



**NATIONAL PEROXIDE LIMITED**  
(Formerly known as NPL Chemicals Limited)  
CORPORATE IDENTITY NUMBER: U24290MH2020PLC342890

REGISTERED AND CORPORATE OFFICE		CONTACT PERSON
Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001, Maharashtra, India		Amish Shah Company Secretary and Compliance Officer
EMAIL	TELEPHONE	WEBSITE
investorrelations@naperol.com	+91 22 6662 0000	www.naperol.com

**THE PROMOTERS OF OUR COMPANY ARE NESS NUSLI WADIA AND NUSLI NEVILLE WADIA**

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM**

TYPE	FRESH ISSUE	OFFER FOR SALE	OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
N.A.	N.A.	N.A.	N.A.	N.A.

**OFFER FOR SALE - N.A.**

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED	WACA (IN ₹)	NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED	WACA (IN ₹)
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**GENERAL RISK**

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares. For taking an investment decision, investors must rely on their own examination of our Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Information Memorandum. Specific attention of the investors is invited to “Risk Factors” on page 15.

**OUR COMPANY’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to our Company, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares are proposed to be listed on the BSE Limited (“BSE”). For the purposes of listing of our Equity Shares pursuant to the Composite Scheme of Arrangement, BSE is the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGERS - N.A.**

**REGISTRAR AND SHARE TRANSFER AGENT**



**Link Intime India Private Limited**  
Tel.: +91 81081 16767  
E-mail: rnt.helpdesk@linkintime.co.in  
Contact Person: Savali Borchate

**BID/OFFER PROGRAMME**

ANCHOR INVESTOR BIDDING DATE	N.A.	BID/OFFER OPENS ON	N.A.	BID/OFFER CLOSES ON	N.A.
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**NATIONAL PEROXIDE LIMITED**  
(Formerly known as NPL Chemicals Limited)

National Peroxide Limited (formerly known as NPL Chemicals Limited) (“Company” or “Resulting Company”) was incorporated on July 29, 2020, as a public limited company incorporated under the Companies Act, 2013, pursuant to a certificate of incorporation dated August 5, 2020, issued by the Registrar of Companies, Maharashtra at Mumbai. Pursuant to the Composite Scheme of Arrangement (as defined hereinafter), the name of the Company has been changed to National Peroxide Limited and a fresh certificate of incorporation dated January 31, 2024, was issued by the Registrar of Companies, Maharashtra at Mumbai. For further details, please see section titled “History and Certain Corporate Matters” on page 79.

**Corporate Identification Number:** U24290MH2020PLC342890

**Registered and Corporate Office:** Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001, Maharashtra, India

**Tel:** +91 22 6662 0000; **Website:** www.naperol.com; **Email:** investorrelations@naperol.com

**Contact Person:** Amish Shah, Company Secretary and Compliance Officer

**PROMOTERS OF OUR COMPANY: NESS NUSLI WADIA AND NUSLI NEVILLE WADIA**

**INFORMATION MEMORANDUM FOR LISTING OF 57,47,000 EQUITY SHARES OF ₹ 10 EACH ALLOTTED BY OUR COMPANY PURSUANT TO THE COMPOSITE SCHEME OF ARRANGEMENT**

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM**

**GENERAL RISKS**

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Equity Shares unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Equity Shares. For taking an investment decision, investors must rely on their own examination of our Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Information Memorandum. Specific attention of the investors is invited to “Risk Factors” on page 15.

**OUR COMPANY’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to our Company, which is material, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares are proposed to be listed on the BSE Limited (“BSE”), (hereinafter referred to as the “Stock Exchange”). Our Company has received ‘in-principle’ approval from BSE for the listing of the Equity Shares pursuant to its letter dated March 28, 2024. For the purposes of listing of our Equity Shares pursuant to the Composite Scheme of Arrangement, BSE is the Designated Stock Exchange. Our Company has submitted this Information Memorandum to BSE and this Information Memorandum shall be made available on our Company’s website at www.naperol.com. This Information Memorandum is available on the website of the BSE at www.bseindia.com. Further, our Company has been granted an exemption from the application of Rule 19(2)(b) of the SCRR by the SEBI vide the letter no. SEBI/HO/CFD/CFD-RAC-DCR-1 /P/OW /2024/18225/1 dated May 31, 2024.

**REGISTRAR AND SHARE TRANSFER AGENT(S)**



**Link Intime India Private Limited**

C 101, 247 Park, L.B.S Marg  
Vikhroli (West), Mumbai 400 083  
Maharashtra, India

**Tel:** +91 81081 16767

**E-mail:** rnt.helpdesk@linkintime.co.in

**Website:** www.linkintime.co.in

**Investor grievance e-mail:** rnt.helpdesk@linkintime.co.in

**Contact Person:** Sayali Borchate

**SEBI Registration No:** INR000004058



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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Information Memorandum uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings ascribed to such terms herein, and references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will include any amendments or re-enactments thereto, from time to time.*

#### Company and Scheme Related Terms

Term	Description
“the Company” or “Resulting Company” or “our Company” or “we” or “us” or “our”	National Peroxide Limited ( <i>formerly known as NPL Chemicals Limited</i> )
“NPL” or “Transferee Company” or “Demerged Company”	National Peroxide Limited ( <i>currently known as Naperol Investments Limited</i> )
“Naperol” or “Transferor Company”	Naperol Investments Limited ( <i>amalgamated with erstwhile National Peroxide Limited</i> )
AoA / Articles of Association/ Articles	The articles of association of our Company, as amended from time to time
Appointed Date	Appointed date shall mean opening business hours of April 1, 2022
Audit Committee	The audit committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 86
Auditor/ Statutory Auditors	The statutory auditors of our Company, being Kalyaniwalla & Mistry LLP, Chartered Accountants
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
CEO and Executive Director	The chief executive officer and executive director of our Company, currently, Rajiv Arora
Chemical Business	Means the entire business of the Demerged Undertaking of manufacturing, distributing and selling of peroxygen chemicals
Composite Scheme of Arrangement / Scheme / Scheme of Arrangement	Composite scheme of arrangement amongst National Peroxide Limited ( <i>currently known as Naperol Investments Limited</i> ) and Naperol Investments Limited ( <i>which is amalgamated with erstwhile National Peroxide Limited</i> ) and NPL Chemicals Limited ( <i>currently known as National Peroxide Limited</i> ) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 as sanctioned by the NCLT <i>vide</i> order dated May 4, 2023
Corporate Office	The corporate office of our Company situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001, Maharashtra, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013, Listing Regulations and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as described in “ <i>Our Management</i> ” on page 86
Draft Information Memorandum	The draft information memorandum dated December 27, 2023, of our Company for listing of Equity Shares allotted pursuant to the Composite Scheme of Arrangement filed with the Stock Exchange being BSE Limited issued in accordance with the applicable laws
Demerged Undertaking	Shall mean all of the Chemical Business and shall include (without limitation):  (a) all assets and properties, movable and immovable (other than the land listed in Schedule IA), licensed, tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, and associated capital costs, security deposits, capital work in progress, easmentary rights, rights of way, building, plant and machinery (including those affixed to the land), furniture, fixtures, office equipment, appliances, accessories, vehicles, all stocks, sundry debtors, deposits, provisions, advances, recoverables, receivables, accumulated losses as well as unabsorbed depreciation as per books as well as per Income Tax Act, title, interest, cash and bank balances, bills of exchange, covenants, all earnest monies, security deposits,



Term	Description
	<p>or other entitlements, funds of the Demerged Company pertaining to the Chemical Business, all import quotas and other quota rights, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Demerged Company pertaining to the Chemical Business;</p> <p>(b) all debts (including debentures), cash flow hedge reserves, liabilities, whether fixed or contingent, matured or unmatured, including indebtedness, employee related, pension, tax and environmental liabilities, of the Demerged Company pertaining to the Chemical Business (more specifically defined in Clause 4.7 of the Composite Scheme of Arrangement);</p> <p>(c) all contracts, agreements, schemes, arrangements and any other instruments for the purpose of carrying of the Demerged Company pertaining to the Chemical Business;</p> <p>(d) all refunds, reimbursements, claims, concessions, exemptions, benefits including sales tax deferrals, income tax deducted/ collected at source, goods and service tax credit, minimum alternate tax credit, deductions and benefits under the relevant Law or any other taxation statute with respect to the Chemical Business;</p> <p>(e) all Permits, licences, approvals, registrations, quotas, incentives, powers, authorities, allotments, consents, rights, benefits, advantages, municipal permissions, pertaining to the Chemical Business;</p> <p>(f) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, all books, records, files, papers, engineering and process information, computer programs, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or pertaining to Chemical Business; and</p> <p>(g) all employees (including graduate trainees) and contract workers employed exclusively in the conduct of the Chemical Business.</p> <p>It is clarified that the question of whether a specified asset or liability pertains to the Demerged Undertaking or arises out of the activities or operations of Demerged Undertaking shall be decided by the Board of the Demerged Company</p>
Director(s)	The director(s) on our Board
Effective Date	The effective date of the Composite Scheme of Arrangement shall mean opening of business hours on September 11, 2023
Eligible Shareholder(s)	Shall mean eligible holder(s) of the equity shares of NPL as on the Record Date
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Group Company(ies)	In terms of SEBI ICDR Regulations, the term “group companies” includes such companies (other than Promoter and the subsidiaries) with which our Company had related party transactions, during the period for which financial information is disclosed in this Information Memorandum, as covered under the applicable accounting standards, and also other companies as considered material by our Board. For further details, see “Group Companies” on page 105
Independent Directors	The independent directors of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations



<b>Term</b>	<b>Description</b>
Information Memorandum	This information memorandum dated June 26, 2024, of our Company for listing of Equity Shares issued pursuant to the Scheme filed with the Stock Exchange in accordance with the applicable laws
Key Managerial Personnel/ KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as described in “ <i>Our Management</i> ” on page 86
Market Research Report	Report titled “ <i>Global Hydrogen Peroxide Market Research Report</i> ” dated November 2020, “ <i>Global Hydrogen Peroxide Market Research Report</i> ” dated July 2020 and “ <i>Global Peracetic Acid Market Research Report</i> ” dated July 2020, prepared by MarketResearch.biz
Materiality Policy	The criteria as per the policy adopted by our Board on September 25, 2023, for identification of material Group Companies, outstanding material litigation, and outstanding material dues to creditors, pursuant to the requirements under the SEBI ICDR Regulations for the purpose of the disclosure in this Information Memorandum
Memorandum of Association / MoA	The memorandum of association of our Company, as amended from time to time
NCLT	The National Company Law Tribunal, Mumbai Bench
Net Worth	Net worth of our Company, in terms of Regulation 2(1)(hh) of the SEBI ICDR Regulations
Nomination and Remuneration Committee/ NRC	The nomination and remuneration committee of our Company, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 86
Promoter Group	Persons and entities constituting the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 102
Promoters	The promoters of our Company, being Ness Nusli Wadia and Nusli Neville Wadia. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 102
Record Date	September 25, 2023
Registered Office	The registered office of our Company, situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001
Registrar of Companies / RoC	The Registrar of Companies, Mumbai at Maharashtra
Registrar and Share Transfer Agent	Link Intime India Private Limited
Restated Financial Information	The restated financial information of our Company, comprising the restated statement of assets and liabilities as at December 31, 2023, March 31, 2023, 2022, and 2021, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated cash flow statement for the nine months period ended December 31, 2023 and for the years ended March 31, 2023, 2022, and 2021, the summary statement of significant accounting policies, and other explanatory information
Risk Management Committee	The risk management committee of our Company, constituted in accordance with Regulation 21 of the SEBI Listing Regulations, as described in “ <i>Our Management</i> ” on page 86
Senior Management	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Key Managerial Personnel and Senior Management of our Company</i> ” on page 99
Shareholders	Shareholders holding Equity Shares of our Company, from time to time
Stakeholders Relationship Committee	The stakeholders relationship committee of our Company, constituted in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” on page 86





## Conventional and General Terms and Abbreviations and Industry Related Terms

Term	Description
₹/ Rs./ Rupee(s)/ INR/ Re	Indian Rupees, the official currency of the Republic of India
AS	Accounting Standards, as issued by the Institute of Chartered Accountants of India
Bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Capital or Share Capital	Share Capital of our Company
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
Central Government/Government/Government of India/ GoI	The Government of India
Companies Act/ the Act	The Companies Act, 1956 and/or the Companies Act, 2013, as applicable and the rules made thereunder
Companies Act, 1956	Erstwhile Companies Act, 1956, along with relevant rules, clarifications and modifications made thereunder
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules, clarifications and modifications made thereunder
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company appointed in terms of Regulation 6(1) of the SEBI Listing Regulations, being Amish Shah
Competition Act	The Competition Act, 2002, along with the relevant rules, clarifications and modifications made thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a Pandemic on March 11, 2020
CrPC	Code of Criminal Procedure, 1973
CSR	Corporate Social Responsibility
CY	Calendar Year
Demat	Dematerialized
Designated Stock Exchange/ DSE	BSE
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
EGM	Extra-ordinary General Meeting
EPS	Earnings per share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules, regulations, notifications, circulars and directions thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ Fiscal Year/ FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIs	Financial Institutions
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIR	First information report
FPI(s)	Foreign Portfolio Investors registered with SEBI under applicable laws
Fugitive economic offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI/ Central Government / Government	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
Income Tax Act / IT Act	Income-tax Act, 1961 and amendments thereto



<b>Term</b>	<b>Description</b>
IND AS	Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, as notified under Rule 3 of Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP/ IGAAP	In accordance with the accounting principles generally accepted in India, including the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
IPC	Indian Penal Code, 1860
ISIN	International Securities Identification Number allotted by the depository
Listing Agreement	Equity listing agreements entered into between our Company and the Stock Exchange post applicability of the SEBI Listing Regulations
LLP	Limited Liability Partnership
MCA	Ministry of Corporate Affairs, GoI
MTPA	Metric tonnes per annum
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India
NRI(s)	Non-Resident Indian(s)
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	The Reserve Bank of India
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contract (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Circular	SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 issued by SEBI dated June 20, 2023, on scheme of arrangement
SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued thereto/ thereunder by SEBI from time to time
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto
Stock Exchange	Shall refer to the BSE Limited where the Equity Shares of our Company are proposed to be listed
Takeover Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
US/USA	The United States of America





## **CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION**

All references in this Information Memorandum to “India” are to the Republic of India. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless stated otherwise, all references to page numbers in this Information Memorandum are to the page numbers of this Information Memorandum.

### **Financial Data**

Our Company publishes its Financial Statements in Indian Rupees. Unless stated otherwise, the financial data pertaining to the Company in this Information Memorandum is derived from our Restated Financial Information which are also published in Indian Rupees. Our Restated Financial Information are represented in lakhs. Our Restated Financial Information, including the reports issued by the Statutory Auditors, included in this Information Memorandum, have been prepared in accordance with Ind AS, the Companies Act, 2013 and as per the relevant provisions of the SEBI ICDR Regulations. The Company’s financial year is a twelve- month period commencing from April 1 of a calendar year and ending on March 31 of the succeeding calendar year, and all references to financial year or fiscal shall be construed accordingly. Unless the context requires otherwise, all references to a year in this Information Memorandum are to a calendar year and references to a fiscal/financial year are to the year ended on March 31, of that calendar year.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 15, 68 and 174, respectively, and elsewhere in this Information Memorandum have been calculated on the basis of the Restated Financial Information of our Company.

Certain figures contained in this Information Memorandum, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

### **Non-GAAP Financial Measures**

Certain non-GAAP financial measures such as EBITDA, net worth and net asset value per equity share have been included in this Information Memorandum. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. They may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS. These measures should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability, or results of operations. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Financial Information.

### **Industry and Market Data**

Unless stated otherwise, industry and market data used in this Information Memorandum has been obtained or derived from the report titled “*Global Hydrogen Peroxide Market Research Report*” dated November 2020, “*Global Hydrogen Peroxide Market Research Report*” dated July 2020 and “*Global Peracetic Acid Market Research Report*” dated July 2020 which have been exclusively prepared and issued by MarketResearch.biz and is commissioned and paid for by our Company. These reports will be available on the website of our Company at [www.naperol.com](http://www.naperol.com). Information from industry sources and publications used are as of specific dates and may no longer be current or reflect current trends.

MarketResearch.biz is an independent agency which has no relationship with our Company, our Promoter, any of our Directors or Key Managerial Personnel or Senior Management.

Although the industry and market data used in this Information Memorandum is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data



used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data presented in this Information Memorandum is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 15. Accordingly, investment decisions should not be based solely on such information.

### Currency and Units of Presentation

Unless otherwise specified or the context otherwise requires, all references to:

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of India; and
- 'US\$', 'USD', '\$' and 'U.S. Dollars' are to United States Dollars, the legal currency of the United States of America.

In this Information Memorandum, our Company has presented certain numerical information. All figures have been expressed in lakhs, However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs, such figures appear in this Information Memorandum expressed in such denominations as provided in their respective sources.

### Exchange Rates

This Information Memorandum may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The exchange rates of certain currencies used in this Information Memorandum and Restated Financial Information into Indian Rupees for the Fiscals indicated are provided below:

(Amount in ₹)

Sr. No.	Name of the Currency	Exchange rates as on			
		December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	1 USD	83.12	82.18	75.93	73.22

Source: <https://www.nasdaq.com/market-activity/currencies/usdintr/historical>



## FORWARD LOOKING STATEMENTS

This Information Memorandum contains certain “forward-looking statements”. Certain statements contained in this Information Memorandum that are not statements of historical fact constitute forward looking statements. These forward-looking statements generally can be identified by words or phrases such as ‘aim’, ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘forecast’, ‘intend’, ‘likely to’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘propose’, ‘pursue’, ‘seek to’, ‘shall’, ‘should’, ‘target’, ‘will’, ‘will continue’, ‘will pursue’, ‘would’ or other words or phrases of similar import. Similarly, statements that describe our Company’s objectives, plans or goals are also forward- looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Information Memorandum that are not historical facts.

These forward-looking statements contained in this Information Memorandum (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. This may be due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

1. Our dependency on a singular product may impact our business significantly in the longer run;
2. Our business is dependent on our manufacturing facility, and we are subject to certain risks in our manufacturing process. Any unplanned, unscheduled or prolonged disruptions in our manufacturing operations or under-utilization of our manufacturing capacities could materially and adversely affect our business, results of operations, cash flows and financial condition;
3. We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products are largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders;
4. We derive a significant portion of our revenue from certain customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, financial condition, results of operations and future prospects;
5. We do not have long-term agreements with most of our suppliers of our raw materials (except natural gas) or customers and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows;
6. We are susceptible to risks arising from the export of our products to various countries and doing business internationally, including international market conditions and regulatory risks. Exchange rate fluctuations may adversely affect our results of operations;
7. We are subject to product liability claims. Any potential claims in relation to the quality, use, or otherwise of our products may harm our reputation and/or have an adverse impact on our operations, revenue, and profitability;
8. Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial



condition. Further, we may not be able to renew or maintain the statutory and regulatory permits and approvals required to operate our business;

9. We have incurred significant indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, financial condition, cash flows and credit rating; and
10. An inability to effectively manage our growth and identify business opportunities may have a material adverse effect on our business prospects and future financial performance.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section “*Risk Factors*” on page 15.

Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as on the date of this Information Memorandum and are not a guarantee of future performance. These statements are based on the management’s belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company will ensure that the Shareholders are informed of material developments until the time of the grant of listing and trading permission by the BSE.



## SECTION II – INFORMATION MEMORANDUM SUMMARY

*This section is a summary of specific disclosures included in this Information Memorandum and is not exhaustive nor does it purport to contain a summary of all disclosures or details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Information Memorandum, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoters and Promoter Group”, “Financial Statements”, “Our Business” and “Main Provisions of the Articles of Association” on pages 15, 49, 199, 102, 110, 68 and 211, respectively. For additional information and further details with respect to any of the information summarised below, please refer to the relevant sections of this Information Memorandum. Unless otherwise stated, the financial information in this section is derived from the Restated Financial Information.*

### Summary of primary business of our Company

National Peroxide Limited (currently known as Naperol Investments Limited), a public limited company was incorporated on March 16, 1954, under the Wadia Group and has been listed on the BSE. NPL stood as one of the largest manufacturers of hydrogen peroxide in India, with an installed capacity of 1,50,000 metric tonnes per annum (MTPA) on a 50% weight by weight (w/w) basis (Source: MarketResearch.biz). Pursuant to the effective date of the Composite Scheme of Arrangement i.e., September 11, 2023, the Demerged Undertaking is transferred and vested into the Company with effect from April 1, 2022.

Our Company manufactures hydrogen peroxide, which is a simple peroxide with an oxygen-oxygen single bond, which exists in the form of a clear, pale, blue liquid with an odour similar to nitric acid. It can act both as an oxidizing agent and reducing agent and undergoes thermal decomposition when exposed to sun high temperature. Hydrogen peroxide is available in majorly two categories (i) technical grade, and (ii) food grade, with varying concentrations depending upon the application.

### Summary of industry in which our Company operates

Our Company manufactures hydrogen peroxide.

