.00 lacs to him, which comprises of the consideration of ₹ 167.93 lacs towards net worth of the business as on 14-01-2022 and balance ₹ 332.07 lacs towards repayment of secured loan to banks and NBFCs of the said business, vide business takeover agreement dated 15-01-2022.

During the year under consideration, the company has also entered into an agreement for takeover of partnership business of M/s. Polychem Exports as a running business together with all its assets and liabilities and for which the company has made payment of ₹ 2100.00 lacs to it, which comprises of the consideration of ₹ 1155.33 lacs towards net worth of the business as on 22-03-2022 and balance ₹ 944.67 lacs towards repayment of unsecured loans of the said business, vide business takeover agreement dated 23-03-2022.

15 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.

16 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 31-03-2022	As on 31-03-2021
---------	-------------	------------------	------------------

(i) Contingent Liabilities and Commitments (to the extend not provided for)

(1) Contingent Liabilities

(a) Claims against the company not acknowledged as debts	Nil	NA
(b) Guarantees	Nil	NA
(c) Other money for which the company is contingently liable	Nil	NA

(2) Commitments

(a) Estimated amount of contracts remaining to be executed on capital account and not provided	Nil	NA
(b) Uncalled liability on shares and other investments partly paid	Nil	NA
(c) Other commitments	Nil	NA

Significant Accounting Policies & Notes on Financial Statements for the Period Ended March 31, 2022

Sr. No.	Particulars	As on 31-03-2022	As on 31-03-2021
(ii)	<u>Dividend proposed and Arrears of dividends</u>		
	(1) Dividend proposed to be distributed to equity shareholders	Nil	NA
	(2) Dividend proposed to be distributed to equity shareholders per share	Nil	NA
	(3) Dividend proposed to be distributed to preference shareholders	Nil	NA
	(4) Dividend proposed to be distributed to preference shareholders per share	Nil	NA
	(5) Arrears of fixed cumulative dividends on preference shares	Nil	NA
(iii)	Amount of Securities issued for specific purpose, but not utilised for the specific purpose	Nil	NA
(iv)	Amount of borrowings from banks & financial institution not utilised for the specific purpose	Nil	NA
(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	NA
(vi)	<u>Payment to Auditors</u>		
	(1) As Auditor	2.50	NA
	(2) for taxation matters	Nil	NA
	(3) for company law matters	Nil	NA
	(4) for management services	Nil	NA
	(5) for other services	Nil	NA
	(6) for reimbursement of expenses	Nil	NA
(vii)	<u>Value of Imports on C.I.F. basis</u>		
	(1) Raw Material	Nil	NA
	(2) Components and spare parts	Nil	NA
	(3) Capital Goods	Nil	NA
(viii)	Expenditure in foreign currency during the year on account of royalty, know-how, professional and consultation fees, interest and other matters.	Nil	NA
(ix)	<u>Imported and Indigenous Consumption</u>		
	<u>Raw materials</u>		
	- Imported Materials	-	NA
	- Indigenous Materials	1,340.05	NA
	- Percentage of Imported Materials	0.00%	0.00%
	- Percentage of Indigenous Materials	100.00%	0.00%
	<u>Spare Parts and Components</u>		
	- Imported Materials	Nil	NA
	- Indigenous Materials	Nil	NA
	- Percentage of Imported Materials	0.00%	NA
	- Percentage of Indigenous Materials	0.00%	NA
(x)	<u>Dividend remitted in foreign currencies</u>		
	(1) Amount remitted during the year in foreign currencies on account of dividends	Nil	NA
	(2) Total number of non-resident shareholders	Nil	NA
	(3) Total number shares held by non-resident shareholders	Nil	NA
(xi)	<u>Earning in foreign exchange</u>		
	(1) F.O.B. value of Exports	Nil	NA
	(2) Royalty, Know-how, professional and consultation fees	Nil	NA
	(3) Interest and dividend	Nil	NA
	(4) Other income	Nil	NA
(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	NA
	(2) Previously unrecorded income and related assets which have been properly recorded in the books of accounts during the year.	Nil	NA
(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	NA
	(2) Amount of currency held as at the reporting date	Nil	NA
	(3) Deposits or advances from any person for the purpose of trading or investing in Crypto or Virtual Currency	Nil	NA

Significant Accounting Policies & Notes on Financial Statements for the Period Ended March 31, 2022

17 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. 2021-22	F.Y. 2020-21	Change
(a)	Current Ratio (Current Assets / Current Liabilities)	2.06	NA	-
	Current Assets	14,754.38	NA	-
	Current Liabilities	7,151.31	NA	-
(b)	Debt-Equity Ratio (Total Debts / Shareholder's Fund)	1.14	NA	-
	Total Debts (i.e. Long Term Borrowings + Short Term Borrowings + Current Maturities Of Long Term Debt)	6,422.26	NA	-
	Shareholder's Fund (i.e. Paid-up Share Capital + Reserves and Surplus)	5,642.41	NA	-
(c)	Debt Service Coverage Ratio (Earnings available for debt service / Debt Service)	1.95	NA	-
	Earnings Available For Debt Service (i.e. Net Profit After Tax + Depreciation & Other Amortizations + Interest + Other Adjustments like Loss on Sale of Fixed Assets)	69.98	NA	-
	Debt Service (i.e. Interest Expenses + Principal Repayments)	35.92	NA	-
(d)	Return on Equity Ratio (Net Profit after tax / Average Shareholder's Equity)	0.92%	NA	-
	Net Profit after tax	51.73	NA	-
	Average Shareholder's Equity (i.e. Avg. of Paid-up Share Capital and Reserves & Surplus)	5,642.41	NA	-
(e)	Inventory Turnover ratio (Cost Of Goods Sold / Average Inventory)	0.53	NA	-
	Cost of Goods Sold	1,340.05	NA	-
	Average Inventory (Refer note below)	2,524.17	NA	-

