

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Independent Auditor's Limited Review Report on Review of Unaudited Quarterly and Year to Date Financial Results

**The Board of Directors,
NPL Chemicals Limited**

1. We have reviewed the accompanying Statement of unaudited financial results of **NPL Chemicals Limited** ("the Company"), for the quarter and half year ended September 30, 2023, together with the notes thereon ("the Statement"), attached herewith. The Statement is being prepared by the Company pursuant to the instructions issued by management of Bombay Burmah Trading Corporation Limited (BBTCL) for the purpose of inclusion of these financial results for BBTCL's Group consolidation.
2. This Statement, which is the responsibility of the Company's Management has been reviewed by the Audit Committee and approved by the Company's Board of Directors at their meetings held on November 03, 2023 and November 06, 2023, respectively. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, ("the Act") read with the relevant Rules issued thereunder, as applicable and other accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SREs) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of instructions issued by BBTCL, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**

We draw attention to the note 5 to the accompanying Statement which states that pursuant to the Composite Scheme of Arrangement ('the Scheme') entered between National Peroxide Limited ("Demerged/ Transferee Company"), Naperol Investments Limited ("Transferor Company") and NPL Chemicals Limited ("Resulting Company"/ "The Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules and Regulations made thereunder, the Demerged Undertaking (as defined under the Scheme) has been transferred and vested into the Company, on a going concern basis from the Appointed date of April 1, 2022. The Mumbai Bench of the National Company Law Tribunal (NCLT), through its certified order dated May 25, 2023 (the "Order"), has approved the Scheme and the final approval for the Scheme was received from the Bombay Stock Exchange (BSE) on September 11, 2023, on which date the Scheme became effective.

The accounting effect to NCLT Order has been given during the financial year ended March 31, 2023, by the Company by recording the carrying amount of assets and liabilities pertaining to the Demerged Undertaking with effect from the Appointed Date of April 01, 2022. Accordingly, the

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audited financial results for the year ended March 31, 2023, unaudited financial results for the quarter ended June 30, 2023, and unaudited financial results for the quarter and half year ended September 30, 2022, have been revised by the Company.

Our conclusion on the Statement is not modified in respect of the above matter.

6. Other Matter

The unaudited interim financial information of the Company related to the Demerged Undertaking for the quarter ended June 30, 2022, included in the Statement, have been derived from the unaudited financial results reviewed by the predecessor auditor of the Demerged Company. The report of the predecessor auditor of the Demerged Company on that unaudited interim financial information, expressed an unmodified opinion, which have been furnished to us by management and which have been relied upon by us for the purpose of our review of the Statement.

Our conclusion on the Statement is not modified in respect of the above matter.

7. This Statement is prepared by the Management of the Company solely to meet the consolidation requirements of BBTCL group. As a result, the Statement may not be suitable for any other purpose. Our review report on the Statement is intended solely for the use by the Board of Directors of the Company and BBTCL, and should not be used, referred to or distributed for any other purpose without our written consent.

For **KALYANIWALLA & MISTRY LLP**
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W / W100166

Jamshed K. Udwadia
Partner
Membership No.: 124658
UDIN: 23124658BGXLWM1977
Mumbai, November 06, 2023.



NPL CHEMICALS LIMITED

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CIN : U24290MH2020PLC342890

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(₹ in Lakhs)

Statement of Financial Results for the Quarter and Half Year Ended September 30, 2023