### Global hydrogen peroxide market segmentation based on grade, end-use, and region based on grade:

- Technical Grade
- Food Grade

### Based on End-Use:

- Pulp & Paper
- Food Grade Chemicals
- Cleaners & Disinfectants (Household, Industrial, Healthcare)
- Wastewater Treatment
- Pharmaceuticals
- Personal Care Products
- Food Processing
- Fuel Propellant
- Other End-Uses

### Global hydrogen peroxide market volume (MT) by end-user industry (2022–2030)

- The pulp & paper segment was valued at US\$ 1,692.7 Mn in 2019 and is projected to reach US\$ 2,463.9 Mn in 2030, and register a CAGR of 5.3% during the forecast period
- Revenue from the chemicals segment in the global hydrogen peroxide market is projected to register a CAGR of 4.7% during the forecast period
- The textile segment was valued at US\$ 974.3 Mn in 2019 and is projected to reach US\$ 1,410.6 Mn in 2030, and register a CAGR of 5.0% during the forecast period
- Revenue from the cleaners & disinfectants (household, industrial, healthcare) segment in the global hydrogen peroxide market is projected to register a CAGR of 5.2% during the forecast period.

(Source: MarketResearch.biz)



## Our Promoters

The Promoters of our Company are Ness Nusli Wadia and Nusli Neville Wadia.

## Shareholding of our Promoters and Members of our Promoter Group

As on the date of this Information Memorandum, the shareholding of the Promoters and the members of Promoter Group are detailed below:

Sr. No.	Name of person/Entity	Number of Equity Shares held	Percentage of the paid-up Share capital (in %)
<b>(A) Promoters</b>			
1.	Ness Nusli Wadia	4,600	0.08
2.	Nusli Neville Wadia	16,325	0.28
	<b>Total (A)</b>	<b>20,925</b>	<b>0.36</b>
<b>(B) Promoter Group</b>			
1.	Varnilam Investments & Trading Company Limited	16,750	0.29
2.	The Bombay Dyeing and Manufacturing Company Limited	61,000	1.06
3.	The Bombay Burmah Trading Corporation Limited	2,24,000	3.90
4.	Nowrosjee Wadia and Sons Limited	17,69,125	30.78
5.	Macrofil Investments Limited	7,46,609	12.99
6.	Dina Neville Wadia	5,250	0.09
7.	Baymanco Investments Limited	11,71,500	20.38
8.	Ben Nevis Investments Limited	51,500	0.90
	<b>Total (B)</b>	<b>40,45,734</b>	<b>70.39</b>
	<b>Total (A+B)</b>	<b>40,66,659</b>	<b>70.75</b>

## Financial Information

The following information has been derived from the Restated Financial Information for the nine months period ended December 31, 2023, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021:

(₹ in lakhs, except per share data)

Particulars	For the nine month period ended December 31, 2023	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
Share capital	574.70	574.40	1.00	1.00
Net worth	4,796.74	4,164.05	(0.55)	0.28
Revenue from operations	24,495.40	37,587.44	-	-
Profit after Tax	1,371.85	3,950.16	(0.83)	(0.72)
Earnings per Equity Share (basic)	23.87	68.73	(8.30)	(7.20)
Earnings per Equity Share (diluted)	23.87	68.73	(8.30)	(7.20)
Net asset value per Equity Share	619.16	612.48	(5.50)	2.80
Total borrowings	1,132.45	1,392.36	-	-

*Share Capital: The Composite Scheme of Arrangement has become effective on September 11, 2023, and as per the terms of the Scheme, one equity share of Rs.10 each is to be allotted to the existing shareholders of National Peroxide Limited (currently known as Naperol Investments Limited) ("NPL") whose name appear in register of members of NPL as on the record date. Till the shares are allotted the same would appear in equity share capital suspense account. The Company has allotted 57,47,000 equity shares on September 27, 2023, to the existing shareholders of NPL as on record date. Since the effect of the Scheme is given in the revised financial statement, 10,000 equity shares of Rs.10 each originally allotted to the Company's shareholder stand cancelled.*

*National Peroxide Limited (currently known as Naperol Investments Limited) was holding 100% shares of NPL Chemical Limited (currently known as National Peroxide Limited) (10,000 shares of face value Rs. 10 each amounting to Rs. 1,00,000) as at March 31, 2022 and March 31, 2021 accordingly from April 1, 2022, the Company ceased to be the subsidiary of the holding company. Pursuant to the scheme of demerger the shares of NPL stands cancelled and new shares are issued to the existing shareholders of NPL at the record date in the ratio of 1 share each for 1 share held.*

*Revenue Recognition: There are no material unsatisfied performance obligations for the period ended December 31, 2023 and for the year ended March 31, 2023. Further, entire revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer*

For further details, see "Financial Statements" on page 110.





## Auditor Qualifications or Adverse Remarks

There have been no qualifications or adverse remarks by our Auditor in the Restated Financial Information.

## Summary of Outstanding Litigation:

A summary of pending criminal proceedings, taxation proceedings, actions taken by statutory or regulatory authorities and other material litigation proceedings involving our Company, our Directors, our Promoters and our Group Companies, as applicable, on the date of this Information Memorandum is set out below:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigation	Aggregate amount involved (₹ In crores)
<b>Company</b>						
By our Company	1	Nil	Nil	N.A.	1	36
Against our Company	Nil	Nil	Nil	N.A.	1	8.50
<b>Directors</b>						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Directors	3	Nil	1	N.A.	Nil	Nil
<b>Promoters</b>						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	5	4	Nil	1	Nil	55.87

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Other Material Developments*” on page 199.

## Risk Factors

For details of the risks associated with our Company, see the section “*Risk Factors*” on page 15.

## Contingent Liabilities

As derived from the Restated Financial Information, our Company does not have any contingent liability as on December 31, 2023.

## Summary of Related party transactions

The following are the details of the related party transactions for the nine months period ended December 31, 2023, and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021, as per Ind AS 24 - Related Party Disclosures, derived from the Restated Financial Information:

(₹ in lakhs)

Sr. No	Related party transactions	For the nine months period ended December 31, 2023	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
1.	Inter-corporate deposit taken	15.76	3.00	-	-
2.	Inter-corporate deposit repaid	(18.76)	-	-	-
3.	Interest expense on inter-corporate deposit	0.95	0.14	-	-
4.	Rent Expenses	18.49	44.31	-	-
5.	Lease Rent	75.00	100.00	-	-
6.	Recovery of shared service charges	91.12	76.65	-	-
7.	Payment of shared service charges	85.93	134.70	-	-
8.	Reimbursement of expenses	67.02	82.94	-	-
9.	Sale of other Assets	-	4.00	-	-



Sr. No	Related party transactions	For the nine months period ended December 31, 2023	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
10.	Compensation to key managerial personnel	373.85	418.50	-	-
11.	Contribution to employee benefit plans	1.50	2.53	-	-

As per the composite scheme of arrangement National Peroxide Limited (currently known as Naperol Investments Limited) ("**Demerged Company**") has continued to manage the operations of demerged business undertaking, hence the inter-se transactions between the demerged & resulting company pertaining to the operations of resulting company including interest, transfer of inventories, sales of goods, assets, employee funds etc. have not been reported here on above. A sum of ₹ 77.32 lakhs as at December 31, 2023 (March 31, 2023- Rs.37.95 lakhs, March 31, 2022 - Nil and March 31, 2021 - Nil) from National Peroxide Limited on account of money held in trust by them for managing the operations of Demerged Undertaking.

For details of the related party transactions, and as reported in the Restated Financial Information, see "*Financial Statements*" on page 110.

### **Financing Arrangements**

There have been no financing arrangements whereby our Promoters, members of our Promoter Group or our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of the financing entity, during a period of six months immediately preceding the date of this Information Memorandum.

### **Weighted average price at which the Equity Shares were acquired by the Promoters in the one year preceding the date of this Information Memorandum**

The weighted average price at which Equity Shares were acquired by our Promoters in the one year preceding the date of this Information Memorandum is not applicable since the Equity Shares were allotted to our Promoters pursuant to the Composite Scheme of Arrangement.

### **Price at which Equity Shares were acquired by the Promoter, members of Promoter Group and other shareholders with right to nominate directors or any other rights in the last three years**

The price at which Equity Shares were acquired by the Promoter, Promoter Group in the last three years preceding the date of this Information Memorandum is not applicable since the Equity Shares were allotted to our Promoter, and Promoter Group, pursuant to the Composite Scheme of Arrangement. Further there are no Shareholders with the right to nominate directors in our Company or any other rights.

### **Weighted average cost of acquisition of all Equity Shares of the Company transacted in the last 18 months and the last three years**

The weighted average cost of acquisition of all Equity Shares transacted in the last 18 months and three years preceding the date of this Information Memorandum is not applicable since the Equity Shares were allotted pursuant to the Composite Scheme of Arrangement.

### **Average cost of acquisition**

The average cost of acquisition per Equity Share for the Promoters is not applicable since the Equity Shares have been allotted pursuant to the Composite Scheme of Arrangement.

### **Issue of Equity Shares for consideration other than cash in the last one year**

Other than the Equity Shares allotted pursuant to the Composite Scheme of Arrangement and as disclosed in the section "*Capital Structure*" on page 35, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Information Memorandum.

### **Spilt or consolidation**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Information Memorandum.



### **Exemption under securities laws**

Our Company was granted an exemption from the application of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 by the SEBI vide the letter no. SEBI/HO/CFD/CFD-RAC-DCR-1 /P/OW /2024/18225/1 dated May 31, 2024.



### SECTION III – RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors together with all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in our Equity Shares.*

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate. In addition, the risks provided in this section may not be exhaustive and additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, financial condition, results of operations and prospects. If any of the following risks (or a combination of them), or other risks that are not currently known or are now deemed immaterial, actually occur, our businesses, financial condition, results of operations, and prospects could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Listing including the merits and risks involved. You should consult your tax, financial and legal advisors about particular consequences of investing in the Equity Shares of the Company.*

*If any or combination of the following risks (or a combination of them), or other risks that are not currently known or are now deemed immaterial, actually occur, our businesses, results of operations and financial condition could suffer, and the trading price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the listing including the merits and risks involved. You should consult your tax, financial and legal advisors about particular consequences of investing in the Equity Shares of the Company. Unless otherwise stated our Company is not in a position to specify or quantify the financial or other risks mentioned herein. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” “Financial Statements” and “Outstanding Litigation and Material Developments” on pages 68, 49, 174, 110 and 199, respectively, as well as the other financial and statistical information contained in this Information Memorandum.*

*Prospective investors should pay particular attention to the fact that we are incorporated under the laws of India and are subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Information Memorandum also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Information Memorandum. For details, see “Forward-Looking Statements” on page 8.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled “Global Hydrogen Peroxide Market Research Report” dated November 2020, “Global Hydrogen Peroxide Market Research Report” dated July 2020 and “Global Peracetic Acid Market Research Report” dated July 2020 which have been exclusively prepared and issued by MarketResearch.biz and is commissioned and paid for by us. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation - Industry and Market Data” on page 6.*

*Unless otherwise stated or the context otherwise requires, references in this section to “we”, “our” or “us” refers to our Company including all the Chemical Business transferred pursuant to Composite Scheme of Arrangement, unless otherwise stated. Shareholders should note that by virtue of the demerger of “Chemical Business” of National Peroxide Limited into our Company, the information in this section includes information which was prior to incorporation of our Company on July 29, 2020.*

*Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Unless context requires otherwise the financial information in this section is derived from our Restated Financial Information unless otherwise stated or unless context requires otherwise.*

#### **Internal Risk Factors**

##### **1. Our dependency on a singular product may impact our business significantly in the longer run.**

In Financial year 2023, majority of our revenue has been generated through hydrogen peroxide business, with a contribution of almost 98%. This concentration on a single product line has the potential to create a



singularity problem where any slight fluctuation in demand may significantly impact the profitability of the Company. Furthermore, a sudden decrease in demand in the downstream industry may pose a crisis for the Company as the market presence is predominantly driven by hydrogen peroxide.

- 2. Our business is dependent on our manufacturing facility and we are subject to certain risks in our manufacturing process. Any unplanned, unscheduled or prolonged disruptions in our manufacturing operations or under-utilization of our manufacturing capacities could materially and adversely affect our business, results of operations, cash flows and financial condition.***

As on the date of this Information Memorandum, we have a single manufacturing facility, located at Kalyan, Maharashtra. Our business is dependent on our ability to efficiently manage our manufacturing facility and operational risks associated with it, including those beyond our reasonable control. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations, including on account of power failure, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour or disagreements with our workforce, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances or infectious disease outbreaks, could reduce our ability to meet the conditions of our contracts and adversely affect sales and revenues from operations in such fiscal period. Disruptions in our manufacturing operations could delay production or require us to temporarily or permanently cease operations at our manufacturing facility and require us to incur additional expenditure to attempt to mitigate such disruption. Further, any significant malfunction or breakdown of our machinery or equipment, may entail significant repair and maintenance costs and cause delays in our operations. We may be subject to manufacturing disruptions in case of any contravention by us of applicable regulatory approvals until such regulatory issues are resolved. In the event that we are forced to shut down our manufacturing facility for a significant period of time, it would materially and adversely affect our earnings, results of operations and financial condition as a whole. We may be required to carry out planned shutdowns of our manufacturing facility for various reasons such as maintenance, inspection, testing and capacity expansion.

Further, the capacity utilization at our manufacturing facility is subject to various factors such as the availability of raw materials, power, water, efficient working of machinery and equipment and optimal manufacturing planning. In the event that we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business prospects and financial performance. Further, if our customers place orders for less than anticipated volume or cancel existing orders or change their policies resulting in reduced quantities being supplied by us, it could result in the under-utilization of our manufacturing capacities. The changes in demand for their products could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production or utilization of our manufacturing capacity for a particular product. Any such mismatch leading to over or under utilization of our manufacturing facility could adversely affect our business, results of operations, financial condition and cash flows.

- 3. We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products are largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders.***

We are the largest manufacturer of hydrogen peroxide in India (*Source: Market Research Report*) and have end uses in four segments namely in pharmaceuticals, pulp and paper, speciality chemicals and textile. All our products and manufacturing processes are subject to stringent quality standards and specifications of our customers. Our customers maintain strict quality standards that includes strict qualification and certification procedures. Our products go through various quality checks at various stages at our manufacturing facility to ensure that their usage is safe and eco-friendly. Failure of our products to meet the quality standards expected by our customers or manufacture products according to prescribed quality specifications, may lead to loss of reputation and goodwill, cancellation of the order by our customers, loss of customers, rejection of the product, which will require us to incur additional cost, that may not be borne by the customer, which could have an adverse impact on our business prospects and financial performance. Also, our Quality is a differentiation factor in comparison with our competitors. Also, any negative publicity regarding our Company, or products, including those arising from any deterioration in the quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.



Any manufacturing or quality control problems may subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations, financial condition and cash flows.

4. ***We derive a significant portion of our revenue from certain customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, financial condition, results of operations and future prospects.***

We are dependent on a limited number of customers for a significant portion of our revenue. As per the Restated Financial Information of our Company, revenues generated from sales to our top five customers contributed approximately 28.00% and 23.00% of our total revenue for the nine months period ended December 31, 2023 and for Fiscal 2023, respectively. While we have developed strong and long-term relationships with certain of our customers, there can be no assurance that our significant customers in the past will continue to place similar orders with us in the future. As our business is currently concentrated on a select number of customers, any adverse development with such customers or significant decrease in business from such key customers may materially and adversely affect our business, results of operations and financial condition.

5. ***We do not have long-term agreements with most of our suppliers of our raw materials (except natural gas) or customers and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

The primary raw material used in our manufacturing process is natural gas, and we have a long term contract for its supply. We usually do not enter into long-term supply contracts with most of our raw material suppliers and typically place orders with them in advance basis our anticipated requirements. We believe that efficient inventory management is a key component of the success of our business, results of operations and profitability and to that end, we maintain a reasonable level of inventory of raw materials, work in progress and finished goods at our manufacturing facility. While we forecast the demand and price for our products and accordingly, plan our production volumes, any error in our forecast due to *inter alia* the international scale of our operations and demand for our products, could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. Additionally, any significant increase in the prices of these raw materials and our inability to pass on increased costs to our customers and disruptions in the supply of raw material may adversely affect our sales, profitability and production schedules.

We typically do not enter into long-term agreements with most of our customers. While we enter into formal agreements with our customers, with the term of such agreements typically not exceeding one year, our relationship with our customers is generally on a non-exclusive basis and accordingly, our customers may choose to cease sourcing our products and choose to source alternative options. Therefore, we cannot be assured that we will receive repeat orders from our existing customers in the future. Additionally, our customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation of orders or the risk of the customer not placing any subsequent orders or might place orders for lesser quantity or non-renewal of contracts. There are also a number of factors, other than our performance, that could cause the loss of a customer such as:

- (a) increase in prices of raw materials and other input costs resulting in an increase in the price of our products;
- (b) changes in customer requirements and preferences.
- (c) changes in governmental or regulatory policy, change in technology etc. Any of these factors may have an adverse effect on our business, results of operations and financial condition.

Further, all our decisions, with respect to production schedules, capacity expansions, personnel requirements and other resource requirements are based on our estimates of our customer orders. If we underestimate or overestimate the demand from our customers, our entire planning and decision-making would be adversely affected, which could result in the loss of business leading to an adverse effect on our results of operations and financial condition.





While there have been no material disputes with suppliers in the past three years that have had an impact on the business operations and financials of our Company, we cannot assure you that we will be able to continue to obtain adequate supplies of our raw materials, in a timely manner, in the future. Any such reductions or interruptions in the supply of raw materials or equipment, and any inability on our part to find alternate sources for the procurement of such raw materials or equipment, may have an adverse effect on our ability to manufacture our products in a timely or cost-effective manner and we may be in breach of our contractual obligations.

**6. *We are susceptible to risks arising from the export of our products to various countries and doing business internationally, including international market conditions and regulatory risks. Exchange rate fluctuations may adversely affect our results of operations.***

We export our products globally with a concentration in middle east and Russia. There are a number of risks in doing business abroad such as risks with respect to interest rate and foreign currency fluctuations, different tax and regulatory environments (particularly with respect to the nature of our products), changes in social, political and economic conditions, the need to recruit personnel combining product skills and local market knowledge, obtaining the necessary clearances and approvals to set up the business and competing with established players in these regions and cost structures in international markets, including those in which we operate, that are significantly different from those that we have experienced in India.

For instance, we may require various approvals, licenses, registrations and permissions for supplying our products to our overseas customers such as the REACH registration with ECHA and other similar registrations with regulatory bodies of various countries. Authorities in different jurisdictions may impose their own requirements or delay or refuse to grant approval, even when our product has already been approved in another country. While, in the past we have not faced any non – compliance with any regulatory requirements, in case we fail to comply with applicable statutory or regulatory requirements in the future, there could be a delay in the submission or grant of approval for marketing new or existing products. Additionally, the approval process for a new product is complex, lengthy and expensive in the international markets into which we sell our products. The time taken to obtain approval varies from country to country and is significantly dependent on that particular country, the customers and the nature of the products for which approval is sought. Further, there may be certain developments in the industries in which our customers operate which in turn may have an impact on our sales from exports. There may be an imposition of certain tariffs, quotas and other tariff and non-tariff trade barriers on our products in jurisdictions in which we operate or seek to sell our products and we may face trade restrictions in the jurisdictions we operate.

These risks may impact our ability to expand our exports in different regions and otherwise achieve our objectives relating to our export operations. Expansion into a market outside of our current operation could require significant capital expenditures and have a material effect on our capital structure. If we pursue an international expansion opportunity, we could face internal or external risks, including, without limitation compliance with multiple and potentially conflicting foreign laws and regulations, import and export limitations and limits on the repatriation of funds. We may be unsuccessful in developing and implementing policies and strategies that will be effective in managing these risks in each country where we have business operations. Our failure to manage these risks successfully could adversely affect our business, operating results and financial condition. Furthermore, we may face competition in other countries from companies that have more experience with operations in such countries or with international operations generally. If we are unable to successfully develop or manage our international operations, it may limit our ability to grow our international business.

We may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies. While we selectively enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to manage our foreign currency risks. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows.



7. ***We are subject to product liability claims. Any potential claims in relation to the quality, use, or otherwise of our products may harm our reputation and/or have an adverse impact on our operations, revenue, and profitability.***

We develop, manufacture and sell hydrogen peroxide, which are primarily used as raw materials for products in end-use industries such as pulp and papers, chemicals, textile and personal care products. The products that we produce are subject to risks such as contamination, adulteration and product tampering during their production, transportation or storage. Defects, if any, in our products could lead to rejection of supplied products and consequential financial claims. We are also exposed to risk associated with product liability claims if the use of our products results in personal injury. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. For defending any product liability claim, we may have to incur substantial legal costs and may also have to divert our management's attention away from business operations. Further, any judgment/award or findings, against us in such a claim, may harm our reputation and may have an adverse impact on our revenue and profitability.

8. ***Non-compliance with increasingly stringent safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations, cash flows and financial condition. Further, we may not be able to renew or maintain the statutory and regulatory permits and approvals required to operate our business.***

Our operations generate pollutants and waste, some of which may be hazardous and therefore, we are subject to various laws and government regulations, including in relation to safety, health, environmental protection and labour laws. These laws and regulations impose controls on air and water discharge, storage, transport, handling, disposal and employee exposure to hazardous substances and other aspects of our manufacturing operations. Improper handling or storage of these materials could result in accidents, injure our personnel, and damage the property and the environment. We obtain the requisite registrations and approvals from time to time and aim to prevent such hazards by training our personnel, conducting industrial hygiene assessments and employing other prescribed safety measures. The occurrence of any such event in the future could have an adverse effect on our business, results of operations, cash flows and financial condition.

In addition, environmental laws and regulations in India have increasingly become more stringent. The scope and extent of the new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, maternity leave, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an ongoing basis to comply with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. If we are unable to remain in compliance with all applicable environmental, health and safety and labour laws, our business, results of operations, cash flows and financial condition may be adversely affected. Further, we may be unable to renew expired approvals or obtain fresh approvals which may adversely affect our operations.