Significant Accounting Policies & Notes on Financial Statements for the Period Ended March 31, 2022

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

Sr. No.	Particulars	F.Y. 2021-22	F.Y. 2020-21	Change
(f)	Trade Receivables Turnover ratio (Net Credit Sales / Average trade receivables)	0.16	NA	-
	Net Credit Sales of the company	1,412.49	NA	-
	Average Trade Receivables (Refer note below)	8,588.72	NA	-
(g)	Trade Payables Turnover Ratio (Net Credit Purchases / Average Trade Payables)	1.35	NA	-
	Net Credit Purchases of the company (Refer note below) (i.e. Purchases of Material and Stock in Trade Employee Benefit Expenses and Other Expenses)	3,646.75	NA	-
	Average Trade Payables (Refer note below) (i.e. Average of Trade Payables and Other Payables)	2,705.88	NA	-
(h)	Net capital Turnover ratio (Net Sales / Average Working Capital)	0.19	NA	-
	Net Sales (i.e. Revenue From Operations)	1,412.49	NA	-
	Average Working Capital (Refer note below) (Working Capital = Current Assets - Current Liabilities)	7,603.07	NA	-
(i)	Net Profit Ratio (Net profit after tax / Net Sales)	3.66%	NA	-
	Net Profit After Tax	51.73	NA	-
	Net Sales (i.e. Revenue From Operations)	1,412.49	NA	-
(j)	Return on Capital employed (Earning before interest and tax / Capital Employed)	0.70%	NA	-
	Earning Before Interest and Taxes	84.83	NA	-
	Capital Employed (Refer note below) (i.e. Tangible Net Worth + Total Debt + Deferred Tax Liability)	12,065.16	NA	-
(k)	Return on investment (Value of investment increased / Value of Investment at start of the year)	NA	NA	-
	Value of Investment at Time 0	Nil	NA	-
	Value of Investment at Time 1	Nil	NA	-
	Value of Investment Increased	Nil	NA	-

(l) Reasons for significant variation in ratios:

- 1 Since the company was incorporated on 10-12-2021 i.e. in the year under consideration itself, there were no figures of the financial ratios for comparison in the preceding year, and accordingly, the reasons for variation in excess of 25% in various ratios of the current year in comparison to the preceding year, are not applicable in the case of the company.
- 2 The ratios as mentioned hereinabove, relating to and consisting of inventory, trade receivables and trade payables are not fully comparable since in the year under consideration, 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 current balance sheet are not commensurate/comparable with the actual volume/turnover of the business of the company.

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

19 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 Financial Statements for the Period Ended March 31, 2022

- (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
Director
DIN : 09095082

Sd/-
Rameshchand Bhatia
Director
DIN : 09431185

Sd/-
Sunny Vyaswala
Chief Financial
Officer

Sd/-
Hiral Shah
Company
Secretary

Sd/-
Eric Kapadia
Partner
Membership No. 136712
UDIN: 22136712AJUCNR4076

Place : Surat
Date : 28-05-2022

Place : Surat
Date : 28-05-2022





BHATIA COLOUR CHEM LIMITED

CIN: U24290GJ2021PLC127878

Plot No. A/2/12, Road No. 1, Udhana Udyog Nagar Sangh Udhna Surat 394210
 Mob No. 9104294564 Email Id: account@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 1st Annual General Meeting of the Company held on Tuesday, the 20th day of September, 2022 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: U24290GJ2021PLC127878

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

Mob No. 9104294564 Email Id: account@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: U24290GJ2021PLC127878

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

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

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1st Annual General Meeting of the company, to be held on the Tuesday, 20th August, 2022 at 12.00 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	Receive, consider and adopt the Audited Financial Statement of the company for the financial year ended on 31st March, 2022 together with the report of the Board of Directors & Auditors' thereon.
2	Re-appointment of Mr. Bharat Brijlal Bhatia (DIN: 09095082), Managing Director Who retires by rotation and being eligible, offers himself for re-appointment.
3	Re-appointment of Statutory Auditor
	SPECIAL BUSINESS
4.	Approval of Related Party Transaction(s)



Signed this day of 2022

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: U24290GJ2021PLC127878

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

Mob No. 9104294564 Email Id: account@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: U24290GJ2021PLC127878

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

Class of Shares

- 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 Tuesday, 20th September, 2022 at 12:00 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)	(ABSTRAIN)
1.	Receive, consider and adopt the Audited Financial Statement of the company for the financial year ended on 31st March, 2022 together with the report of the Board of Directors & Auditors' thereon.	Ordinary				
2.	Re-appointment of Mr. Bharat Brijlal Bhatia (DIN: 09095082), Managing Director Who retires	Ordinary				



	by rotation and being eligible, offers himself for reappointment.					
3.	Re-appointment of Statutory Auditor.	Ordinary				
4.	Approval of Related Party Transaction	Special				

Place: Surat

Date:

.....

(Member)

ELECTRONIC VOTING PARTICULAR

EVEN (E VOTING EVENT NUMBER)
121071

E-Voting shall remain start on Saturday, 17th September, 2022 (09.30 a.m) and will be open till Monday, 19th September, 2022 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



TEAM MEMBERS



Respect

Thoughtful and show regards for another person.



Trust

Confidence in each others capabilities and intentions.



Integrated team work

Each person to work towards larger group objectives.



Ownership

Take Responsibilities of own decisions and actions