Sr. No	Particulars	Quarter ended			Half year ended		Year Ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited) (Refer Note 5)	(Unaudited) (Refer Note 5)	(Unaudited) (Refer Note 5)	(Unaudited) (Refer Note 5)	(Unaudited) (Refer Note 5)
I	Income						
	(a) Revenue from Operations	8,179.46	7,951.79	9,667.02	16,131.25	17,245.60	37,587.44
	(b) Other Income	225.79	122.69	269.27	348.48	422.48	885.42
II	Total Income	8,405.25	8,074.48	9,936.29	16,479.73	17,668.08	38,472.86
III	Expenses						
	(a) Cost of Raw Materials and Packing Materials Consumed	4,037.25	3,868.40	5,328.02	7,905.65	10,083.22	19,126.02
	(b) Purchase of stock in trade	-	-	16.01	-	16.01	131.39
	(c) Changes in Inventories of Stock in Trade and Finished Goods	(100.80)	(68.73)	91.82	(169.53)	(1,033.22)	(1,149.14)
	(d) Power, Fuel and Water	1,358.41	1,213.63	1,520.06	2,572.04	2,887.59	5,376.45
	(e) Employee Benefits Expense	719.63	643.24	576.65	1,362.87	1,190.11	2,645.08
	(f) Finance Costs	50.41	51.73	190.19	102.14	391.57	701.99
	(g) Depreciation and Amortisation Expense	482.72	474.19	473.53	956.91	934.14	1,979.95
	(h) Other Expenses	1,261.47	1,284.19	1,390.87	2,545.66	2,905.99	5,606.15
	Total Expenses	7,809.09	7,466.65	9,587.15	15,275.74	17,375.41	34,417.89
IV	Profit before Exceptional Items and Tax (II - III)	596.16	607.83	349.14	1,203.99	292.67	4,054.97
V	Exceptional Income (Refer Note 4)	-	-	-	-	1,295.16	1,295.16
VI	Profit before Tax (IV + V)	596.16	607.83	349.14	1,203.99	1,587.83	5,350.13
VII	Tax Expenses						
	(a) Current tax	111.84	99.65	60.88	211.49	290.58	991.78
	(b) Deferred tax	41.42	56.23	41.23	97.65	138.43	408.19
VIII	Profit after Tax for the period (VI - VII)	442.90	451.95	247.03	894.85	1,158.82	3,950.16
IX	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit or loss	8.62	8.63	6.34	17.25	17.71	35.02
	(b) Income tax relating to items that will not be reclassified to profit or loss	(2.17)	(2.17)	(6.58)	(4.34)	(9.44)	(9.45)
	(c) Items that will be reclassified to profit or loss	-	-	36.58	-	60.46	41.24
	(d) Income tax relating to items that will be reclassified to profit or loss	-	-	(9.21)	-	(15.22)	(10.38)
	Total Other Comprehensive Income, Net of Income Tax (IX)	6.45	6.46	27.13	12.91	53.51	56.43
X	Total Comprehensive Income for the period (VIII + IX)	449.35	458.41	274.16	907.76	1,212.33	4,006.59
XI	Paid up Equity Share Capital (Face value of ₹ 10/- each)	574.70	574.70	574.70	574.70	574.70	574.70
XII	Reserves excluding Revaluation Reserves as per previous accounting year (Other Equity)						34,624.65
XIII	Earnings per Equity Share (Face value of ₹ 10/- each) *						
	(Not annualised)						
	(1) Basic (In ₹.)	7.71	7.86	4.30	15.57	20.16	68.73
	(2) Diluted (In ₹.)	7.71	7.86	4.30	15.57	20.16	68.73
	* Basic and Diluted EPS for all the periods, except year ended 31.03.2023 are not annualised						



Notes:

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 03, 2023 and November 06, 2023 respectively. The Statutory auditors have carried out a limited review of the results for the quarter and half year ended September 30, 2023.
2. This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules, issued thereunder and other recognised accounting practices and policies to the extent applicable.
3. The Company's business segment consists of a single segment of "Manufacturing of Hydrogen Peroxide" as per Indian Accounting Standard (Ind AS-108) Operating Segments requirement.
4. The Exceptional Items for the half year ended September 30, 2022 and for the year ended March 31, 2023 represent following items:

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
Insurance claim received due to loss on account of breakdown of machinery (Refer Note (a))	-	-	-	-	1,295.16	1,295.16
Total	-	-	-	-	1,295.16	1,295.16

(a) The Company received insurance claim towards the machinery breakdown incident that occurred in March 2021 which was settled by the insurance company at the replacement value for Rs. 1,545.16 lakhs, against which an amount of Rs. 250.00 lakhs was received during the quarter ended March 31, 2022 which has been recorded in the books of demerged company and the balance amount of Rs. 1,295.16 lakhs was received during the quarter ended June 30, 2022.

5. (a) The Composite Scheme of Arrangement ("the Scheme") between National Peroxide Limited ("Demerged/ Transferee Company"), Naperol Investments Limited ("Transferor Company") and NPL Chemicals Limited ("Resulting Company"/"The Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, inter alia, provides for demerger, transfer and vesting of the Demerged Undertaking (as defined under the Scheme) from the Demerged Company into Resulting Company, on a going concern basis from the Appointed Date of April 1, 2022.


The Mumbai Bench of the National Company Law Tribunal (NCLT), through its certified order dated May 25, 2023 (the "Order"), has approved the Scheme. The final approval from the Bombay Stock Exchange (BSE) was received on September 11, 2023, whereby the Scheme becomes effective on September 11, 2023.

The accounting effect of the NCLT order has been given in the accounts for the financial year ended March 31, 2023 by the Company by recording the carrying amount of assets and liabilities pertaining to the Demerged Undertaking of the Demerged Company with effect from the Appointed Date of April 01, 2022. Accordingly, the audited financial results for the year ended March 31, 2023, unaudited financial results for the quarter ended June 30, 2023 and unaudited financial results for the quarter and half year ended September 30, 2022 have been revised by the Company to give effect to the Scheme.

The revised financial results for the quarter ended June 30, 2023, and quarter and half year ended September 30, 2022 have been subjected to review.

(b) The existing share capital of Rs. 100,000 consisting of 10,000 shares of Rs. 10 each held by Demerged Company stand cancelled as at Appointed date. The Company has increased its authorised equity share capital by 99,90,000 shares of Rs.10 each to 1,00,00,000 equity shares to give effect to the Scheme and issue new equity shares to the shareholders of the Demerged Company in the ratio of 1:1 as defined in the Scheme. During the quarter ended September 30, 2023, the Company has allotted 57,47,000 equity shares of Rs.10 each on September 27, 2023 to the existing shareholders of the Demerged Company as on record date i.e. September 25, 2023 without payment received in cash.