9. ***We have incurred significant indebtedness, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, financial condition, cash flows and credit rating.***

As of December 31, 2023, we had total outstanding borrowings of ₹ 1,132.45 lakhs. We have entered into agreements with certain banks and financial institutions for short-term and long term borrowings, which typically contains restrictive covenants, including the requirement that we obtain consent from or intimate our respective lenders prior to carrying out certain activities and entering into certain transactions including, among others, effecting any change in our Company's capital structure, dilution of the current shareholding of the Promoters and the members of the Promoter Group of our Company, carrying out or entering into any amalgamation, consolidation, demerger, merger, restructuring, reorganization, corporate



reconstruction by our Company, amending the Memorandum of Association or Articles of Association and investing by way of share capital or lending or advancing funds to or placing deposits with any other concerns except in the normal course of our business. These restrictions may limit our flexibility in responding to business opportunities, competitive developments and adverse economic or industry conditions.

Further, a breach of any of the covenants, or a failure to pay interest or indebtedness when due, under this or any of our other financing arrangements, could result in a variety of adverse consequences, including the termination of one or more of our credit facilities, levy of penal interest, the enforcement of any security provided, acceleration of all amounts due under such facilities, right to appoint nominee on our Board and cross-defaults under certain of our other financing agreements, any of which may adversely affect our business, results of operations and financial condition.

Our financing agreements also generally contain certain financial covenants including the requirement to maintain, among others, specified debt-to-equity ratios. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time. We cannot assure you that we will be able to comply with the covenants with respect to our financing arrangements in the future or that we will be able to secure waivers for any such non-compliance in a timely manner or at all. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of funds.

**10. *An inability to effectively manage our growth and identify business opportunities may have a material adverse effect on our business prospects and future financial performance.***

Our ability to achieve our financial objectives relies on our ability to identify, evaluate and accomplish business opportunities. Scaling our business will also require the recruitment, training, supervision and management of new employees, along with the implementation of systems capable of accommodating our growth effectively. However, we cannot assure you that these employees will contribute to our business's success. Failure to identify business opportunities effectively may significantly impact our business, financial condition and results of operations. Additionally, future strategies may differ from our existing ones, and success under various market conditions cannot be assured based on our analyses and planned strategies.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demands in the industry, attract new customers, obtain sufficient financing, control cost of our raw materials, maintain sufficient operational and financial controls and make additional capital investments to take advantage of anticipated market conditions.

Our Company product has substantial demand from varied industries. We thus cater to the requirements of these industries and any slowdown in the growth rate or downward trend in any of these industries directly or indirectly impact our own growth prospects and may result in decline in profits and turnover of sales.

Our business growth could strain our managerial, operational and financial resources. Our ability to manage future growth will depend on our ability to continue to implement and improve operational, financial and management information systems on a timely basis and to expand, train, motivate and manage our workforce. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.



- 11. *A large part of our manufacturing facility is located in one geographic area and therefore, any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Kalyan, Maharashtra or any disruption in production at, or shutdown of, our Manufacturing Facility could have material adverse effect on our business and financial condition.***

Our Manufacturing unit is located in Kalyan, Maharashtra. Accordingly, a large part of our current manufacturing operations is largely concentrated in one geographic area. Further, our manufacturing operations and consequently our business is dependent upon our ability to manage our manufacturing plants, which is subject to operating risks, including those beyond our control. In the event of any disruptions at our manufacturing plants, due to natural or man-made disasters, workforce disruptions, delay in regulatory approvals, fire, failure of machinery, lack of continued access to assured supply of electrical power and water at reasonable costs, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions in and around Bharuch, Gujarat, our ability to manufacture our products may be adversely affected.

In addition to the loss as a result of a fire or industrial accident, any shutdown of our manufacturing plants could result in us being unable to meet with our commitments, result in modification of our business strategy, or require us to incur significant capital expenditure, which will have an adverse effect on our business, results of operation and financial condition.

Disruptions in and around our manufacturing plants could delay production or require us to shut down the manufacturing plants. Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the manufacturing plants may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our manufacturing plants, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

- 12. *We may be subject to employee misconduct, fraud, theft, employee negligence or errors, which could expose us to business risks or losses. Such incidents, including regulatory sanctions may cause serious harm to our reputation and which may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking or delivery. Our industry does not encounter inventory loss on account of employee theft, vendor fraud, and general administrative error. We maintain large amounts of inventory at our Manufacturing Facility at all times and had a total inventory of ₹ 5,125.66 lakhs, as of December 31, 2023. Although we have not experienced any such instances, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future or we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

- 13. *If the industry segments in which we operate get fragmented then we might face competition from other players, which may affect our business operations and financial conditions.***

The industry in which we operate is fragmented in nature. In such cases, the factors that may affect our competitive success include, amongst other things, price, demand for our products, availability of raw materials, brand recognition and reliability. We face competition from both domestic and multinational operations. Our competitors vary in size and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a long history of established businesses and reputations in the Indian market as compared with us. These developments could render our technologies, processes or products obsolete or uncompetitive, which would harm our business and financial condition. Increased competition may also lead to product price erosion in the future as new companies enter the market and/or novel or advanced technologies emerge. Some of our competitors may be willing to operate at lower selling prices in order to gain market share, which may put competitive pressure on the prices of our products. Furthermore, consolidation of market participants in our industry has occurred in recent years, which may continue to occur and may challenge our competitive position and market share.



Additionally, changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. New competitors may include foreign-based companies and domestic producers who could enter our markets. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

**14. Our ability to pay dividends in future will depend on our earnings, financial condition, working capital requirements and future cash flows.**

The decision to pay dividends and the amount of such dividends, if declared, depends on several factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and any other factors that our Board and shareholders deem to be relevant at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. While we have adopted a dividend distribution policy and have issued dividends in the past, we cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. For further details on our dividend policy and dividends paid, see "Dividend Policy" on page 109.

**15. There are outstanding litigations involving our Company, Promoters and Directors. Any adverse outcome in any of these proceedings may adversely affect our results of operations and financial condition.**

In the ordinary course of our business, the Company, our Promoter, our Directors, and Group Companies are involved in certain legal proceedings, pending at varying levels of adjudication before various courts, tribunals and appellate authorities. Any such action may include claims for substantial or unspecified compensatory and punitive damages, as well as civil, regulatory, or criminal proceedings against our Directors, officers or employees, and the probability and amount of liability, if any, may be significant or remain unknown for significant periods of time.

Our Company, Promoters, Directors and Group Companies are involved in certain outstanding legal proceedings, which are pending at different levels of adjudication at different forums. Brief details of such outstanding litigation are as follows:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigation	Aggregate amount involved (₹ In crores)
<b>Company</b>						
By our Company	1	Nil	Nil	N.A.	1	36
Against our Company	Nil	Nil	Nil	N.A.	1	8.50
<b>Directors</b>						
By our Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against our Directors	3	Nil	1	N.A.	Nil	Nil
<b>Promoters</b>						
By our Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against our Promoters	5	4	Nil	1	Nil	55.87

For further details, please see section titled "Outstanding Litigations and Material Developments" given on page 199.

We cannot assure you that any of these on-going matters will be settled in favour of Company, Promoters and Directors, respectively, or that no further liability will arise out of these proceedings. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. Any adverse outcome in any of these proceedings may have an adverse effect on our results of operations and financial condition. Furthermore, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with our Company. We cannot assure you that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.





16. ***Industry information included in this Information Memorandum has been derived from an industry report prepared by MarketResearch.biz and paid by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

Certain information in the sections entitled “Our Business” “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 68, 49, and 174, respectively, includes information that is derived from the industry report prepared by MarketResearch.biz. We have commissioned this report for the purpose of confirming our understanding of the industry in connection with this Information Memorandum. Neither we, nor any other person connected with the listing has verified the information in the Market Research Report. MarketResearch.biz has advised that while it has taken due care and caution in preparing the report based on information obtained from sources which it considers reliable, it does not guarantee the accuracy, adequacy or completeness of the Market Research Report or the data therein and is not responsible for any errors or omissions or for the results obtained from the use of Market Research Report or the data therein. The Market Research Report highlights certain industry and market data relating to our Company and our competitors. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that assumptions made by MarketResearch.biz are correct or will not change and accordingly our position in the market may differ from that presented in this Information Memorandum. Further, the Market Research Report is not a recommendation to invest or disinvest in the Company or any company covered in the report. Prospective readers are advised not to unduly rely on the Market Research Report when making their investment decision.

We have not independently verified data obtained from official and industry publications and other sources referred to in this Information Memorandum and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. Therefore, discussions of matters relating to India, its economy, and the industries in which we currently operate are subject to the caveat that the third-party and statistical data upon which such discussions are based may be incomplete or unreliable. For details, see “Industry Overview” on page 49.

17. ***Promoter and members of the Promoter Group will be able to exercise significant influence and control over our Company and may have interests that are different from those of our other shareholders.***

As of the date of this Information Memorandum and after listing of our Equity Shares on BSE, our Promoters and members of Promoter Group collectively hold 40,66,659 Equity Shares, representing 70.76% of the total voting rights of our Company. By virtue of its shareholding, our Promoters and members of the Promoter Group will have the ability to exercise significant influence over affairs and businesses of our Company, the timing and payment of dividends, the adoption of amendments to our Memorandum of Association and Articles of Association, the approval of a merger, amalgamation or sale of our assets and the approval of most other actions requiring the approval of our Shareholders. The interests of Promoter and members of Promoter Group may be different from or conflict with the interests of our other Shareholders and their influence may result in a change of management or control of our Company, even if such a transaction may not be beneficial to our other shareholders.

18. ***Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Senior Management as well as our ability to attract and retain skilled personnel. Any loss of Directors, Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations.***

Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Directors or Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoters for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Senior





Management are unable or unwilling to continue in his or her present position, we cannot assure that we will be able to find a suitable replacement in a timely manner or at all.

In addition, our ability to retain and attract qualified individuals is critical to our success. These executives possess technical and business capabilities that may be difficult to replace. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel.

**19. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. For details of our related party transactions, see “*Information Memorandum Summary – Summary of Related Party Transactions*” and “*Financial Statements*” on pages 12 and 110, respectively. While we believe that all such transactions have been conducted on an arm’s length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. Although all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the SEBI Listing Regulations. we cannot assure you that such transactions in the future, individually or in the aggregate, will not have an adverse effect on our business, results of operations, cash flows and financial condition.

**20. *Significant disruptions of our information technology systems and/or infrastructure or breaches of our data security could adversely affect our business.***

A significant invasion, interruption, destruction or breakdown of our information technology systems and/or infrastructure by persons with authorized or unauthorized access could negatively impact our business and operations. In the ordinary course of our business, we collect and store sensitive data in our data centers and on our networks, including intellectual property, proprietary business information and personally identifiable information of our employees. We could also experience business interruption, information theft, legal claims and liability, regulatory penalties and/or reputational damage from cyber-attacks, which may compromise our systems and lead to data leakage either internally or at our third party providers. Our systems may be the target of malware and other cyber-attacks. Although we have not encountered any significant disruptions or breaches that have had a material impact on our financial condition and/or operations and have invested in measures to reduce these risks we cannot guarantee that these measures will be successful in preventing compromise and/or disruption of our information technology systems and/or infrastructure and related data. In addition, we may be subject to claims as a result of any theft or misuse of personal information of customers stored on our systems, all of which could adversely affect our results of operations and financial condition.

**21. *We require substantial financing for our business operations and planned capital expenditures and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability. Our ability to access capital at attractive costs depends on the credit ratings.***

We require substantial capital for our business operations and our planned capital expenditures. The actual amount and timing of our future capital requirements may differ from our current estimates. This could result from unforeseen delays or cost overruns in developing our products, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceeds our available resources, we will need to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to adhere to more restrictive covenants in our financing agreements and additional equity financing could dilute our earnings per Equity Share and your interest in our Company and could adversely impact price of our Equity Shares.

Our ability to obtain additional financing on favourable terms, if at all, will depend on several factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. Our ability to raise debt financing



on acceptable terms also depends on our credit ratings. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, our financial condition and the results of operations.

In addition, the availability and cost of capital, among other factors, depend on the credit ratings obtained by NPL. The most recent credit rating for NPL, reviewed by India Ratings & Research Private Limited and provided in their rating letter dated April 25, 2023, is as follows:

Instrument Type	Size Issue	Rating
<b>Working Capital Limits</b>	₹ 250 millions	IND A/ Stable/IND A1
<b>Term Loan</b>	₹ 141.2 millions	IND A/ Stable

Our credit rating reflects, amongst other things, the rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, poor ratings, or any downgrade in our ratings may increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business and results of operations. In addition, the non-availability of credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

**22. *Our Promoters, Directors and Key Managerial Personnel are interested in our Company in addition to their remuneration and reimbursement of expenses.***

Certain of our Promoters, Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, in addition to transactions disclosed at "Financial Statements" on page 110, such Promoters, Directors and Key Managerial Personnel may also be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses, or other distributions on such Equity Shares. We cannot assure you that our Promoters, Directors and our Key Managerial Personnel, if they are also our shareholders, will exercise their rights as shareholders to the benefit and best interest of our Company.

**23. *Our operations are labour intensive, and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our operations are labour intensive, and we are dependent on a large labour force for our manufacturing operations. As of December 31, 2023, we had a team of 123 permanent employees across various departments. Also, we also engage individuals on a contract basis as per the requirements of our operations, thereby leveraging specialized skills when needed. The success of our operations depends on the availability of labour and maintaining a good relationship with our workforce. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. While we have not experienced any major prolonged disruption in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. We cannot assure you that our relations with our employees shall remain cordial at all times and that employees will not undertake or participate in strikes, work stoppages or other industrial actions in the future. Any labour disruption may adversely affect our manufacturing operations either by increasing our cost of production or halt a portion or all our production.

**24. *Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business.***

With a view to improving our market position and fostering business growth, we plan to adopt several business strategies, which include:

- Deepening relationships with existing customers through co-development and strategic alliances;
- Entering new product value chains; and



- Developing long-term contracts and manufacturing outsourcing.

Our strategy may not succeed due to various factors, including our inability to reduce our debt and our operating costs, our failure to develop new products and services with sufficient growth potential as per the changing market preferences and trends, our failure to execute agreements with our technology and strategic partners, our failure to effectively market these new products and services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in Government of India policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. Any failure on our part to implement our strategy due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, financial condition and results of operations. For further details of our strategies, see “*Our Business*” on page 68.

**25. *Our performance may be adversely affected if we are not successful in forecasting customer demands, managing our inventory or working capital.***

We maintain high inventory levels of approximately two months of raw material inventory. In addition, the substantial number of products in our portfolio leads to a high finished goods inventory. We evaluate our inventory balances of materials based on shelf life, expected sourcing levels, known uses and anticipated demand based on forecasted customer order activity and changes in our product sales mix. Efficient inventory management is a key component of the success of our business, financial condition and results of operations. To be successful, we must maintain sufficient inventory levels and an appropriate product sales mix to meet our customers’ demands, without allowing those levels to increase to such an extent that the costs associated with storing and holding other inventory adversely affects our results of operations. Our inventory levels have increased significantly over the last three fiscal years. If our raw materials purchase decisions do not accurately predict sourcing levels, customer trends or our expectations about customer demands and needs are inaccurate, we may have to take unanticipated markdowns or impairment charges to dispose of the excess or obsolete inventory, which can adversely affect our results of operations. In addition, our working capital requirements have increased in recent years due to the general growth of our business. If a client defaults in making its payment on a product to which we have devoted significant resources, it may also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses. All of these factors may result, or have resulted, in increases in our working capital requirements. If we are unable to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms or at all, it may adversely affect our business, financial condition, results of operations and prospects.

**26. *The demand of our products in foreign countries is subject to international market conditions and regulatory risks that could adversely affect our business, financial condition, and results of operations.***

We export our products to several countries. Therefore, any developments in the global chemical industry or the industries in which our customers operate could have an impact on our sales from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the international boundaries, where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments. Any such imposition of trade barriers may have a material adverse effect on our business, financial condition, and results of operations.

**27. *We engage contract labour for carrying out certain business operations.***

In order to retain operational efficiencies, we engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing units as well as at our offices. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our business, financial condition, and results of operations.



**28. *Relying significantly on imported raw materials poses a potential threat to our business, as any changes in cross-country trade regulations could have adverse effects***

The main raw material used in our production of hydrogen peroxide is natural gas, which is a product heavily imported by India. Our Company's profitability may be impacted by any stringent regulatory changes that affect import expenses. Moreover, production cuts in the source regions may pose a potential threat to both import quantity and expense, for both the country and the Company.

**29. *We require various licenses, registrations, approvals and permits to operate our business and the failure to obtain or renew these licenses or approvals in a timely manner, or at all, may adversely affect our business, results of operations and financial condition.***

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business and for our manufacturing facility. A majority of these approvals are granted for a limited duration. For further details, please see section titled "*Government Approvals*" on page 204. Most of these approvals and licenses are subject to ongoing inspection and compliance requirements and are valid only for a fixed period of time subject to renewal. Additionally, we may need to apply for more approvals in the future including renewal of approvals that may expire from time to time. If we fail to renew, obtain or retain any of such approvals, in a timely manner, or at all, our business and operations may be adversely affected. Amongst the laws that we must adhere to, environmental, health and safety laws and regulations are the most critical laws. These include laws and regulations that limit the discharge of pollutants into the air and water and establish standards for the treatment, storage and disposal of hazardous waste materials, amongst others. Significant fines and penalties may be imposed for non-compliance with such environmental laws. We are also inspected at regular intervals by environmental protection agencies, such as state pollution control boards, to ensure our compliance with applicable laws and regulations. We are also required to obtain permits from governmental authorities for certain aspects of our operations. These laws, regulations and permits may require us to purchase and install pollution control equipment or to make operational changes to limit impacts or potential impacts on the environment and/or health of our employees. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses, registrations and approvals could expose us to legal action, compliance costs or liabilities, or could affect our ability to continue to operate at the locations or in the manner in which we have been operating thus far.

**30. *An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to various risks inherent in the chemical manufacturing industry including defects, malfunctions and failures of manufacturing equipment, work accidents, fire, riots, strikes, floods, loss-in-transit for our products, accidents and other force majeure events. To mitigate these risks, we adhere to Industry all risks policies, which outlines our comprehensive approach to risk management. This policy encompasses measures to enhance safety, prevent accidents, and safeguard our operations and assets. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost, or at all. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. For further information on the insurance policies availed by us, see "*Our Business - Insurance*" on page 72.

**31. *We are dependent on third party transportation and logistics service providers. Any increase in the charges of these entities could adversely affect our business, results of operations and financial condition.***

Pursuant to certain of our arrangements with our customers, based on customer preferences, we are required to pay the freight costs for the products we sell. In addition, we may have to pay for transportation costs in



relation to the delivery of some of the raw materials and other inputs to our manufacturing facility. We do not own any vehicles for procurement of raw materials and the transportation of our products to our customers, we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. However, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers and engage their services, as and when required, on spot basis. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, financial condition and results of operations.

A sizeable portion of our expenses is due to freight, carriage and transport and freight and forwarding expense and export freight charges. We are subject to the risk of increases in freight costs. If we cannot fully offset any increases in freight costs, through increases in the prices for our products, we would experience lower margins. In addition, any increase in export tariffs also will increase expenses which in turn may adversely affect our business, financial condition and results of operations.

While we believe we have adequately insured ourselves against the risk involved in maritime transport, we may be responsible for the transport of our products and accordingly be exposed to the risk of theft, accidents and/or loss of our products in transit. While there have been no material instances of theft, accident, or loss in the past five years, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could have an adverse effect on our business, financial condition and results of operations.

### **External Risk Factors**

#### **32. *Changes in Government Policies may have an adverse impact on the business and operations of our Company***

Since 1991, the Government of India has pursued policies of economic liberalization, including relaxing restrictions on the private sector. We cannot provide any assurance that the process of liberalization will be sustained in future. There could be a slowdown in the pace of economic development. The rate of economic liberalization could change specific laws and policies, foreign investment, currency exchange rates and other matters affecting investing in our securities could change as well. Any adverse change in Government policies relating to the sugar industry in general may have an impact on our profitability.

#### **33. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following illustrative external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- Increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- Political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- Instability in other countries and adverse changes in geopolitical situations;
- Civil unrest, local agitation, acts of violence, terrorist attacks, regional conflicts or situations or war;
- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years; and
- Contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. A worsening of the current COVID-19 pandemic or any similar





future outbreaks of COVID-19, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

**34. *Significant differences exist between Ind AS and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.***

The Restated Financial Information included in this Information Memorandum have been prepared in accordance with Indian Accounting Standards (IND AS). We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Information Memorandum, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Information, included in this Information Memorandum, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Information Memorandum should be limited accordingly.

**35. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**36. *Significant increases in the price of or shortages in the supply of crude oil could adversely affect the Indian economy in general, which could have an adverse effect on our business, financial condition and results of operations.***

India relies significantly on imports to meet its requirements of crude oil. Crude oil prices are volatile and are subject to several factors, including the level of global production and political factors, such as war and other conflicts, particularly in the Middle East, where a substantial proportion of the world's oil reserves are located. Any significant increase in the price of or shortages in the supply of crude oil could adversely affect the Indian economy in general and consequently an adverse effect on our business, financial condition and results of operations.

**37. *Our businesses and activities may be regulated under competition laws in India, and any adverse application or interpretation of such laws could adversely affect our business, financial condition, results of operations and prospects.***

The Competition Act regulates practices that could have an appreciable adverse effect on competition in the relevant market in India. Any adverse application or interpretation of the Competition Act could adversely affect our business, financial condition, results of operations and prospects. Under the Competition Act, any arrangement, understanding or action in concert, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may result in substantial monetary penalties and compensation to be paid to persons shown to have suffered losses. Any agreement among competitors, which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or a





number of customers in the market, is presumed to have an appreciable adverse effect on competition. Further, the Competition Act prohibits abuse of a dominant position by any enterprise, directly or indirectly, including by way of unfair or discriminatory pricing or conditions in the sale of goods or services, limiting the production of goods, provision of services, or technical or scientific developments relating to goods or services to the prejudice of consumers, using a dominant position in one relevant market to enter into, or protect, another relevant market, denial of market access, or making the conclusion of contracts subject to acceptance of unrelated supplementary obligations. Such practices are subject to substantial monetary penalties and may also be subject to compensation for losses and orders to divide the enterprise. If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, proceedings initiated by the Competition Commission of India (the “CCI”), any claim by any party under the Competition Act, or any adverse publicity due to scrutiny or prosecution under the Competition Act, including financial penalties, our business, financial condition, results of operations and prospects may be adversely affected. Acquisitions, mergers and amalgamations that exceed certain revenue and asset thresholds require prior approval by the CCI. Any acquisitions, mergers or amalgamations that have an appreciable adverse effect on competition in India may be subject to remedial measures proposed by the CCI. We cannot assure you that we will be able to obtain approval for any such future transactions on satisfactory terms, or at all.

- 38. *Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares. Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India.***

Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax (“STT”), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

- 39. *Any downgrading of India’s sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Share.

- 40. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw



materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customer, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. We cannot assure you that Indian inflation levels will not worsen in the future.

### **Risks relating to our Equity Shares**

**41. *Any future issuance of the Equity Shares or sales of the Equity Shares by any of our Company's significant shareholders may adversely affect the trading price of our Equity Shares.***

A future issuance of Equity Shares by us may dilute your shareholding in the Company. There are no restrictions on our ability to issue further Equity Shares, including allotment of any securities to the Promoters, other than as stipulated under applicable laws. The issue and allotment of Equity Shares by us to third parties would result in a dilution of your shareholding and rights in the Company. Moreover, any significant disposal of Equity Shares by any of our significant shareholders, or the perception that such sales will occur, may affect the trading price of our Equity Shares. There is no restriction on our shareholders to dispose of a part or the entirety of their shareholding in the Company, which could lead to a negative sentiment in the market regarding the Company that could in turn impact the value of the Equity Shares.

**42. *The price of our Equity Shares may be volatile.***

The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, risks stated in this section, market conditions specific to the financial services industry, perception in the market about investments in or estimates by financial analysts of us and our industry, developments relating to India, and volatility in the stock exchanges and securities markets elsewhere in the world.



## SECTION IV – INTRODUCTION

### GENERAL INFORMATION

National Peroxide Limited (*formerly known as NPL Chemicals Limited*) (“**Company**” or “**Resulting Company**”) was incorporated on July 29, 2020, as a public limited company incorporated under the Companies Act, 2013, pursuant to a certificate of incorporation dated August 5, 2020, issued by the Registrar of Companies, Maharashtra at Mumbai. Pursuant to the Composite Scheme of Arrangement, the name of the Company has been changed to National Peroxide Limited and a fresh certificate of incorporation dated January 31, 2024, was issued by the Registrar of Companies, Maharashtra at Mumbai. For further details, please see section titled “*History and Certain Corporate Matters*” on page 79.

#### Registered and Corporate Office of our Company

The address and certain other details of our Registered Office is as follows:

Neville House, J. N. Heredia Marg  
Ballard Estate, Mumbai 400 001  
Maharashtra, India  
**Telephone:** +91 22 6662 0000

#### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follows:

- (a) Registration Number: 342890
- (b) Corporate identity number: U24290MH2020PLC342890

#### Registrar of Companies

Our Company is registered with the Registrar of Companies, Maharashtra at Mumbai, which is situated at the following address:

#### Registrar of Companies, Maharashtra at Mumbai

100, Everest, Marine Drive  
Mumbai 400 002  
Maharashtra, India

#### Board of Directors

The Board of Directors of our Company as on the date of this Information Memorandum are as under:

Name & Designation	Designation	DIN	Address
Ness Nusli Wadia	Chairman and Non-Executive Director	00036049	Beach House, P. Balu Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India
Minnie Bodhanwala	Non-Executive Director	00422067	101, Gulmohar House, 3rd Road, TPS IV, Almeida Park, Bandra (West), Mumbai 400 050, Maharashtra, India
Viraf Mehta	Independent Director	00352598	K3/63, M. Cama Park, Cama Road, Andheri (West), Mumbai 400 058, Maharashtra, India
Parvathi Menon	Independent Director	02874749	35, ELK Hill Estate, Coonoor, The Nilgiris, Tamil Nadu 643 104, Chennai, India
Jaivir Singh	Independent Director	01362930	B-10, Anand Niketan, New Delhi 110 021, India
Rajiv Arora	CEO and Executive Director	08730235	C-164(GF), South City 2, Sohna Road, Sector - 49, Gurgaon 122 018, Haryana, India

For further details, see “*Our Management*” on page 86.

#### Company Secretary and Compliance Officer:

Amish Shah is the Company Secretary and Compliance Officer of the Company. His contact details are as under:



**Amish Shah**

Neville House, J. N. Heredia Marg,  
Ballard Estate,  
Mumbai 400 001,  
Maharashtra, India  
**Telephone:** +91 22 6662 0000  
**E-mail:** investorrelations@naperol.com

**Legal Advisors to the Listing****Khaitan & Co**

10<sup>th</sup> & 13<sup>th</sup> Floors, Tower 1C  
One World Centre  
841 Senapati Bapat Marg  
Mumbai 400 013, Maharashtra, India  
**Tel:** +91 22 6636 5000

**Bankers to our Company****ICICI Bank Limited**

Backbay Reclamation, Churchgate  
Mumbai 400 020  
Maharashtra, India  
**Telephone:** +91 99752 90185  
**E-mail:** shivani.shivani6@icicibank.com

**Standard Chartered Bank**

Raheja Tower – BKC, Raheja Towers, Unit 3  
Ground Floor, Plot No. C-30, G Block  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051  
Maharashtra, India  
**Telephone:** +91 87672 76980/ +91 98195 34775  
**E-mail:**  
ankush.badhe@sc.com/Mitterpal.Suri@sc.com

**Canara Bank**

Mumba Mohone Branch, Mohone  
Kalyan, Thane 421 102  
Maharashtra, India  
**Telephone:** +91 81496 45660  
**E-mail:** cb0212@canarabank.com

**Bank of Baroda**

Orient House, Ballard Estate  
Mumbai 400 001  
Maharashtra, India  
**Telephone:** +91 84560 44558/ +91 93045 89565  
**E-mail:** BALBOM@bankofbaroda.com

**Registrar and Share Transfer Agent****Link Intime India Private Limited**

C-101, 1st Floor, 247 Park  
L.B.S. Marg, Vikhroli (West)  
Mumbai 400 083, Maharashtra, India  
**Telephone:** +91 81081 16767  
**E-mail:** rnt.helpdesk@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Investor grievance E-mail:** rnt.helpdesk@linkintime.co.in  
**Contact Person:** Savali Borchate  
**SEBI Registration No.:** INR000004058  
**Statutory Auditors**

**Kalyaniwalla & Mistry LLP, Chartered Accountants**

Esplanade House, 29  
29, Hazarimal Somani Marg  
Fort, Mumbai 400 001  
Maharashtra, India  
**Telephone:** +91 22 6158 6200 / +91 22 6158 7200  
**E-mail:** auditors@kmlp.in  
**Firm registration number:** 104607W/W100166  
**Peer review number:** 013324



### **Changes in Auditors**

There has been no change in statutory auditors of the Company during the last three years.

### **Filing**

A copy of this Information Memorandum has been filed with BSE.

### **Authority for Listing**

The NCLT, through its order dated May 4, 2023 (certified true copy of the order was received on May 25, 2023), sanctioned the Composite Scheme of Arrangement. In accordance with the Composite Scheme of Arrangement, the Equity Shares of our Company issued pursuant to the Composite Scheme of Arrangement shall be listed and admitted to trading on the BSE. Such admission and listing are not automatic and will be subject to fulfilment of the respective listing criteria of BSE by our Company and also subject to such other terms and conditions as may be prescribed by the BSE at the time of the application made by our Company to the BSE for seeking approval for listing.

### **Eligibility Criteria**

There being no initial public offering or rights issue, the eligibility criteria prescribed under the SEBI ICDR Regulations are not applicable. However, SEBI vide its letter no. SEBI/HO/CFD/CFD-RAC-DCR-1 /P/OW /2024/18225/1 dated May 31, 2024, granted relaxation of Rule 19(2)(b) of the SCRR to our Company pursuant to an application made by our Company to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular.

Our Company has submitted this Information Memorandum, containing information about our Company, making disclosures in line with the disclosure requirement for public issues, as applicable, to BSE and this Information Memorandum shall be made available to public through the website of the BSE at [www.bseindia.com](http://www.bseindia.com). Our Company shall also make this Information Memorandum available on its website at [www.naperol.com](http://www.naperol.com). Our Company has published an advertisement in the newspapers containing the details in terms of Para II (A)(5) of the SEBI Circular. The advertisement drew specific reference to the availability of this Information Memorandum on our Company's website.

### **General Disclaimer from our Company**

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisements to be published in terms of Para II (A)(5) of the SEBI Circular or any other material issued by or at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by our Company to the public at large and no selective or additional information would be available for a section of the investors in any manner.



## CAPITAL STRUCTURE

### Equity Share Capital

#### A. Equity Share capital of our Company prior to Composite Scheme of Arrangement

	Particulars	Amount in (₹)
<b>I</b>	<b>AUTHORIZED SHARE CAPITAL</b>	
	10,000 Equity Shares of ₹10 each	100,000
<b>II</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
	10,000 Equity Shares of ₹ 10 each	100,000
<b>III</b>	<b>SECURITIES PREMIUM</b>	
	Prior to the Composite Scheme of Arrangement	Nil

#### B. Equity Share capital of our Company post Composite Scheme of Arrangement

	Particulars	Amount in (₹)
<b>I</b>	<b>AUTHORIZED SHARE CAPITAL</b>	
	1,00,00,000 Equity Shares of ₹10 each	10,00,00,000
<b>II</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
	57,47,000 Equity Shares of ₹ 10 each	5,74,70,000
<b>III</b>	<b>SECURITIES PREMIUM</b>	
	Post the Composite Scheme of Arrangement	Nil

### Notes to the capital structure

#### 1. Equity Share capital history of our Company

The history of the Equity Share capital of our Company is provided in the following table:

Date of Issue / Allotment	No. of Equity Shares issued / Allotted	Issue price / buy back price per Equity Share (₹)	Nature of allotment	Nature of consideration	Cumulative no. of Equity Shares	Cumulative paid-up Equity Share capital (₹)
<b>Equity shares of the face value of ₹ 10 Each</b>						
September 24, 2020	10,000	10	Initial subscription to the Memorandum of Association	Cash	10,000	100,000
September 27, 2023	57,47,000	10	Allotment pursuant to Composite Scheme of Arrangement	Other than cash <sup>1</sup>	57,57,000	57,570,000
September 27, 2023	(10,000)	-	Cancellation of shares pursuant to Composite Scheme of Arrangement	-	57,47,000	57,470,000

<sup>(1)</sup> Allotment of 57,47,000 Equity Shares to the eligible shareholders of NPL as on the record date fixed for the purpose i.e., September 25, 2023, pursuant to the Composite Scheme of Arrangement.

#### 2. Equity Shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves

- (a) Our Company has not issued any Equity Shares out of its revaluation reserves since its incorporation.
- (b) Except as stated below, our Company has not allotted any Equity Shares for consideration other than cash or by way of bonus issue, as on the date of this Information Memorandum.





Date of Allotment	No. of Equity Shares	Face Value per Equity Share (₹)	Issue Price / per Equity Share (₹)	Reason/ Nature of Allotment	Details of benefits accrued to our Company, if any
September 27, 2023	57,47,000	10	10	Pursuant to Composite Scheme of Arrangement <sup>(1)</sup>	See “Composite Scheme of Arrangement” on page 82.

<sup>(1)</sup> Allotment of 57,47,000 Equity Shares to the eligible shareholders of NPL as per the share entitlement ratio i.e., 1:1 pursuant to the Composite Scheme of Arrangement.

### 3. Issue of Equity Shares pursuant to Composite Scheme of Arrangement

Except as stated below, our Company has not allotted any Equity Shares pursuant to a scheme of arrangement, as on the date of this Information Memorandum.

Date of allotment	Number of Equity Shares	Face value per Equity Share (₹)	Issue price/Buy Back Price per Equity Share (₹)	Reason/ Nature of allotment	Details of benefits accrued to our Company, if any
September 27, 2023	57,47,000	10	10	Allotted pursuant to Composite Scheme of Arrangement <sup>1</sup>	See “Composite Scheme of Arrangement” on page 82.

<sup>(2)</sup> Allotment of 57,47,000 Equity Shares to the eligible shareholders of NPL as on the record date fixed for the purpose i.e., September 25, 2023, pursuant to the Composite Scheme of Arrangement.

For further details of the Composite Scheme of Arrangement, see “Composite Scheme of Arrangement” on page 82.



4. Shareholding pattern of our Company prior and post Composite Scheme of Arrangement

(a) The shareholding pattern of our Company, prior to the allotment of Equity Shares pursuant to the Composite Scheme of Arrangement is as under:

Category (I)	Category of Shareholder (II)	Number of Shareholders <sup>^</sup> (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of Equity Shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	Number (a)	As a % of total Equity Shares held (b)	Number (a)		As a % of total Equity Shares held (b)
								Class X e.g.: Equity Shares	Class Y e.g.: Others	Total								
(A)	Promoter and Promoter Group	7	10,000	-	-	10,000	100	-	-	-	-	100	-	-	-	-	Nil	
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Equity Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Equity Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total (A+B+C)</b>	<b>7</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Nil</b>	

<sup>^</sup> Including 6 nominees.



(b) The shareholding pattern of our Company, post allotment of Equity Shares pursuant the Composite Scheme of Arrangement is as under:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of Equity Shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)			Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights		Total as a % of (A+B + C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class X e.g.: Equity Shares	Class Y e.g.: Others	Total							
(A)	Promoter and Promoter Group	10	40,66,659	-	-	40,66,659	70.76	40,66,659	-	40,66,659	70.76	-	-	-	-	-	40,66,659
(B)	Public	18,352	16,80,341	-	-	16,80,341	29.24	16,80,341	-	16,80,341	29.24	-	-	-	-	-	16,80,341
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Equity Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	N.A.	-	-	N.A.	N.A.	-
(C2)	Equity Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	N.A.	N.A.	-
	<b>Total</b>	<b>18,362</b>	<b>57,47,000</b>	-	-	<b>57,47,000</b>	<b>100</b>	<b>57,47,000</b>	-	<b>57,47,000</b>	<b>100</b>	-	-	-	-	-	<b>57,47,000</b>

NA denotes "Not Applicable."



#### 5. Major Shareholders of our Company two years prior to date of this Information Memorandum

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, as of two years prior to date of this Information Memorandum:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Composite Scheme of Arrangement Equity Share Capital	% of the pre-Composite Scheme of Arrangement Equity Share Capital on a fully diluted basis
1.	National Peroxide Limited	10,000*	100	100
	<b>Total</b>	<b>10,000</b>	<b>100</b>	<b>100</b>

\*Includes six shares held with nominees

#### 6. Major Shareholders of our Company one year prior to the date of this Information Memorandum

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to date of this Information Memorandum:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Composite Scheme of Arrangement Equity Share Capital	% of the pre-Composite Scheme of Arrangement Equity Share Capital on a fully diluted basis
1	National Peroxide Limited	10,000*	100	100
	<b>Total</b>	<b>10,000</b>	<b>100</b>	<b>100</b>

\*Includes six shares held with nominees

#### 7. Major Shareholders of our Company 10 days prior to the date of this Information Memorandum

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, as of 10 days prior to date of this Information Memorandum:

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the post- Composite Scheme of Arrangement Equity Share Capital	% of the post-Composite Scheme of Arrangement Equity Share Capital on a fully diluted basis
1.	Nowrosjee Wadia And Sons Limited	17,69,125	30.78	30.78
2.	Baymanco Investments Limited	11,71,500	20.38	20.38
3.	Macrofil Investments Limited	7,46,609	12.99	12.99
4.	The Bombay Burmah Trading Corporation Limited	2,24,000	3.90	3.90
5.	The Bombay Dyeing And Manufacturing Company Limited	61,000	1.06	1.06

#### 8. Major Shareholders of our Company as on the date of this Information Memorandum

Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our Company, as on date of this Information Memorandum:



S. No.	Name of the Shareholder	Number of Equity Shares held	% of the pre- Composite Scheme of Arrangement Equity Share Capital	% of the pre- Composite Scheme of Arrangement Equity Share Capital on a fully diluted basis
1.	Nowrosjee Wadia And Sons Limited	17,69,125	30.78	30.78
2.	Baymanco Investments Limited	11,71,500	20.38	20.38
3.	Macrofil Investments Limited	7,46,609	12.99	12.99
4.	The Bombay Burmah Trading Corporation Limited	2,24,000	3.90	3.90
5.	The Bombay Dyeing And Manufacturing Company Limited	61,000	1.06	1.06

#### 9. Details of Equity Shares held by our Directors and Key Managerial Personnel and Senior Management

Except as stated below, there are no other Directors or Key Managerial Personnel or Senior Management who hold Equity Shares in our Company as on the date of this Information Memorandum:

S. No.	Name of Director	No. of Equity Shares held post allotment of shares pursuant to the Composite Scheme of Arrangement	% of Post scheme Capital
1	Ness Nusli Wadia	4,600	0.08

#### 10. Shareholding of our Promoters

As on the date of this Information Memorandum, our Promoters hold 20,925 Equity Shares, equivalent to 0.36% of the issued, subscribed and paid-up Equity Share capital of our Company and the members of our Promoter group (except those named as Promoters) hold 40,45,734 Equity Shares, equivalent to 70.40% issued, subscribed and paid-up Equity Share capital of our Company. Together, our Promoters and remaining members of our Promoter Group hold 40,66,659 Equity Shares, equivalent to 70.76% of the issued, subscribed and paid-up Equity Share capital of our Company.

The build-up of the Shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Name of the Promoter	Nature of the Issue	Date of allotment/ Transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Nature of Consideration	Percentage of the pre- Composite Scheme of Arrangement capital (%)	Percentage of the Post- Composite Scheme of Arrangement capital (%)
<b>Ness Nusli Wadia</b>								
Ness Nusli Wadia	Pursuant to the Composite Scheme of Arrangement	September 27, 2023	4,600	10	-	-	-	0.08
<b>Nusli Neville Wadia</b>								
Nusli Neville Wadia	Pursuant to the Composite Scheme of Arrangement	September 27, 2023	16,325	10	-	-	-	0.28

As on the date of this Information Memorandum, all of the Equity Shares held by our Promoters are fully paid up and none of such Equity Shares have been pledged in any manner. Further, all Equity shares held by our Promoters are in dematerialized form.



## 11. Details of Equity Shares held by the members of our Promoter Group

Except as stated below, none of the members of our Promoter Group hold Equity Shares in our Company as on the date of this Information Memorandum:

Sl. No.	Name of person/ entity	Number of Equity Shares held	% to the paid up Share Capital
<b>Members of the Promoter Group</b>			
1.	Varnilam Investments and Trading Company Limited	16,750	0.29
2.	The Bombay Dyeing and Manufacturing Company Limited	61,000	1.06
3.	The Bombay Burmah Trading Corporation Limited	2,24,000	3.90
4.	Nowrosjee Wadia and Sons Limited	17,69,125	30.78
5.	Macrofil Investments Limited	7,46,609	12.99
6.	Dina Neville Wadia	5,250	0.09
7.	Baymanco Investments Limited	11,71,500	20.38
8.	Ben Nevis Investments Limited	51,500	0.90
	<b>Total</b>	<b>40,45,734</b>	<b>70.39</b>

12. As on the date of this Information Memorandum, none of the Equity Shares held by our Promoter are pledged.
13. As on the date of this Information Memorandum, there are no outstanding warrants, options, convertible securities, including any outstanding warrant or rights to convert debentures, loans or other instruments into Equity Shares.
14. Except for the allotment of the Equity Shares pursuant to the Composite Scheme of Arrangement, no Equity Shares have been issued pursuant to a scheme approved under Sections 230 to 232 of the Companies Act, 2013.
15. As on date of this Information Memorandum, our Company does not have any outstanding employee stock option scheme.
16. Our Company has not issued any Equity Shares out of revaluation reserves.
17. Our Company, our Directors and our Promoters have not entered into any buy-back, standby, or similar arrangements to purchase equity shares of our Company from any person.
18. There shall be only one denomination of Equity Shares of our Company, subject to applicable laws.
19. Except shares to be allotted under the Composite Scheme of Arrangement, the members of the Promoter Group, the Directors of our Company and their relatives have not purchased or sold or financed, directly or indirectly, any Equity Shares in the six months immediately preceding the date of filing of this Information Memorandum.
20. Except to the extent required to comply with applicable law, our Company, presently, does not intend nor does it propose to alter its capital structure for a period of 6 (six) months from the date of this Information Memorandum, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.
21. There are/have been no financing arrangements whereby any member of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity in the six months immediately preceding the date of filing of this Information Memorandum.
22. There have been no Equity Shares acquired by our Promoter, members of our Promoter Group, Shareholders entitled to the right to nominate directors or any other rights, as applicable, in the three years preceding the date of this Information Memorandum.
23. There shall be no further issue of capital by our Company whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of





approval of the Composite Scheme of Arrangement till listing of the Equity Shares allotted as per the Composite Scheme of Arrangement.