For NPL Chemicals Limited


Rajiv Arora
Chief Executive Officer and Director
DIN: 08730235
Place : Mumbai
Date: November 06, 2023





6. Statement of Assets and Liabilities as at September 30, 2023		
Particulars	(₹ In Lakhs)	
	As at September 30, 2023	As at March 31, 2023
	(Unaudited)	(Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	31,787.49	32,635.27
Right of use assets	872.67	905.05
Capital work-in-progress	874.12	262.13
Intangible Assets	13.62	24.15
Financial assets		
(i) Other Financial Assets	69.46	80.31
Income tax assets (net)	247.23	-
Other non-current assets	176.40	86.40
Total non-current assets	34,040.99	33,993.31
Current assets		
Inventories	4,286.62	3,614.69
Financial assets		
(i) Investments	3,908.37	3,995.91
(ii) Trade receivables	2,373.85	2,426.70
(iii) Cash and cash equivalents	2,035.55	642.67
(iv) Bank balances other than (iii) above	832.08	54.55
(v) Other financial assets	19.70	26.28
Other current assets	467.42	592.75
Total current assets	13,923.59	11,353.55
Asset held for sale	7.69	7.69
Total assets	47,972.27	45,354.55
EQUITY AND LIABILITIES		
Equity		
Equity share capital	574.70	-
Equity share capital suspense	-	574.70
Other equity	35,532.41	34,624.65
Total equity	36,107.11	35,199.35
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	873.88	1,036.42
(ii) Lease Liability	915.91	927.54
Deferred tax liabilities (net)	3,922.38	3,822.58
Provisions	301.64	316.45
Total non-current liabilities	6,013.81	6,102.99
Current liabilities		
Financial liabilities		
(i) Borrowings	360.14	355.94
(ii) Lease Liabilities	22.77	21.83
(iii) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises; and	126.00	151.86
(b) total outstanding dues of creditors other than (iii) (a) above	2,228.10	2,153.91
(iv) Other financial liabilities	518.40	610.37
Contract liabilities	2,033.57	141.68
Other current liabilities	222.44	270.46
Provisions	120.62	126.85
Income tax liabilities (net)	219.31	219.31
Total current liabilities	5,851.35	4,052.21
Total equity and liabilities	47,972.27	45,354.55

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7. Statement of Cash Flows for the Half Year Ended September 30, 2023		
	(₹ in Lakhs)	
Particulars	For the Half Year Ended September 30, 2023	For the Half Year Ended September 30, 2022
	(Unaudited)	(Unaudited)
Cash flow from operating activities		
Profit before income tax	1,203.99	1,587.83
Adjustments for:		
Depreciation and amortisation expense	956.91	934.14
Finance costs	102.14	391.57
Interest income	(20.10)	(0.79)
Loss/(Gain) on sale of property, plant and equipment	0.17	(0.46)
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(127.45)	(134.91)
Loss allowances	-	(20.42)
Net unrealised foreign exchange loss	2.82	4.55
Operating profit before working capital changes	2,118.48	2,761.51
Change in operating assets and liabilities		
(Increase) in inventories	(671.93)	(556.92)
Decrease/(Increase) in trade receivables	50.03	(98.61)
Decrease/(Increase) in non-current financial asset	1.84	(455.12)
Decrease in other non current assets	5.11	79.76
Decrease in other current assets	125.33	182.44
(Increase)/Decrease in current financial assets	6.58	(12.83)
(Decrease)/Increase in trade payables	(1.68)	1,353.03
Increase in provisions	(3.79)	(3.05)
(Decrease) in other current financial liabilities	(95.53)	(352.64)
(Decrease)/Increase in other current liabilities	(48.02)	64.26
Increase in contract liability	1,891.89	621.03
Cash generated from operations	3,378.31	3,582.86
Income taxes paid (net)	(460.91)	(98.95)
Net cash generated from operating activities	2,917.40	3,483.91
Cash flows from investing activities		
Payments for property, plant and equipment (including capital work-in-progress and advances)	(770.06)	(325.79)
Proceeds from sale of property, plant and equipment	0.13	0.46
Payment for purchase of investments	(3,035.00)	(9,787.24)
Proceeds from sale of investments	3,250.00	10,512.22
Interest received	20.10	0.79
Fixed Deposits (placed)	(768.52)	(0.71)
Net cash (used in)/generated from investing activities	(1,303.35)	399.73
Cash flows from financing activities		
Repayment of short term borrowings (net)	(163.72)	(1,438.10)
Interest paid	(57.45)	(351.39)
Net cash (used in) financing activities	(221.17)	(1,789.49)
Net Increase In cash and cash equivalents	1,392.88	2,094.15
Cash and cash equivalents at the beginning of the period	642.67	0.21
Cash and cash equivalents received pursuant to Composite Scheme of Arrangement	-	48.98
Cash and cash equivalents at the end of the period	2,035.55	2,143.34
Cash and cash equivalents comprises of:		
Cash in hand	1.44	1.18
Balances with banks in current accounts	2,034.11	2,142.16
Cash and cash equivalents at the end of the period	2,035.55	2,143.34