24. Our Company has 18,362 Equity Shareholders as on date of filing of this Information Memorandum.



## STATEMENT OF TAX BENEFITS

To,  
The Board of Directors  
National Peroxide Limited  
(Formerly known as NPL Chemical Limited)  
Neville House, J.N. Heredia Marg,  
Ballard Estate, Mumbai  
Maharashtra - 400001

**Sub: Statement of possible special tax benefits available to National Peroxide Limited (formerly known as NPL Chemicals Limited) (“the Company”) and the shareholders of the Company prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).**

1. We, Kalyaniwalla & Mistry LLP (‘KM LLP’), Chartered Accountants, the statutory auditors of National Peroxide Limited (formerly known as NPL Chemicals Limited) (“the Company”), hereby confirm that the accompanying Statement of Possible Tax Benefits available to the Company and its shareholder(s) (hereinafter referred to as “**the Statement**”) states the possible tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (read with Income Tax Rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2022 (hereinafter referred to as the “Indian Income Tax Regulations”) and under applicable indirect taxation laws presently in force in India (Referred as “Other relevant Acts”) for the purpose of inclusion in the Information Memorandum in connection with the proposed listing of Equity Shares of the Company, has been prepared by the management of the Company, which we have initialled by us for identification purposes.
2. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company face in the future, the Company may or may not choose to fulfil.
3. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.
4. The benefits discussed in the enclosed Statement are not exhaustive and the preparation of the contents stated in the Statement is the responsibility of the management of the Company. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities and for claiming/ utilisation of these available tax benefits.



In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Listing of Equity Shares of the Company implications arising out of the proposed Listing of Equity Shares of the Company pursuant to the Composite Scheme of Arrangement between National Peroxide Limited and its Shareholders and Creditors & National Peroxide Limited (formerly known as NPL Chemicals Limited) and its Shareholders and Creditors by the Company which has been approved by the NCLT vide order dated May 25, 2023. We are neither suggesting nor are we advising the investors to invest money based on this Statement.

5. We do not express any opinion or provide any assurance as to whether:
  - the Company or its shareholders will continue to obtain these benefits in similar manner in the future; or
  - the conditions prescribed for availing of the benefits, where applicable have been/would be met with.
  - The revenue authorities/courts will concur with the views expressed herein.
6. We hereby give our consent to include the Statement in the Information Memorandum and in any other material used in connection with the Proposed Listing of Equity Shares of the Company in connection with the Issue to be filed by the Company with the Stock Exchanges and submission of this Statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed and the Registrar of Company of Maharashtra at Mumbai in connection with the Proposed Listing, as the case may be.
7. We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.
8. Limitations:

Our views expressed in the Statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its reasonable interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This certificate is addressed to Board of Directors and issued at specific request of the Company. The enclosed statement is intended solely for your information and for inclusion in the Information Memorandum and any other material to be filed Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Maharashtra at Mumbai, where applicable, in connection with the Offer, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Kalyaniwalla & Mistry LLP**  
Chartered Accountants  
Firm Registration No. 104607W/W100166



Jamshed K. Udvardia

**Partner**

M. No.: 124658

UDIN: 24124658BKAIXX7222

Mumbai. April 15, 2024.



**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE NATIONAL PEROXIDE LIMITED (FORMERLY KNOWN AS NPL CHEMICALS LIMITED) (THE “COMPANY”), AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA**

The information provided below sets out the possible special tax benefits in the hands of the National Peroxide Limited (formerly known as NPL Chemicals Limited) (the “Company”) and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences on the subscription, ownership and disposal of equity shares, under the current tax laws presently in force in India. Several of these benefits are dependent upon fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives faced, they may or may not choose to fulfill.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

**A. TAX BENEFITS UNDER THE INCOME-TAX ACT, 1961, (“the IT Act”) — DIRECT TAX LAWS:**

The law stated below is as per the Income-tax Act, 1961 as amended by Finance Act, 2022.

**1. Special tax benefits available to the Company:**

The Company will exercise the option under section 115BAA to be taxed at a concessional corporate tax rate of 22 % (as increased by the applicable surcharge and cess). Pursuant thereto, the Company is not entitled to certain stipulated deductions including Chapter VIA deduction (except section 80JJAA and section 80M).

Further, the domestic companies opting for 115BAA will not be required to pay Minimum Alternate Tax (‘MAT’) under section 115JB. Since the MAT provisions under section 115JB itself would not apply to such companies, brought forward MAT credit (if any) would also not be available for set-off.

**2. Special Tax benefit for Shareholders of the Company under Income Tax Act :**

No special tax benefit available to Shareholders of the Company for investing in the shares of the Company under the Income Tax Act.

**B. TAX BENEFITS UNDER INDIRECT TAX LAWS:**

**1. Special tax benefits available to the Company:**

**(i) Benefits of Duty Drawback Scheme under Section 74 and 75 of the Customs Act, 1962:**

Section 74 of the Act grants duty drawback up to 98% of the import duty paid on goods if the goods are re-exported by the importer as such. The importer is entitled to drawback subject to the fulfilment of certain conditions. Presently, the rate of Duty Drawback ranges from 0% to 95%.

As per section 75, the Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods in India. Unlike the drawback of a portion of the customs duty paid on imported goods, here the main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the amount of drawback payable on such goods. The duty drawback rates are published & revised by Government of India.

**(ii) Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder):**

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated, that is, these transactions attract a GST rate of zero per cent.

Because of zero rating of supplies, the supplier will be entitled to claim input tax credit in respect of goods or services used for such supplies and can seek refund of accumulated/unutilized Input Tax Credit (ITC).



Refund of unutilized ITC of Zero-rated supplies made without payment of tax under export under Letter of Undertaking (LUT) of section 54 of Central Goods and Services Tax Act, 2017. The Company will be using this tax benefit and will continue to avail the same on fulfilling the conditions stipulated under the said Act.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

Further, sales to merchant exporters will attract a concessional GST rate of 0.1% and the supplier can claim a refund of accumulated ITC on account of lower output GST rate.

**(iii) Benefits under the Remission of Duties or Taxes on Export Products (RoDTEP) a new Scheme, introduced by the Government of India by making amendment in the Foreign Trade Policy 2015-20 vide DGFT Notification No. 19/2015-20 dated 17.08.20.**

It is a new Scheme, introduced by the Government of India by making amendment in the Foreign Trade Policy 2015-20 vide DGFT Notification No. 19/2015-20 dated 17.08.2021. The Scheme intends to compensate the duties/taxes/levies at the Central, State and Local level borne on the exported product including prior stage cumulative indirect taxes on goods and services used in the production and distribution of the exported product. The RoDTEP Scheme will be administered by the Department of Revenue and its implementation will be done by customs. RoDTEP has been made effective for exports from 1st January 2021.

Rebate would be granted to the eligible exporters at a rate notified in Appendix 4R, as a percentage of FOB value. For certain export items, a fixed quantum of rebate amount per unit has also been notified. Such rate and quantum have been notified in Appendix 4R at 8-digit HS code level.

The benefit under RoDTEP scheme would be in the form of transferable duty credit scrip, or it may be in the form of electronic scrip which will be maintained in the electronic ledger.

At present, embedded duties and taxes, which are not refunded under any other scheme, range from 1-3% are reimbursed.

Notification 47 Dated 07.12.2022 under the aforesaid Foreign Trade Policy 2015-20, which has included additional export items in Chapter 28, 29, 30 & 73 has been added to Appendix 4R with effect from 15.12.2022. The Company's product is eligible for 0.80% of FOB under RoDTEP as result of such notification.

**2. Special Tax benefit for Shareholders of the Company under Indirect Tax Regulations:**

No special tax benefit available to Shareholders of the Company for investing in the shares of the Company under the Indirect Tax regulations.

**Note:**

- The above statement of Tax Benefits sets out the special tax benefits, if any, available specifically to the Company and its shareholders under the current tax laws presently in force in India.
- This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her or its own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
- In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.





- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

**For National Peroxide Limited**  
**Formerly known as NPL Chemicals Limited**

Rajiv Arora  
(CEO & Director)  
DIN: 08730235  
15 April 2024



## SECTION V – ABOUT US

### INDUSTRY OVERVIEW

*Unless stated otherwise, information pertaining to the industry which our Company operates in, contained in this Information Memorandum is derived from report titled “Global Hydrogen Peroxide Market Research Report” dated November 2020, “Global Hydrogen Peroxide Market Research Report” dated July 2020 and “Global Paracetic Acid Market Research Report” dated July 2020 (“**Market Research Report**”) which has been exclusively commissioned and paid for by our Company along with various publicly available sources, including industry websites and publicly available industry reports. Industry publications generally stated that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Information Memorandum is reliable, the data used in these sources may have been re-classified by us for the purpose of presentation. Data from these sources may also not be comparable. No material data from the Market Research Report has been omitted in this Information Memorandum.*

*Accordingly, none of our Company or any person associated with our Company, has independently verified this information or takes any responsibility for the data, projections, forecasts, conclusions, or any other information contained in this section. Industry sources and publications are also prepared on information as on specific dates and may no longer be current or reflect market trends. Accordingly, you should not rely on or base any investment decisions on this information.*

#### **Global Macroeconomic Overview**

Manoeuvring through challenges in 2022, the global economy has positioned itself with a promising outlook in 2023 and onwards. The global economy is gradually recovering from a series of disruptions with supply-chain easing and energy and food markets stabilising post the COVID-19 pandemic and Russia-Ukraine crisis. Additionally, most central banks have tightened monetary policy extensively and synchronously, which is expected to result in control of inflation, the most pressing issue in 2022, moving back towards its target range. According to the International Monetary Fund's April 2023 forecast, global growth is expected to reach 2.8% in 2023 and is expected to rise to 3.0% in 2024.

#### **Growth of Emerging Economies**

Over the past two decades, emerging markets have expanded and become more sophisticated, presenting intriguing investment prospects. The long-term outlook for these markets is optimistic, with demographic trends and urbanization likely to provide strong growth drivers. Specifically, the burgeoning middle class, consisting of young, educated, and tech-savvy consumers with changing consumption patterns, is expected to propel growth in the future.

Despite the adverse impacts of the pandemic, the crisis in Ukraine, and tighter financial policies aimed at combating inflation, emerging economies continue to outperform developed markets. With strong indications of robust growth rates, emerging markets and developing economies are anticipated to expand from 3.9% in 2022 to 4.2% in 2023. Moreover, it is projected that the growth premium for these economies will increase further, with a probable economic recovery in the second half of 2023.

#### **Growth of Advanced Economies**

The growth projection for advanced economies in 2023 is expected to decline to 1.3%, followed by a modest increase to 1.4% in 2024. This slowdown is primarily driven by the continued tightening of monetary policy by central banks to manage inflationary pressures, as well as labour market softening and persistent energy market disruptions in Europe. However, growth is expected to recover somewhat in 2024 as policy headwinds ease and energy markets stabilize.

#### **Inflationary Estimates**

Global inflation has been on the rise due to a combination of demand pressures from earlier policy support and supply shocks caused by disruptions to global supply chains and key commodities. Core inflation (excluding energy and food components) has been surprisingly persistent, and its peak has not yet been reached in many



countries. Global inflation is forecasted to decrease but at a slower pace than previously estimated, from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024.

### Overview of the World Economic Outlook Projections (% change)



Source: IMF staff estimates.

### Indian Macroeconomic Overview

The Indian economy has demonstrated a sustained growth rate and has once again established itself as one of the fastest-growing economies in the world in the FY 2022-23. This impressive growth trajectory began after the COVID-19 pandemic, couple of years ago, and has been characterized by remarkable progress. The upswing in economic activities, particularly in private sector consumption, coupled with the Government's heightened focus on infrastructure development, has been instrumental in facilitating this progress. Despite facing global challenges and the adoption of tighter domestic monetary policies, India's growth momentum has remained resilient, underscoring the inherent robustness of the country's economy in rebounding and stimulating growth drivers.

### Economic Landscape

Despite maintaining a steady growth momentum, India has been grappling with inflationary pressures since the commencement of the year 2022. In response, the Reserve Bank of India implemented a series of five consecutive hikes in the repo rate, leading to a rate of 6.50% in FY 2022-23. This calibrated approach has resulted in a cooling effect, with the economy experiencing a gradual easing of inflationary pressures, as evidenced by moderate inflation rates. Additionally, in its first bi-monthly monetary policy of FY 2023-24 in April, the RBI opted to maintain the repo rate, indicating a gradual reduction in the inflationary grip on the economy. The central bank has forecasted a CPI of 5.4% for the July to September quarter of FY 2023-24, which is expected to gradually decrease with the implementation of higher interest rates. This positive transformation is stimulating demand in the domestic market, leading to an upward trajectory in the country's economic growth.

India's robust economic fundamentals are shaping its long-term economic outlook positively. The Government's focus on growth-enhancing policies and schemes, such as the Production-Linked Incentive and its emphasis on self-reliance, along with increased infrastructure spending, are resulting in a stronger multiplier effect on jobs, income, productivity, and efficiency. Furthermore, the Government's emphasis on manufacturing and its various incentives, including rising service exports fuelled by stronger digitization and technology transformation worldwide, are poised to aid the country's economic growth.



## GDP Growth

According to The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), Indian Economy is likely to register 7% growth in FY 2022-23. With increased Government spending announced in Union Budget 2023-24 and a rise in private consumption and investment, economic activity will further boost demand.

### Growth Trends

- **First Quarter**

As per the latest figures released by the National Statistical Office (NSO), the real GDP of India witnessed an expansion of 13.5% during the first quarter of FY 2022-23. This notable upswing marks the quickest growth recorded in the previous four quarters and globally as well. Comparatively, in the same quarter of the preceding fiscal year (FY 2021-22), the Indian economy surged by 20.1%. Although the growth rate registered in Q1 of FY 2022-23 was marginally lower than the RBI's anticipated figure of 16.2%, it was primarily fuelled by consumption, which played a pivotal role in reviving the domestic demand, particularly in the services sector.

*(Source: NSO estimates, RBI Estimates, MOSPI)*

- **Second Quarter**

India's real GDP grew by 6.3% YoY in Q2 of FY 2022-23, driven by robust domestic demand and steady investment activity. Sequentially, India's real GDP increased by 3.6% from Q1 to Q2 of FY 2022-23, indicating a significant release of pent-up demand in the economy. This led to a gradual increase in manufacturing and investment activity even as export growth moderated. Notably, private consumption as a percentage of GDP reached 58.4% in Q2 of FY 2022-23 — the highest for any second quarter since FY 2013-14.

*(Source: MOSPI, Economic Survey 2022-23, Monthly economic review November 2022)*

- **Third Quarter**

The Indian economy recorded a growth rate of 4.4% in the third quarter of FY 2022-23, which represents a deceleration compared to the same period of the previous year, when growth was at 5.4%. The deceleration can be attributed to the fading of the pandemic-induced base effect. During the quarter, the manufacturing sector experienced a contraction of 1.1% YoY, reflecting weakness in consumer demand and exports, and external demand affected by global central banks' continued monetary tightening against inflation. Additionally, the high inflation rate led to the RBI increasing its benchmark repo rate by 250 basis points between May 2022 and February 2023. Although headline inflation declined, core inflation remained high at 6% in November 2022 due to increased pass-through of high manufacturing costs to consumer prices as demand recovered rapidly.

Notwithstanding these challenges, private capex has been on the rise, indicating the strengthening balance sheets of corporates and increased credit financing. Gradual and steady improvements in the investment climate, such as deleveraged corporate balance sheets and banks' increased appetite to lend, are overall supportive of private investments. The manufacturing sector may also see gradual progress in investments with better capacity utilization. Moreover, the government's impetus, including the PLI scheme, is boosting the likelihood of investment across various sectors such as automobiles, solar energy, pharmaceuticals, and electronics.

*(Source: <https://timesofindia.indiatimes.com/business/india-business/indias-q3-gdp-at-4-4-economy-to-grow-at-7-in-fy23/articleshow/98306889.cms>, <https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap09.pdf>, <https://www.outlookindia.com/business/growth-premium-news-244264>)*

- **Fourth Quarter**

The ongoing year's Indian Union Budget has identified seven key areas of focus, namely inclusive growth, green initiatives, infrastructure and investment, last-mile connectivity, unleashing potential, youth empowerment, and financial sector reforms. To support economic growth amidst an unstable macroeconomic climate, a significant Capex of ₹ 10 lakh Crore has been allocated to the development of the country's infrastructure. This allocation is intended to boost economic growth and promote stability.



## CAPEX by the Government

Over the past two decades, the Government has focused on capital expenditure, aiming not only to bridge infrastructure gaps but also to attract private investment by divesting Public Sector Enterprises (PSEs) and utilizing idle public sector assets. The 37.4% increase in Capex budget to ₹ 10 lakh Crore in the Union Budget 2023-24, along with higher direct tax and GST collections, enabled the Government to utilize the Capex budget without hampering the fiscal deficit targets. The gross GST revenue collection for FY 2022-23 marked a 22% rise, amounting to ₹ 18.10 lakh Crore. Also, the direct tax collection marked an increase of 17.63%, amounting to ₹ 16.61 lakh Crore for FY 2022-23.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>, RBI Estimates, NSO Estimates)

## Indian Economic Growth (% Change)

Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Growth Figures	6.4	7.4	8.0	8.2	7.2	6.8	4.2	(7.3)	9.1	7.0

(Source: MoSPI, <https://www.reuters.com/world/india/india-sees-gdp-growth-slowing-6-68-202324-govt-survey-2023-01-31/>)

## Outlook

The growth prospects for India are reinforced by the limited impact of the recent surge in COVID-19 infections in China on the global health and economic landscape, resulting in the normalization of supply chains. Any inflationary pressures resulting from the reopening of China's economy are expected to be short-lived and insignificant. Additionally, any recessionary tendencies in major Advanced Economies could result in a halt in monetary tightening and the return of capital flows to India, with a stable domestic inflation rate below 6%. This would positively impact human morale and drive private-sector investments.

However, S&P Global Ratings has forecasted that India's real GDP growth for FY 2023-24 will be slower than previously anticipated, at 6% instead of the National Statistical Office's earlier estimate of 7%. Nonetheless, the country's rapid recovery from the pandemic is driving growth, bolstered by pent-up domestic demand and increased capital investment. The Government has raised capital expenditure to counter the private sector's cautious investment stance, buoyed by high GST and direct tax collections. Nevertheless, caution is essential as global spillovers, high inflation, and contractionary monetary policies could slow the steady growth trajectory. As India's trade and financial linkages with advanced economies deepen, the potential short-term ramifications of a downturn cannot be avoided, given the high degree of synchronization of India's growth cycle with developed nations.

## Russian Market

The demand for Hydrogen Peroxide in Russia stood at 38.91 thousand tonnes in 2020 and is forecasted to reach 56.39 thousand tonnes by 2030, growing at a healthy CAGR of 3.89% until 2030.

Apart from its growing consumption as a bleaching agent in textile and paper mills, hydrogen peroxide is also used to make derivatives such as sodium perborate and sodium percarbonate. These derivatives are utilized for industrial bleaching or oxidizing agents.

Driven by its increased consumption across paper processing and textile applications, the demand for Hydrogen Peroxide is likely to spur in the Russian market during the forecast period.

Moreover, Russia experienced the COVID-19 impact later than most of the economies of the world. The country surged the demand for hydrogen peroxide to prepare disinfectants and sanitizers on a large scale. It supplied disinfectants and sanitizers to other countries during the pandemic period. When the number of patients increased, the government planned and executed mass sanitization and disinfection procedures thereby supporting the growth of the hydrogen peroxide market in the country.

## Middle East (Taken from Index Box Research)

### Hydrogen Peroxide Market Size in the Middle East

In 2022, the Middle Eastern hydrogen peroxide market decreased by - 1.8%, falling for the second consecutive year after three years of growth. Overall, consumption, however, posted a buoyant expansion. Over the period





under review, the market hit record highs in 2020; however, from 2021 to 2022, consumption failed to regain momentum.

### **Hydrogen Peroxide Production in the Middle East**

The total production indicated a prominent increase from 2012 to 2022: its value increased at an average annual rate of +7.0% over the last decade. The trend pattern, however, indicated some noticeable fluctuations being recorded throughout the analysed period. Based on 2022 figures, production decreased by -0.8% against 2020 indices. The pace of growth appeared the most rapid in 2016 with an increase of 28% against the previous year. Over the period under review, production attained the peak level in 2020; however, from 2021 to 2022, production stood at a somewhat lower figure.

### **Hydrogen Peroxide Exports**

#### **Exports in the Middle East**

In 2022, overseas shipments of hydrogen peroxide increased by 218%, rising for the second consecutive year after two years of decline. Over the period under review, exports, however, saw a deep setback. The volume of export peaked in 2012; however, from 2013 to 2022, the exports stood at a somewhat lower figure. In value terms, hydrogen peroxide exports skyrocketed in 2022.

#### **Exports by Country**

In 2022, Turkey represented the key exporter of hydrogen peroxide, matching up 88% of total exports. It was distantly followed by Israel, generating an 11% share of total exports. Turkey was also the fastest-growing in terms of the hydrogen peroxide exports, with a CAGR of +14.8% from 2012 to 2022. Israel experienced a relatively flat trend pattern. While the share of Turkey (+79 p.p.) and Israel (+6.2 p.p.) increased significantly, the shares of the other countries remained relatively stable throughout the analyzed period. In value terms, Turkey remains the largest hydrogen peroxide supplier in the Middle East, comprising 88% of total exports. The second position in the ranking was held by Israel, with an 11% share of total exports. From 2012 to 2022, the average annual rate of growth in terms of value in Turkey stood at +17.4%.

#### **Export Prices by Country**

In 2022, the export price in the Middle East, growing by 20% against the previous year. Over the last decade, it increased at an average annual rate of +3.7%. The pace of growth appeared the most rapid in 2018 an increase of 30% against the previous year. The level of export peaked in 2019; however, from 2020 to 2022, the export prices failed to regain momentum. Average prices varied noticeably amongst the major exporting countries. In 2022, amid the top suppliers, the country with the highest price was Israel. From 2012 to 2022, the most notable rate of growth in terms of prices was attained by Israel (+5.2%).

### **Hydrogen Peroxide Imports**

#### **Imports in the Middle East**

For the fourth year in a row, the Middle East recorded growth in purchases of hydrogen peroxide, which increased by 26% in 2022. In general, imports enjoyed a notable expansion. The pace of growth was the most pronounced in 2019 when imports increased by 42%. The volume of import peaked in 2022 and is expected to retain growth in the immediate term.

Over the period under review, imports recorded a buoyant increase. As a result, imports attained the peak and are likely to continue growth in the immediate term.

#### **Imports by Country**

Turkey and Israel dominate imports structure, together constituting 89% of total imports. It was distantly followed by the United Arab Emirates, committing a 4.6% share of total imports.

From 2012 to 2022, the most notable rate of growth in terms of purchases, amongst the main importing countries, was attained by Turkey (with a CAGR of +16.0%), while imports for the other leaders experienced more modest paces of growth.





In value terms, the largest hydrogen peroxide importing markets in the Middle East were Israel, Turkey and the United Arab Emirates, with a combined 94% share of total imports.

Turkey, with a CAGR of +19.2%, recorded the highest rates of growth about the value of imports, among the main importing countries over the period under review, while purchases for the other leaders experienced more modest paces of growth.

### **Import Prices by Country**

Import price indicated slight growth from 2012 to 2022: its price increased at an average annual rate of +1.3% over the last decade. The trend pattern, however, indicated some noticeable fluctuations being recorded throughout the analyzed period. The growth pace was the most rapid in 2013 when the import price increased by 33%, as a result, import price reached the peak level.

From 2014 to 2022, the import prices failed to regain momentum. Average prices varied noticeably amongst the major importing countries. In 2022, amid the top importers, the country with the highest price was Israel, while the United Arab Emirates was amongst the lowest.

From 2012 to 2022, the most notable rate of growth in terms of prices was attained by Turkey (+2.7%), while the other leaders experienced mixed trends in the import price figures.

*Source: IndexBox Platform Base Year Historical Period Forecast Period Units 2022 2012-2022 2023-2030 US\$, Tons Frequently Asked Questions (FAQ) : What are the largest markets for hydrogen peroxide in the the Middle East?+*

### **Saudi Arabia:**

The hydrogen Peroxide industry in Saudi Arabia stood at 30.81 thousand tonnes in 2020 and is forecast to reach 54.72 thousand tonnes by 2030, growing at a healthy CAGR of 5.62% until 2030. Consumption of Hydrogen Peroxide as a powerful oxidizing and bleaching agent in versatile applications has registered strong growth in the past few years. Saudi Arabia is heavily investing in ramping up its Hydrogen Peroxide capacity to support the downstream Propylene Oxide (PO) manufacturing which is the main ingredient for the production of Polyurethane foams. Looking at its vast market potential in the country, the world's leading peroxide manufacturers are eyeing capacity additions in Saudi Arabia in the coming four years.

The outbreak of COVID-19 in 2020 disrupted the world economy. The market growth was affected drastically, and production units shut down. Furthermore, the major market players intentionally halted the production keeping their employees' health and wellness in mind. With imposed new regulations of the COVID-19 and proper precautions, the market is anticipated to regain its growth in the years to come. Once the market regains the full function of its production unit, the market is bound to show robust growth in the forecast period.

### **Europe Hydrogen Peroxide Market Analysis**

The European Hydrogen Peroxide market is estimated to reach 1160 kilotons by the end of this year. It is expected to reach 1360 kilotons in the next five years, registering a CAGR of 4% during the forecast period.

COVID-19 negatively impacted the market because of nationwide lockdowns, social distancing mandates, etc., which caused supply chain disruptions. However, the demand remained intact primarily due to the need for sanitization and the chemical's growing usage in pharmaceutical and healthcare facilities. Presently, the market has recovered from the pandemic and is growing at a significant rate.

- Over the short term, the increasing utilization in the paper and pulp industry and rising application in water treatment industries are major factors driving the market's growth.
- However, a rise in hydrogen peroxide prices is expected to restrain the market's growth.
- Germany represents the largest market over the forecast period due to the consumption from various industries such as paper and pulp, textiles, electronics, and others.

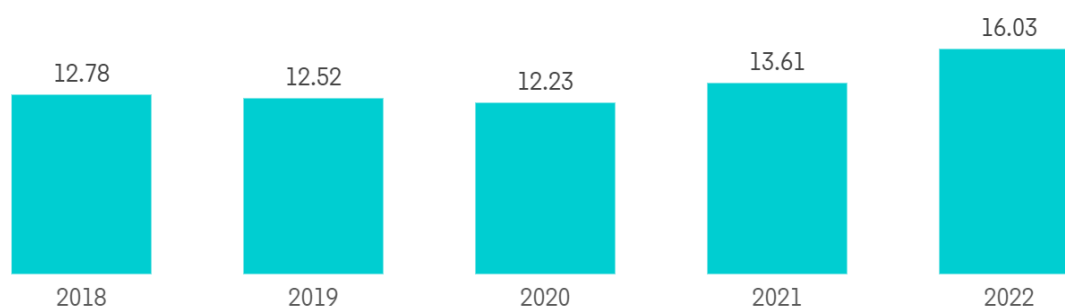
### **Market Trends of Europe Hydrogen Peroxide Industry**

Pulp and Paper Segment to Dominate the Market



- Hydrogen peroxide is a good bleaching agent for mechanical wood pulp. It makes mechanical wood pulp achieve higher whiteness. It is non-toxic and non-polluting and hardly damages the fibre during bleaching, with less than 1% bleaching.
- The use of hydrogen peroxide increased significantly in the pulp and paper industry due to ease of use, improved paper quality, lower production costs, increased yield percentage, and being environmentally friendly. The brightness of the paper that is made from hydrogen peroxide bleach is more stable.
- According to Eurostat, the European pulp and paper industry generated revenue of EUR 115 billion (~USD 121.19 billion) in 2022.
- Member countries of the Confederation of European Paper Industries (CEPI) consumed 72.5 million metric tons of paper and board in 2022.
- Additionally, in 2022, CEPI member countries produced 32.5 million metric tons of case materials, making it the most produced paper and board grade that year, thus enhancing the hydrogen peroxide market.
- Furthermore, according to the Federal Statistical Office (Destatis), the German paper packaging industry generated around EUR 16 billion (~USD 16.86 billion) in revenue in 2022. This was an increase compared to the previous year at EUR 13.6 billion (~USD 14.33 billion).
- Additionally, the value of pulp, paper, and paperboard exported by the United Kingdom was GBP 2.6 billion (~USD 3.22 billion) in 2022, according to HM Revenue and Customs.
- Thus, the growing paper and pulp industry is expected to increase the demand for hydrogen peroxide during the forecasted period.

Revenue of the Paper Packaging Industry, in EUR Billion, Germany, 2018-2022



Source: Federal Statistical Office (Destatis)



## Understand The Key Trends Shaping This Market

### Germany to Dominate the Market

- During the forecast period, Germany is expected to dominate the hydrogen peroxide market due to the growing paper and pulp industry and increasing demand from various end-user industries such as electronics, textiles, and others.
- According to the Federal Statistical Office (Destatis), it is projected that the revenue from the manufacturing of paper and paperboard in Germany will amount to approximately USD 21.76 billion by 2025. This is expected to increase the demand for hydrogen peroxide during the forecasted period.
- Hydrogen peroxide is commonly used to bleach natural and synthetic fibres like cotton, wool, rayon, silk, linen, and viscose. Its use provides high brightness and preserves the fibre's mechanical properties. These properties increase the demand for hydrogen peroxide from the textile industry in Germany.
- According to the Federal Statistical Office (Destatis), the German textile industry recorded a revenue of around EUR 12.8 billion (~USD 13.49 billion) in 2022.
- The electronics industry often utilizes hydrogen peroxide for cleaning and etching. It is also commonly used to produce flat panel displays and clean semiconductor wafers.
- As per the European Information Technology Observatory (EITO), revenue from consumer electronics in Germany amounted to EUR 8.2 billion (~USD 8.64 billion) in 2022.



- Additionally, Evonik Industries AG in Germany, as one of the biggest providers of hydrogen peroxide, delivers it to customers in various industries such as electronics, pulp and paper production, hygiene and disinfection, chemical synthesis, mining, agriculture, water and wastewater treatment or pharmaceuticals and health care. Thus enhancing the hydrogen peroxide demand in the region.
- Therefore, all the aforementioned factors are expected to boost the demand for hydrogen peroxide during the forecasted period.

### Global Hydrogen Peroxide Industry Overview

Hydrogen peroxide (H<sub>2</sub>O<sub>2</sub>) is a simple peroxide with an oxygen-oxygen single bond, which exists in the form of a clear, pale, blue liquid with an odour similar to nitric acid. It is denser and more viscous than water and acidic in nature. It can act both as an oxidizing agent and reducing agent, and undergoes thermal decomposition when kept in pure form, reacting with light to create a thermal explosion. Hence, it is stored in the form of an aqueous solution in dark containers to avoid this reaction.

Hydrogen peroxide has various applications in different fields. It is used as an antiseptic, disinfectant, oxidizer, bleaching agent, and reducing agent in beauty and personal care products, sanitation products, wastewater treatment, pulp & paper industry, chemical industry, pharmaceuticals, food processing industry, and even as a propellant in rocket fuels. Different grades of hydrogen peroxide are available, including food grade, technical grade, and standard grade, with varying applicability depending on their concentration.

Food-grade hydrogen peroxide has numerous applications in dental care products, food processing, storage, cleaning, and disinfection. Its utilization in households is expected to increase, given its wide domestic applications and affordable prices. However, it must be handled carefully, as indiscriminate usage may cause skin irritation, skin damage, and other harmful side effects. Transportation of high concentrations of hydrogen peroxide is also risky and involves various regulations for handling and storing.

### Global Hydrogen Peroxide Market segmentation based on grade, end-use, and region Based on Grade:

- Technical Grade
- Food Grade

### Based on End-Use:

- Pulp & Paper
- Asptic Grade
- Cleaners & Disinfectants (Household, Industrial, Healthcare)
- Wastewater Treatment
- Pharmaceuticals
- Personal Care Products
- Food Processing
- Fuel Propellant
- Electronic Grade
- Other End-Uses

### Global Hydrogen Peroxide Revenue Comparison by Grade (2014-2030) (By Revenue US\$ Mn) (2014-30)

Grade	2014	2020	2030	F- CAGR
Food	768.3	494.4	1,337.8	4.7%
Technical	3,329.1	2,601.0	6,137.7	5.0%

Source: Prudour, 2020

### Global Hydrogen Peroxide Revenue (US\$ Mn) Market Share by Grade in 2020

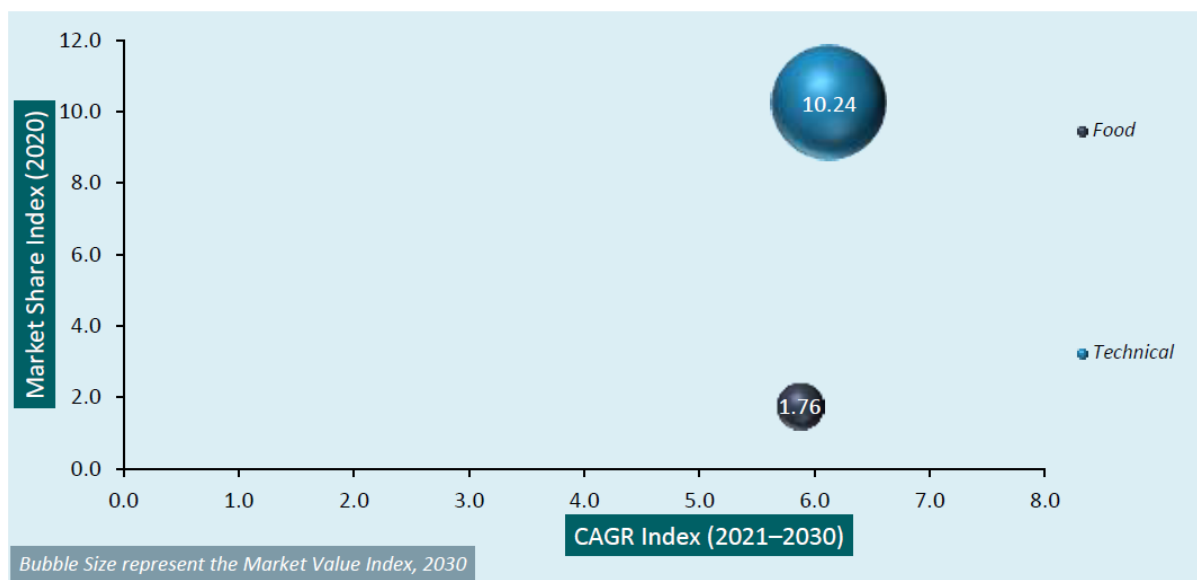
Food	16.0%
Technical	84.0%

Source: Prudour, 2020



## Global Hydrogen Peroxide Market Attractiveness Analysis by Grade, 2014–2030

- The technical segment is estimated to be the most lucrative segment in Global Hydrogen Peroxide market with an attractiveness index of 10.24, and projected CAGR of 5.0%.
- In 2020, the technical segment is estimated to account for US\$ 2,601.0 Mn, and account for a revenue share of 85.3%
- The food segment is estimated to account for a 16.0% revenue share in 2020, and is expected to register a CAGR of 4.7% during the forecast period



Source: Prudour, 2020

## Global Hydrogen Peroxide Market Revenue (US\$ Mn) (2022-2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	5,076.1	5,315.6	5,578.9	5,861.4	6,145.9	6,451.6	6,773.3	7,116.1	7,475.5
Y-o-Y Growth	4.5%	4.7%	5.0%	5.1%	4.9%	5.0%	5.0%	5.1%	5.1%

Source: Prudour, 2020

## Global Hydrogen Peroxide Market Volume (MT) (2022-2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Food	1,161,719	1,195,086	1,233,924	1,278,030	1,324,905	1,381,020	1,437,362	1,497,444	1,559,264
Technical	6,101,814	6,325,957	6,575,615	6,839,727	7,101,950	7,374,165	7,670,394	7,963,325	8,278,894

Source: Prudour, 2020

## Global Hydrogen Peroxide Market Revenue (US\$ Mn) by End-User Industry (2022–2030)

End User	2022	2023	2024	2025	2026	2027	2028	2029	2030
Pulp & Paper	1,623.6	1,705.8	1,796.7	1,891.5	1,990.9	2,098.6	2,212.3	2,334.7	2,463.9
Chemicals	953.9	995.3	1,041.9	1,091.7	1,144.3	1,200.3	1,259.0	1,321.0	1,385.8
Textile	946.8	991.6	1,041.3	1,093.9	1,149.0	1,208.3	1,271.3	1,338.9	1,410.6
Cleaners & Disinfectants (household, industrial, healthcare)	317.6	333.0	350.1	368.4	388.0	388.0	432.6	456.9	481.8
Wastewater Treatment	489.9	519.0	548.3	583.7	608.8	635.1	662.1	690.1	719.2
Pharmaceuticals	183.6	190.3	197.9	205.9	214.4	223.6	233.2	243.7	254.9



End User	2022	2023	2024	2025	2026	2027	2028	2029	2030
Personal Care Products	234.7	243.1	252.7	263.0	273.7	285.1	296.7	308.9	321.6
Food Processing	180.0	187.3	195.3	203.7	212.4	221.9	231.7	242.2	253.0
Fuel Propellant	50.5	51.8	53.3	54.8	56.3	57.8	59.4	61.0	62.6
Other End-Uses	95.5	98.4	101.6	104.8	108.1	111.6	115.0	118.6	122.1

Source: Prudour, 2020

### Global Hydrogen Peroxide Market Volume (MT) by End-User Industry (2022–2030)

- The pulp & paper segment was valued at US\$ 1,692.7 Mn in 2019 and is projected to reach US\$ 2,463.9 Mn in 2030, and register a CAGR of 5.3% during the forecast period
- Revenue from the chemicals segment in the global hydrogen peroxide market is projected to register a CAGR of 4.7% during the forecast period
- The textile segment was valued at US\$ 974.3 Mn in 2019 and is projected to reach US\$ 1,410.6 Mn in 2030, and register a CAGR of 5.0% during the forecast period
- Revenue from the cleaners & disinfectants (household, industrial, healthcare) segment in the global hydrogen peroxide market is projected to register a CAGR of 5.2% during the forecast period.

End User	2022	2023	2024	2025	2026	2027	2028	2029	2030
Pulp & Paper	2,362,552	2,457,234	2,563,671	2,672,915	2,784,963	2,905,158	3,033,724	3,164,297	3,304,737
Chemicals	1,367,973	1,413,264	1,465,236	1,521,420	1,578,062	1,637,775	1,701,843	1,764,792	1,831,849
Textile	1,398,754	1,450,304	1,508,377	1,570,103	1,632,405	1,698,939	1,771,524	1,844,613	1,923,118
Cleaners & Disinfectants (household, industrial, healthcare)	468,923	487,964	508,584	532,129	554,787	579,269	605,948	632,590	660,255
Wastewater Treatment	659,105	682,152	705,926	731,952	755,947	780,531	806,1180	830,789	857,103
Pharmaceuticals	250,299	256,521	263,821	272,034	280,430	289,267	298,865	308,751	319,637
Personal Care Products	316,858	324,473	333,319	343,743	354,131	364,906	376,295	387,5880	399,404
Food Processing	244,454	251,304	259,029	267,599	276,299	285,467	295,356	305,295	315,827
Fuel Propellant	67,721	68,687	69,810	71,110	72,279	73,461	74,717	75,876	77,111
Other End-Uses	126,893	129,139	131,767	134,752	137,552	140,412	143,367	146,177	149,117

Source: Prudour, 2020

### Global Hydrogen Peroxide Market Y-o-Y Growth Rate Comparison by Grade (2022– 2030)

- The food segment in the global hydrogen peroxide market is expected to register a Y-o-Y growth rate of over 3.5% during the forecast period
- Revenue from the technical segment in the global hydrogen peroxide market is projected to register a CAGR of 5.0% during the forecast period

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Food	4.0%	4.3%	4.6%	4.7%	4.8%	5.0%	5.1%	5.1%	4.9%
Technical	4.6%	4.8%	5.0%	5.1%	4.9%	5.0%	5.0%	5.1%	5.1%

Source: Prudour, 2020

### Global Hydrogen Peroxide Market Y-o-Y Growth Rate Comparison by End-Use (2022–2030)

- The pulp & paper segment in the global hydrogen peroxide market is expected to register a Y-o-Y growth rate of over 4.3% during the forecast period



- Revenue from the chemicals segment in the global hydrogen peroxide market is projected to register a CAGR of 4.7% during the forecast period
- The textile segment was valued at US\$ 974.3 Mn in 2019 and is projected to reach US\$ 1,410.6 Mn in 2030, and register a CAGR of 5.0% during the forecast period
- The cleaners & disinfectants (household, industrial, healthcare) segment was valued at US\$ 203.8 Mn in 2019 and is projected to reach US\$ 481.8 Mn in 2030, and register a CAGR of 5.2% during the forecast period

End User	2022	2023	2024	2025	2026	2027	2028	2029	2030
Pulp & Paper	4.7%	5.1%	5.3%	5.3%	5.3%	5.4%	5.4%	5.5%	5.5%
Chemicals	4.1%	4.3%	4.7%	4.8%	4.8%	4.9%	4.9%	4.9%	4.9%
Textile	4.4%	4.7%	5.0%	5.0%	5.0%	5.2%	5.2%	5.3%	5.4%
Cleaners & Disinfectants (household, industrial, healthcare)	4.4%	4.8%	5.1%	5.2%	5.3%	5.5%	5.7%	5.6%	5.4%
Wastewater Treatment	6.7%	6.0%	5.6%	6.5%	4.3%	4.3%	4.2%	4.2%	4.2%
Pharmaceuticals	3.3%	3.6%	4.0%	4.1%	4.1%	4.3%	4.3%	4.5%	4.6%
Personal Care Products	3.4%	3.6%	3.9%	4.1%	4.1%	4.2%	4.1%	4.1%	4.1%
Food Processing	3.7%	4.0%	4.3%	4.3%	4.3%	4.4%	4.4%	4.5%	4.5%
Fuel Propellant	2.5%	2.7%	2.9%	2.8%	2.7%	2.7%	2.7%	2.7%	2.6%
Other End-Uses	2.8%	3.0%	3.2%	3.2%	3.1%	3.2%	3.1%	3.1%	3.1%

Source: Prudour, 2020

#### Global Hydrogen Peroxide Market Share Comparison by Grade (2022–2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Food	18.1%	18.0%	18.0%	17.9%	17.9%	17.9%	17.9%	17.9%	17.9%
Technical	81.9%	82.0%	82.0%	82.1%	82.1%	82.1%	82.1%	82.1%	82.1%

Source: Prudour, 2020

#### Global Hydrogen Peroxide Market Share Comparison by End-Use (2022–2030)

- The pulp & paper segment is estimated to account for a 29.1% revenue share in the global hydrogen peroxide market in 2020, and is expected to gain 104.1 BPS by the end of 2030
- The chemicals segment in the global hydrogen peroxide market is expected to register a Y-o-Y growth rate of over 3.7% during the forecast period
- The textile segment is estimated to account for a 18.6% revenue share in the global hydrogen peroxide market in 2020, and is expected to gain 20.3 BPS by the end of 2030
- The cleaners & disinfectants (household, industrial, healthcare) segment was valued at US\$ 203.8 Mn in 2019 and is projected to reach US\$ 481.8 Mn in 2030, and register a CAGR of 5.2% during the forecast period

End User	2022	2023	2024	2025	2026	2027	2028	2029	2030
Pulp & Paper	32.0%	32.1%	32.2%	32.3%	32.4%	32.5%	32.7%	32.8%	33.0%
Chemicals	18.8%	18.7%	18.7%	18.6%	18.6%	18.6%	18.6%	18.6%	18.5%
Textile	18.7%	18.7%	18.7%	18.7%	18.7%	18.7%	18.8%	18.8%	18.9%
Cleaners & Disinfectants (household, industrial, healthcare)	6.3%	6.3%	6.3%	6.3%	6.3%	6.3%	6.4%	6.4%	6.4%
Wastewater Treatment	9.7%	9.8%	9.8%	10.0%	9.9%	9.8%	9.8%	9.7%	9.6%
Pharmaceuticals	9.6%	9.6%	3.5%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%
Personal Care Products	4.6%	4.6%	4.5%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%
Food Processing	3.5%	3.5%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%
Fuel Propellant	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%





End User	2022	2023	2024	2025	2026	2027	2028	2029	2030
Other End-Uses	1.9%	1.9%	1.8%	1.8%	1.8%	1.7%	1.7%	1.7%	

Source: Prudour, 2020

### Drivers for Global Hydrogen Peroxide Market

- Hydrogen peroxide is a commodity that is widely available and accessible due to its affordable prices, particularly in the lower concentrations suitable for domestic use. The prices of hydrogen peroxide vary with concentration and grade, but the overall cost remains low. It is available in numerous retail channels, including convenience stores, drug stores, supermarkets, and online retail channels, which adds to its accessibility.
- The demand for disinfectants and cleaners has increased due to the outbreak of the COVID-19 pandemic, leading to a higher demand for hydrogen peroxide, which is an effective and low-cost disinfectant. As a result, the hydrogen peroxide market is expected to grow considerably in the coming years due to its affordability and easy accessibility.
- Hydrogen peroxide is also advantageous in wastewater treatment. It offers many advantages over other types of treatment, such as chlorine and biological treatment, due to its biodegradable nature, zero chemical residues, wide pH range, strong oxidizing property, and faster results. The use of hydrogen peroxide in wastewater treatment is practical and effective, which can significantly contribute to the growth of the hydrogen peroxide market.
- In addition to its use in wastewater treatment, hydrogen peroxide is used as a bleaching agent in chemical, pulp and paper, food and beverages, pharmaceuticals, textiles, and other industries. It reduces the cost of bleaching by decreasing the usage of other bleaching chemicals, improves the final brightness and reduces the effluent colour of paper, textiles, sugar, etc. Additionally, hydrogen peroxide is beneficial in the recycling process of paper. The growth of end-use industries can have a positive impact on the growth of the hydrogen peroxide market.

Hydrogen peroxide is used in food processing as a bleaching and cleaning agent, as well as for improving the colour of food products. Packaging sterilized with hydrogen peroxide prolongs the shelf life of food as no toxic residue is left. The food processing industry is experiencing impressive growth, which is expected to complement the growth of the hydrogen peroxide market in the coming years.

### Trends in Global Hydrogen Peroxide Market

- To make the production of hydrogen peroxide easier, several research organizations are exploring new methods. A notable example is MIT, which has developed a portable device that can produce hydrogen peroxide from air, water, and electricity. The H<sub>2</sub>O<sub>2</sub> produced by this method can serve as an antibacterial agent for treating wounds and disinfecting food-preparation surfaces, as well as for water treatment. These innovations are likely to have a positive impact on the hydrogen peroxide market, opening up new opportunities for growth and development.
- Hydrogen Peroxide is finding usage across Electronic Chip & Photo Voltaic Cell Manufacturing industry. India is going to be a major player in Electronic & PV Cell industry thus demand for electronic grade Hydrogen Peroxide will significantly grow.
- Use of Digital platform like LinkedIn, YouTube, Interactive Website etc is shaping the customer connect across B2B industry and helping reach prospective customers faster and with ease. Trend become more popular and effective during and post COVID due to reduced personal visits.

### Global Peracetic Acid Market Overview

Peracetic acid, also known as PAA, is a highly acidic, colourless liquid that is commercially produced using hydrogen peroxide and acetic acid. It has a concentration range of 5% - 35% and is an effective oxidant that is highly water-soluble and does not produce any harmful by-products to health and the environment, making it a safe chemical for various applications.



The increasing adoption of peracetic acid in various industries, such as the food processing and beverage industries, is due to its recognition by many government agencies as a safe chemical for food preservation. This has led to new applications of peracetic acid as microbial disinfectants and food preservatives, particularly for poultry, meat, fishery products, and processed and frozen foods that require the use of antimicrobial agents. Furthermore, the adoption of peracetic acid in several beverage processing applications is also increasing demand for the product.

Peracetic acid is expected to witness growth as a sterilant in various end-use industries, including pharmaceuticals and chemicals, due to its water-solubility and non-harmful nature. Other applications of peracetic acid include its use as a fungicide in horticulture and agriculture and in water treatment to reduce wastewater discharge and improve the quality of drinking water. Its strong oxidizing properties also make it a useful agent in the papermaking and pulp bleaching industries.

Major players in the peracetic acid industry are conducting research and development on various niche and emerging applications to test its performance in different vertical industries.

### Global Peracetic Acid Market Segmentation based on End-Use

- Chemical
  - Manufacturing of Chemical Intermediates
  - Epoxidation of Various Alkenes
  - Bleaching Textiles
- Cleaners & Disinfectants
  - General Disinfectants/Sanitizing Agents
  - Laundry Detergents, Soaps, Stain removers, etc.,
  - Sterilization of rooms and surfaces, Surgical tools and instruments, etc
- Wastewater Treatment
  - Disinfectants in water cooling towers
  - Disinfection of process water
  - Disinfection of ultra-filtration and RO membranes
- Food Processing
  - Disinfectants for food processing equipment and pasteurizers
  - Aseptic Packaging
  - Disinfectant for fruit, vegetables, meat, and eggs
  - Biocide in food and animals feeds
- Other End-Uses
  - Used to prevent bio film formation in pulp industries
  - Air disinfection
  - Aquaculture

### Global Peracetic Acid Revenue (US\$ Mn) Comparison by End Use (2014-2030)

End Use	2014	2020	2030	F-CAGR
Chemicals	71.11	84.52	146.22	5.7%
• Manufacturing of chemical intermediates	31.19	38.30	67.56	5.9%
• Epoxidation of various alkenes	25.07	29.52	53.10	6.2%
• Bleaching textiles	14.86	16.70	25.56	4.4%
Cleaners & Disinfectants	45.94	60.11	99.11	5.2%
• General disinfectants/sanitizing agents	15.05	19.51	30.74	4.7%
• Laundry detergents, soaps, stain removers, etc.	7.64	9.89	15.58	4.7%

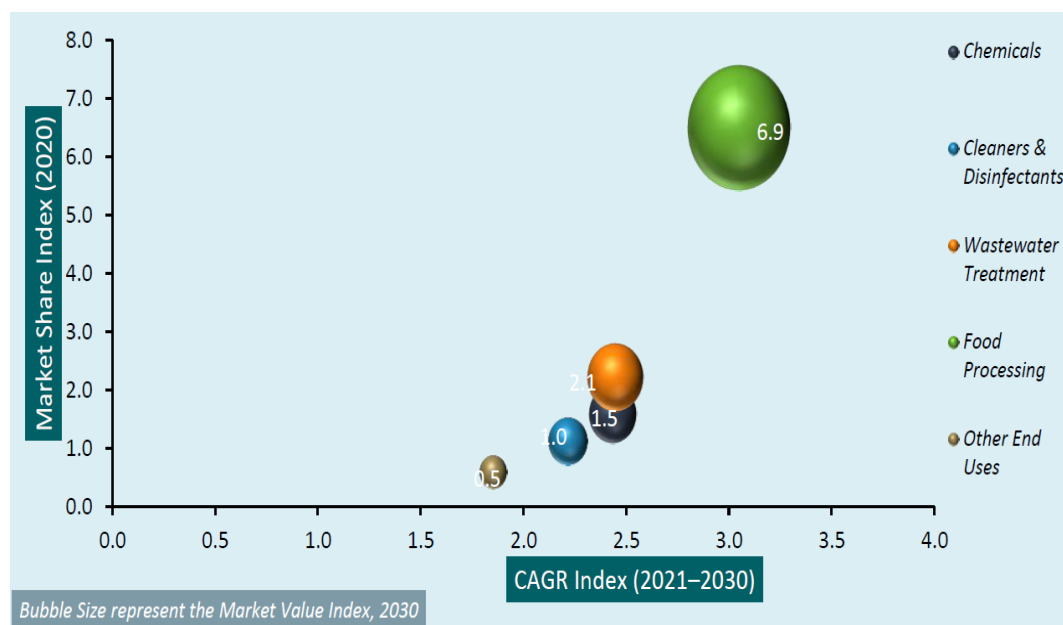


End Use	2014	2020	2030	F-CAGR
• Sterilization of rooms and surfaces, surgical tools and instruments, etc.	23.25	30.71	52.78	5.7%
Wastewater Treatment	100.92	117.77	204.50	5.8%
• Disinfectant in water cooling towers	30.45	36.62	65.31	6.1%
• Disinfection of process water	52.65	61.01	106.98	5.9%
• Disinfection of ultra-filtration and RO membranes	17.81	20.14	32.21	4.9%
Food Processing	287.59	346.70	685.12	7.2%
• Disinfectant for food processing equipment and pasteurizers	83.89	105.15	203.15	6.9%
• Aseptic Packaging	118.66	142.71	308.15	8.2%
• Disinfectant for fruits, vegetables, meat, and eggs	59.41	69.54	125.20	6.2%
• Biocide in food and animals feeds	25.64	29.30	48.62	5.3%
Other End Uses	27.98	31.86	48.47	4.4%
• Used to prevent bio film formation in pulp industries	12.90	15.10	24.06	4.9%
• Air disinfection	5.76	6.31	9.09	3.8%
• Aquaculture	9.32	10.45	15.32	4.0%

Source: Prudour, 2020

### Global Peracetic Acid Market Attractiveness Analysis by End Use, 2014–2030

- The food processing segment is estimated to be the most lucrative segment in Global Peracetic Acid market with an attractiveness index of 6.9, and projected CAGR of 7.2%.
- In 2020, the cleaners & disinfectants segment is estimated to account for US\$ 60.1 Mn, and account for a revenue share of 9.4%
- The chemicals segment is estimated to account for a 13.2% revenue share in 2020, and is expected to register a CAGR of 5.7% during the forecast period



Source: Prudour, 2020

### Global Peracetic Acid Revenue (US\$ Mn) (2022–2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	710.9	752.6	799.7	851.1	906.8	967.7	1,034.4	1,106.4	1,183.4
Y-o-Y Growth (%)		5.5	5.9	6.3	6.4	6.5	6.7	6.9	7.0

Source: Prudour, 2020



## Global Peracetic Acid Market Volume (MT) (2022–2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	362,134.5	379,541.7	400,099.2	421,766.2	444,741.6	470,198.4	498,644.4	527,637.8	559,773.5

Source: Prudour, 2020

## Global Peracetic Acid Market Revenue (US\$ Mn) Comparison by End Use (2022–2030)

- The chemicals segment was valued at US\$ 90.7 Mn in 2019 and is projected to reach US\$ 146.2 Mn in 2030, and register a CAGR of 5.7% during the forecast period
- Revenue from the cleaners & disinfectants segment in the global peracetic acid market is projected to register a CAGR of 5.2% during the forecast period
- The first five-year cumulative revenue (2021–2025) for wastewater treatment Segment is estimated to be US\$ 686.3 Mn, as compared to a moderately higher cumulative revenue of US\$ 911.4 Mn for the latter five years of the forecast period (2026–2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Chemicals	92.77	97.64	103.11	109.02	115.37	122.26	129.70	137.70	146.22
• Manufacturing of chemical intermediates	42.28	44.61	47.23	50.05	53.03	56.27	59.74	63.51	67.56
• Epoxidation of various alkenes	32.53	34.35	36.39	38.61	41.05	43.72	46.66	49.79	53.10
• Bleaching textiles	17.96	18.68	19.49	20.36	21.29	22.27	23.30	24.40	25.56
Cleaners & Disinfectants	65.41	68.46	71.89	75.60	79.63	84.01	88.75	93.80	99.11
• General disinfectants/sanitizing agents	21.15	22.05	23.05	24.12	25.27	26.51	27.82	29.23	30.74
• Laundry detergents, soaps, stain removers, etc.	10.69	11.14	11.65	12.19	12.78	13.41	14.08	14.81	15.58
• Sterilization of rooms and surfaces, surgical tools and instruments, etc.	33.56	35.27	37.20	39.29	41.58	44.09	46.85	49.76	52.78
Wastewater Treatment	129.56	136.47	144.25	152.64	161.59	171.20	181.51	192.61	204.50
• Disinfectant in water cooling towers	40.54	42.85	45.43	48.21	51.13	54.30	57.70	61.37	65.31
• Disinfection of process water	67.19	70.82	74.92	79.36	84.13	89.24	94.74	100.64	106.98
• Disinfection of ultra-filtration and RO membranes	21.83	22.81	23.90	25.07	26.32	27.66	29.08	30.60	32.21
Food Processing	388.92	414.41	443.38	475.10	509.76	548.02	590.19	635.97	685.12
• Disinfectant for food processing equipment and pasteurizers	117.96	125.65	134.32	143.67	153.64	164.59	176.43	189.31	203.15
• Aseptic Packaging	162.21	174.20	187.89	203.07	219.99	238.91	260.18	283.33	308.15
• Disinfectant for fruits, vegetables, meat, and eggs	76.78	81.04	85.89	91.20	96.96	103.21	109.99	117.31	125.20
• Biocide in food and animals feeds	31.97	33.53	35.27	37.16	39.17	41.30	43.58	46.02	48.62
Other End Uses	34.22	35.58	37.09	38.72	40.42	42.25	44.20	46.28	48.47
• Used to prevent bio film formation in pulp industries	16.36	17.09	17.91	18.78	19.70	20.68	21.73	22.86	24.06
• Air disinfection	6.72	6.94	7.19	7.46	7.74	8.05	8.38	8.73	9.09
• Aquaculture	11.14	11.55	12.00	12.48	12.98	13.52	14.09	14.69	15.32

Source: Prudour, 2020



## Global Peracetic Acid Market Volume (MT) Comparison by End Use (2022–2030)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Chemicals	47,579.6	49,582.8	51,955.9	54,415.9	57,010.6	59,856.8	63,028.9	66,209.8	69,736.6
• Manufacturing of chemical intermediates	21,700.1	22,675.5	23,824.2	25,010.5	26,242.5	27,589.6	29,081.9	30,596.1	32,290.3
• Epoxidation of various alkenes	16,664.1	17,414.9	18,303.3	19,235.6	20,241.3	21,357.9	22,613.8	23,872.2	25,246.1
• Bleaching textiles	9,215.5	9,492.4	9,828.4	10,169.8	10,526.7	10,909.2	11,333.3	11,741.5	12,200.2
Cleaners & Disinfectants	33,322.4	34,530.6	35,976.6	37,479.1	39,075.2	40,844.9	42,820.8	44,775.6	46,929.0
• General disinfectants/sanitizing agents	10,762.8	11,106.5	11,515.8	11,938.3	12,381.9	12,866.3	13,399.3	13,928.6	14,528.9
• Laundry detergents, soaps, stain removers, etc.	5,431.9	5,603.5	5,810.4	6,023.7	6,248.2	6,494.6	6,765.8	7,036.6	7,344.8
• Sterilization of rooms and surfaces, surgical tools and instruments, etc.	17,127.7	17,820.6	18,650.4	19,517.2	20,445.2	21,484.1	22,655.7	23,810.5	25,055.2
Wastewater Treatment	65,842.8	68,664.0	71,991.9	75,462.8	79,062.0	82,984.0	87,295.6	91,641.2	96,506.5
• Disinfectant in water cooling towers	20,616.9	21,575.5	22,696.9	23,859.2	25,048.0	26,355.4	27,789.5	29,245.8	30,867.8
• Disinfection of process water	34,125.8	35,607.3	37,360.2	39,199.2	41,123.3	43,207.1	45,503.9	47,819.2	50,416.5
• Disinfection of ultra-filtration and RO membranes	11,100.1	11,481.2	11,934.8	12,404.4	12,890.6	13,421.5	14,002.2	14,576.2	15,222.2
Food Processing	197,780.0	208,631.1	221,413.4	235,006.6	249,533.2	265,733.5	283,915.5	302,644.4	323,360.0
• Disinfectant for food processing equipment and pasteurizers	60,090.3	63,367.5	67,199.1	71,199.1	75,365.1	79,986.4	85,089.3	90,335.7	96,158.3
• Aseptic Packaging	82,364.2	87,546.5	93,640.9	100,223.6	107,400.8	115,509.1	124,731.9	134,318.7	144,848.7
• Disinfectant for fruits, vegetables, meat, and eggs	39,116.0	40,888.2	43,011.3	45,257.1	47,650.5	50,271.3	53,193.4	56,157.6	59,471.8
• Biocide in food and animals feeds	16,209.5	16,828.9	17,562.1	18,326.8	19,116.8	19,966.6	20,900.9	21,832.4	22,881.1
Other End Uses	17,609.6	18,133.3	18,761.6	19,401.8	20,060.6	20,779.3	21,583.7	22,366.7	23,241.4
• Used to prevent bio-film formation in pulp industries	8,408.5	8,701.1	9,047.0	9,401.9	9,765.1	10,161.1	10,604.7	11,043.2	11,530.5
• Air disinfection	3,447.9	3,527.7	3,625.1	3,724.2	3,827.5	3,942.2	4,071.8	4,195.2	4,333.0
• Aquaculture	5,753.3	5,904.4	6,089.4	6,275.7	6,468.1	6,676.0	6,907.1	7,128.3	7,378.0

Source: Prudour, 2020

## Global Peracetic Acid Market Y-o-Y Growth Rate Comparison by End Use (2022–2030)

- The chemicals segment in the global peracetic acid market is expected to register a Y-o-Y growth rate of over 4.6% during the forecast period



- Revenue from the cleaners & disinfectants segment in the global peracetic acid market is projected to register a CAGR of 5.2% during the forecast period
- The wastewater treatment segment was valued at US\$ 130.2 Mn in 2019 and is projected to reach US\$ 204.5 Mn in 2030, and register a CAGR of 5.8% during the forecast period
- The food processing segment was valued at US\$ 387.0 Mn in 2019 and is projected to reach US\$ 685.1 Mn in 2030, and register a CAGR of 7.2% during the forecast period

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Chemicals</b>	4.9%	5.3%	5.6%	5.7%	5.8%	6.0%	6.1%	6.2%	6.2%
• <i>Manufacturing of chemical intermediates</i>	5.2%	5.5%	5.9%	6.0%	6.0%	6.1%	6.2%	6.3%	6.4%
• <i>Epoxidation of various alkenes</i>	5.2%	5.6%	5.9%	6.1%	6.3%	6.5%	6.7%	6.7%	6.6%
• <i>Bleaching textiles</i>	3.8%	4.0%	4.3%	4.5%	4.5%	4.6%	4.7%	4.7%	4.8%
<b>Cleaners &amp; Disinfectants</b>	4.4%	4.7%	5.0%	5.2%	5.3%	5.5%	5.6%	5.7%	5.7%
• <i>General disinfectants/sanitizing agents</i>	4.1%	4.2%	4.5%	4.6%	4.8%	4.9%	5.0%	5.1%	5.2%
• <i>Laundry detergents, soaps, stain removers, etc.</i>	4.0%	4.2%	4.5%	4.7%	4.8%	4.9%	5.0%	5.1%	5.3%
• <i>Sterilization of rooms and surfaces, surgical tools and instruments, etc.</i>	4.7%	5.1%	5.5%	5.6%	5.8%	6.1%	6.2%	6.2%	6.1%
<b>Wastewater Treatment</b>	5.0%	5.3%	5.7%	5.8%	5.9%	5.9%	6.0%	6.1%	6.2%
• <i>Disinfectant in water cooling towers</i>	5.4%	5.7%	6.0%	6.1%	6.1%	6.2%	6.3%	6.4%	6.4%
• <i>Disinfection of process water</i>	5.1%	5.4%	5.8%	5.9%	6.0%	6.1%	6.2%	6.2%	6.3%
• <i>Disinfection of ultra-filtration and RO membranes</i>	4.2%	4.5%	4.8%	4.9%	5.0%	5.1%	5.1%	5.2%	5.3%
<b>Food Processing</b>	6.1%	6.6%	7.0%	7.2%	7.3%	7.5%	7.7%	7.8%	7.7%
• <i>Disinfectant for food processing equipment and pasteurizers</i>	6.1%	6.5%	6.9%	7.0%	6.9%	7.1%	7.2%	7.3%	7.3%
• <i>Aseptic Packaging</i>	6.9%	7.4%	7.9%	8.1%	8.3%	8.6%	8.9%	8.9%	8.8%
• <i>Disinfectant for fruits, vegetables, meat, and eggs</i>	5.2%	5.5%	6.0%	6.2%	6.3%	6.4%	6.6%	6.7%	6.7%
• <i>Biocide in food and animals feeds</i>	4.6%	4.9%	5.2%	5.3%	5.4%	5.4%	5.5%	5.6%	5.7%
<b>Other End Uses</b>	3.7%	4.0%	4.3%	4.4%	4.4%	4.5%	4.6%	4.7%	4.7%
• <i>Used to prevent bio film formation in pulp industries</i>	4.2%	4.5%	4.8%	4.9%	4.9%	5.0%	5.1%	5.2%	5.2%
• <i>Air disinfection</i>	3.2%	3.4%	3.6%	3.7%	3.8%	4.0%	4.1%	4.2%	4.1%
• <i>Aquaculture</i>	3.4%	3.6%	3.9%	4.0%	4.1%	4.1%	4.2%	4.3%	4.3%

Source: Prudour, 2020





## Global Peracetic Acid Market Share Comparison by End Use (2022–2030)

- The chemicals segment is estimated to account for a 13.2% revenue share in the global peracetic acid market in 2020, and is expected to lose 83 BPS by the end of 2030
- The cleaners & disinfectants segment in the global peracetic acid market is expected to register a Y-o-Y growth rate of over 4.2% during the forecast period
- The wastewater treatment segment is estimated to account for a 18.4% revenue share in the global peracetic acid market in 2020, and is expected to lose 109 BPS by the end of 2030
- The food processing segment was valued at US\$ 387.0 Mn in 2019 and is projected to reach US\$ 685.1 Mn in 2030, and register a CAGR of 7.2% during the forecast period

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030
Chemicals	13.0%	13.0%	12.9%	12.8%	12.7%	12.6%	12.5%	12.4%	12.4%
• <i>Manufacturing of chemical intermediates</i>	45.6%	45.7%	45.8%	45.9%	46.0%	46.0%	46.1%	46.1%	46.2%
• <i>Epoxidation of various alkenes</i>	35.1%	35.2%	35.3%	35.4%	35.6%	35.8%	36.0%	36.2%	36.3%
• <i>Bleaching textiles</i>	19.4%	19.1%	18.9%	18.7%	18.5%	18.2%	18.0%	17.7%	17.5%
Cleaners & Disinfectants	9.2%	9.1%	9.0%	8.9%	8.8%	8.7%	8.6%	8.5%	8.4%
• <i>General disinfectants/sanitizing agents</i>	32.3%	32.2%	32.1%	31.9%	31.7%	31.6%	31.3%	31.2%	31.0%
• <i>Laundry detergents, soaps, stain removers, etc.</i>	16.3%	16.3%	16.2%	16.1%	16.0%	16.0%	15.9%	15.8%	15.7%
• <i>Sterilization of rooms and surfaces, surgical tools and instruments, etc.</i>	51.3%	51.5%	51.7%	52.0%	52.2%	52.5%	52.8%	53.0%	53.3%
Wastewater Treatment	18.2%	18.1%	18.0%	17.9%	17.8%	17.7%	17.5%	17.4%	17.3%
• <i>Disinfectant in water cooling towers</i>	31.3%	31.4%	31.5%	31.6%	31.6%	31.7%	31.8%	31.9%	31.9%
• <i>Disinfection of process water</i>	51.9%	51.9%	51.9%	52.0%	52.1%	52.1%	52.2%	52.3%	52.3%
• <i>Disinfection of ultra-filtration and RO membranes</i>	16.9%	16.7%	16.6%	16.4%	16.3%	16.2%	16.0%	15.9%	15.8%
Food Processing	54.7%	55.1%	55.4%	55.8%	56.2%	56.6%	57.1%	57.5%	57.9%
• <i>Disinfectant for food processing equipment and pasteurizers</i>	30.3%	30.3%	30.3%	30.2%	30.1%	30.0%	29.9%	29.8%	29.7%
• <i>Aseptic Packaging</i>	41.7%	42.0%	42.4%	42.7%	43.2%	43.6%	44.1%	44.6%	45.0%
• <i>Disinfectant for fruits, vegetables, meat, and eggs</i>	19.7%	19.6%	19.4%	19.2%	19.0%	18.8%	18.6%	18.4%	18.3%
• <i>Biocide in food and animals feeds</i>	8.2%	8.1%	8.0%	7.8%	7.7%	7.5%	7.4%	7.2%	7.1%
Other End Uses	4.8%	4.7%	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.1%
• <i>Used to prevent bio film formation in pulp industries</i>	47.8%	48.0%	48.3%	48.5%	48.7%	48.9%	49.2%	49.4%	49.6%
• <i>Air disinfection</i>	19.6%	19.5%	19.4%	19.3%	19.2%	19.1%	19.0%	18.9%	18.8%
• <i>Aquaculture</i>	32.6%	32.5%	32.3%	32.2%	32.1%	32.0%	31.9%	31.7%	31.6%

Source: Prudour, 2020

## Drivers for Global Peracetic Acid Market Growth

- The peracetic acid market is expected to witness significant growth due to the increasing adoption of peracetic acid in various allied industries, such as food processing and beverage industries, where it serves as an antimicrobial agent and safe chemical for food preservation. Peracetic acid is considered a mandatory sanitary practice during the processing and handling of food and beverages, thereby safeguarding public health. Consequently, the demand for peracetic acid is expected to rise, eventually propelling the growth of the peracetic acid market.



- The advantages of peracetic acid over other substitutes, including hydrogen peroxide, sodium hypochlorite, chlorine, and calcium hypochlorite, is one of the key factors that is expected to drive the growth of the global peracetic acid market during the forecast period. The increased demand from end-use industries such as water treatment, food, and healthcare is driving the demand for peracetic acid products. Additionally, increased foreign investments in developing countries due to availability of cheap labour and abundant accessibility of raw materials are also driving the peracetic acid market.
- Peracetic acid solutions can offer alternatives to global problems such as toxic and explosive materials, unwanted harmful process derivatives, end-use application performances, and functionality of finished products, among other competing products. This factor is expected to support the growth of the peracetic acid market over the forecast period.
- The growth of water treatment procedures in developing regions is expected to drive the peracetic acid market. Peroxyacetic acid solutions are used as low-cost alternatives to ultraviolet light, chlorine dioxide, and ozone for disinfection of municipal wastewater treatment plants. Therefore, the peracetic acid market is expected to witness significant growth in the coming years.

#### **Opportunities for Global Peracetic Acid Market**

- Peracetic acid industry is expected to witness new opportunities in the upcoming years due to advances in manufacturing technology, increasing popularity of bio-based chemicals, and innovative technologies developed for the use of peracetic acid in many new applications in the product line. These factors are expected to open up new avenues for market growth.
- Furthermore, the developing economies in the Asia Pacific region, and CIS countries, offer strong opportunities for players to increase their penetration in these markets. The region has a high demand for peracetic acid from end-user industries such as healthcare, water treatment, and food & beverage sector, which provides numerous opportunities for the peracetic acid industry market.



## OUR BUSINESS

*In this section, unless the context otherwise requires, a reference to “our Company” or to “we”, “us” and “our” refers to National Peroxide Limited (formerly known as NPL Chemicals Limited) including Chemicals Business transferred pursuant to Composite Scheme of Arrangement. By virtue of the demerger of “Chemical Business” of Naperol Investments Limited (formerly known as National Peroxide Limited) into our Company, the information in this chapter includes information which was prior to incorporation of our Company on July 29, 2020. Accordingly, this chapter includes historical data of the National Peroxide Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled “Global Hydrogen Peroxide Market Research Report” dated November 2020, “Global Hydrogen Peroxide Market Research Report” dated July 2020 and “Global Peracetic Acid Market Research Report” dated July 2020 which have been exclusively prepared and issued by MarketResearch.biz and is commissioned and paid for by us. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation - Industry and Market Data” on page 6.*

### Overview

#### **About the Company**

National Peroxide Limited (currently known as Naperol Investments Limited), a public limited company was incorporated on March 16, 1954, under the Wadia Group and has been listed on the BSE. NPL stood as one of the largest manufacturers of hydrogen peroxide in India, with an installed capacity of 1,50,000 metric tonnes per annum (MTPA) on a 50% weight by weight (w/w) basis (Source: MarketResearch.biz). Pursuant to the effective date of the Composite Scheme of Arrangement i.e., September 11, 2023, the Demerged Undertaking is transferred and vested into the Company with effect from April 1, 2022.

Our Company manufactures hydrogen peroxide, which is a simple peroxide with an oxygen-oxygen single bond, which exists in the form of a clear, pale, blue liquid with an odour similar to nitric acid. It can act both as an oxidizing agent and reducing agent and undergoes thermal decomposition when exposed to sun high temperature. Hydrogen peroxide is available in majorly two categories (i) technical grade, and (ii) food grade, with varying concentrations depending upon the application.

We have developed strong client relationships, which have been fortified by our robust technological competence, cutting-edge manufacturing facility, and unwavering commitment to delivering high-quality solutions. Our manufacturing facility is located in Kalyan, Maharashtra, which adheres to international standards and ensures the production of high-quality hydrogen peroxide. This is achieved through the application of the auto-oxidation technique, a recognized industry standard.

In a strategic initiative to maximize value for the shareholders, attract investors, and enhance our access to capital, NPL underwent a Composite Scheme of Arrangement. This involved the demerger of the Company’s Chemical Business into the Company. Additionally, Naperol Investments Limited (which is amalgamated with erstwhile National Peroxide Limited), another wholly owned subsidiary engaged in long-term investments and corporate lending, was amalgamated. This restructuring aimed to separate distinct companies, each with different risk and return characteristics, with the ultimate goal of optimizing outcomes and delivering greater value to our stakeholders.

We believe that our Company is well positioned to meet the ever-growing demand for essential chemicals on both domestic and global fronts. By integrating responsible care principles into our operations, we have established scalable facilities that enable us to cater to market needs while prioritizing quality and environmental considerations. Presently, our commitment to excellence allows us to effectively serve a diverse customer base, ensuring the timely supply of cost-efficient, superior-grade products.

As a member of the Wadia Group, our Company benefits from the leadership of experienced, motivated, and skilled promoters. These visionaries are supported by a seasoned senior management team, collectively possessing expertise in their respective fields. This combination helps us to understand and anticipate market trends, efficiently manage our business operations and growth, leverage strong customer relationships, and promptly adapt to shifting customer preferences.



## About Wadia group

The Wadia group is one of the oldest conglomerates in India, with a diverse presence across industries such as FMCG, real estate, textiles, chemicals, aviation, and food processing. The four companies within the Wadia Group are listed on the Stock Exchanges. These includes Britannia, a 102-year-old FMCG enterprise in the Nifty 50 index; Bombay Burmah, a 150-year-old tea and diversified business company; Bombay Dyeing, a 140-year-old textile, a real estate company; and National Peroxide Limited, a 68-year-old manufacturer of hydrogen peroxide.

Recognizing the significant influence of social, environmental, and governance factors on the wider community and the long-term sustainability of companies, the Wadia Group places great importance on responsible corporate citizenship. It steadfastly upholds its commitment and dedication to supporting initiatives that uplift people and communities through endeavors in housing, education, healthcare, and research. Moreover, the Wadia Group is deeply committed to aiding in the recovery and rebuilding of lives and livelihoods shattered by major natural disasters.

Through its commitment to excellence, responsible practices, and social impact, the Wadia Group exemplifies its strong belief in being a catalyst for positive change and progress.

## Our Strengths

- **Leadership in hydrogen peroxide manufacturing**

NPL is the largest manufacturer of hydrogen peroxide in India (*Source: Market Research Report*), a highly regarded eco-friendly disinfectant. With a history spanning over six decades, it has acquired extensive experience in the manufacturing and sale of peroxygen compounds to the domestic market. This leadership position not only highlights its established presence but also showcases its deep understanding of customer needs and industry demands.

- **Cutting-edge manufacturing facility**

The manufacturing facility in Kalyan is the foundation for operations of the Demerged Undertaking and has a manufacturing plant with modern equipment and technology. This modern infrastructure enables our Company to streamline its production processes, improve efficiency, and ensure consistent quality control. By using cutting-edge manufacturing capabilities, the Company is well-equipped to meet the evolving market requirements and deliver high-quality products to its valued customers.

- **Strategic association with the Wadia group**

Being part of the Wadia Group, our Company enjoys significant advantages. This strategic association enables our Company to leverage the Group's extensive resources, industry expertise, and market networks, bolstering its competitive edge and facilitating seamless operations.

## Our Strategies

- **Pioneer in exports, diversified geographical territories:**

We have established ourselves as pioneers in the export market, and we are committed to expanding our presence in diverse geographical territories. By identifying emerging markets and utilizing our expertise, we aim to create new opportunities and strengthen our global footprint. Our strategy includes extensive market research, establishing strategic partnerships, and customizing products to meet the specific demands or requirements of each region.

- **Approvals in food industry for hydrogen peroxide and peracetic acid:**

To enhance our market position and credibility, we are focused to obtain necessary regulatory approvals for food industry. By complying with the stringent quality standards required for food industry, we aim to increase our market share for aseptic grade hydrogen peroxide and pre-acetic acid.

- **Moving from spot to contractual agreements:**



To ensure value addition for both our customers and us, we are transitioning from spot business to contractual business. By establishing long-term partnerships, we can provide greater stability, consistent quality, and improved services to our customers. This approach allows us to develop stronger relationships, gain a deeper understanding of our customers' needs, and align our production capacities accordingly. We believe that this strategic shift will foster mutual growth and enhance our ability to effectively meet our customers' requirements.

- **Increase in uptime for production:**

To meet the growing demand and ensure timely delivery, we are committed to optimising our production processes and increasing uptime. Through the implementation of efficient maintenance schedules, investments in advanced technologies, and streamlining of operations, our goal is to maximize our production capacity. This will enable us to have a large volume of products to serve the markets, reduced lead times, meeting customer expectations, and ultimately enhancing customer satisfaction.

- **Succession planning and leadership development:**

Our Company recognise the importance of strong leadership and talent development. We have a succession planning strategy in place to ensure a seamless transition of key roles and responsibilities. Our approach includes targeted training programs, mentoring initiatives, and fostering a culture of continuous learning. By nurturing the potential of our employees and fostering their growth, we aim to develop the next generation of leaders within our organization. This strategic approach will enable us to sustain our long-term growth and maintain a competitive edge in the industry.

## Product Description

Our finished product and applications of the same are set out in the table below:

Finished Products	Application/ End Users
Hydrogen peroxide	Pulp & paper, bleaching, de-inking textiles, pharmaceutical and cosmetic, natural resources extraction, cleaning and sanitization, organic and inorganic chemicals peroxides, dyestuffs, pesticides, effluent treatment, oxidizing agent for chemical reaction
Peracetic acid	Food, pharmaceutical, pulp & paper, and water treatment

## Manufacturing facility

Our manufacturing facility is located in Kalyan, Maharashtra, with an installed capacity of 1,50,000 MTPA, enabling us to become the largest manufacturer of hydrogen peroxide in India.

Our manufacturing process is centered around the highly efficient auto-oxidation technique. This advanced method enables us to produce a concentrated aqueous solution that adheres to international standards, containing an impressive 50% hydrogen peroxide by weight, commonly denoted as 50% w/w.

The integration of our manufacturing operations allows for streamlined processes, ensuring seamless coordination and efficient production. By exercising control over the entire manufacturing cycle, starting from sourcing the raw materials to delivering the final product, we maintain meticulous quality control standards at every stage.

Our manufacturing facility is equipped with cutting-edge technology and equipment, which enables us to effectively meet the stringent requirements of the industry. We prioritize operational excellence and maintain adherence to strict safety protocols to ensure the well-being of our workforce and the preservation of the surrounding environment.

With our manufacturing facility and adherence to international standards, we consistently deliver high-quality hydrogen peroxide solutions to our valued customers. Our commitment to technological advancement and stringent quality control measures ensures that we effectively cater to the diverse requirements of various industries, while upholding the utmost levels of product efficacy and reliability.

In addition, compliance with stringent environmental laws and regulations is of utmost importance to our operations. These regulations encompass various aspects such as the proper handling, storage, and disposal of hazardous substances and wastes, as well as the remediation of contaminated sites, preservation of natural



resources, and protection of employee health and safety. Over the years, we have diligently reinforced our commitment to sustainability, earning us the prestigious “Responsible Care” logo awarded by the Indian Chemical Council. This esteemed accolade stands as a testament to our unwavering dedication to upholding the highest standards of health, safety, and environmental stewardship.

### Capacity and Capacity Utilisation

Our manufacturing facility is equipped with cutting-edge technology and equipment, which enables us to effectively meet the stringent requirements of the industry. As on the date of this Information Memorandum, our total installed capacity is 1,50,000 MTPA.

The following table sets forth certain information relating to our installed capacity and capacity utilisation for our manufacturing facility for the periods indicated:

Particulars	Unit	December 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Installed capacity	MT	1,12,500	1,50,000	-	-
Actual Production	MT	91,117	1,14,140	-	-
Capacity Utilisation	(%)	81.00	76.09	-	-

### Sales and Marketing

Our products sales strategy encompasses a multi-channel approach, including both direct sales and our network of dealers. To ensure nationwide coverage, we have established a distribution network consisting of 50 dealers. This strategic network enables us to cater to the domestic market effectively. Additionally, we have strategically set up sales offices in Kalyan, Maharashtra, to better serve our customers at a local level.

In the field of exports, we are operating in more than 35 countries through our channel partners or direct supplies to customers across textile, pulp and paper, hygiene and disinfection, personal care and water treatment segments. We are engaging our customers on Monthly, Quarterly, Half-yearly and Annual contracts basis. This approach allows us to meet the specific needs of our customers while ensuring efficient delivery of our products.

Under the leadership of Munish Bakshi, our vice president (sales and marketing), a team of 10 skilled and committed members are collaboratively working to achieve sales and marketing objectives across Domestic and International markets. Our sales and marketing department closely monitors the growth within our industry and our clients’ industries. This information serves as the foundation for our marketing and business development plans. In addition, our marketing team maintains regular communication with industry professionals to stay informed about their existing and future requirements. Our sales and marketing team also ensure utmost levels of delivery compliance and customer satisfaction thru regular visits/ interactions, timely deliveries and addressing customer grievances and engagement for new applications & product development.

### Quality Assurance

We have a dedicated team of qualified professionals that is responsible for maintaining our required quality standards and our employees are required to undergo thorough training programs designed to update them on latest quality norms and standards periodically. With the help of our technical professionals, our company ensures the highest levels of quality assurance and quality control in its operations.

To uphold our commitment to delivering superior products, we have implemented a comprehensive quality system manual. This manual serves as a detailed guide, outlining a framework of broad guidelines for our quality control procedures. We adhere to these guidelines to ensure that our products meet the standards of our products.

We have received ISO 9001 and ISO 14001 quality management system and environmental management systems certifications Further, we have also been awarded with the “Responsible Care” logo.

### Human Resource

As of December 31, 2023, our company had a team of 123 permanent employees across various departments. In addition, we have also entered into arrangements with third party personnel companies for the supply of contract labour. The number of contract labourers varies from time to time based on the nature and extent of work





contracted to independent contractors. We conduct training workshops for our employees to develop a variety of skill sets and organize modules at regular intervals to promote teamwork and personal growth of employees.

Our senior management team possesses expertise in the chemical industry, providing invaluable guidance and leadership. To ensure the continuous growth and development of our employees, our human resource department continuously focuses on employee engagement and motivation, which further helps in achieving the strategic objectives of the organization. Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner.

## **Insurance**

As a manufacturing company, we acknowledge that our operations inherently include certain hazards and risks. These include the potential for equipment failure, work accidents, fire, earthquakes, floods, and other force majeure events. Additionally, there is the risk of explosions and other hazards that could cause injuries, loss of life, substantial damage to property, stocks, and equipment, as well as environmental harm.

To mitigate these risks, we adhere to Industry all risks policies, which outlines our comprehensive approach to risk management. This policy encompasses measures to enhance safety, prevent accidents, and safeguard our operations and assets. Our Company also have workmen compensation and group personal accident policy (GPA) to mitigate accidental mishaps to employees and workmen.

We maintain public liability insurance as required under the Public Liabilities Insurance Act, 1991 and have also procured commercial general liability policy, office package policy and industry all risk policy that insure against material damage to our PD catalyst, raw material and finished goods at our manufacturing facility.

We also maintain a group personal accident policy and workmen's compensation policy. We maintain insurance coverage for our assets and operations at levels that we believe are appropriate for our business and continuously evaluate and update our insurance policies to align with our evolving needs and the changing risk landscape.

Our commitment to maintaining adequate insurance coverage, combined with our proactive risk management efforts, helps us to minimize potential losses and protect the interests of our stakeholders. Our dedicated efforts are aimed at preserving the safety and well-being of our employees, safeguarding our valuable assets, and ensuring the seamless continuity of our operations, even in the event of unforeseen circumstances.

## **Intellectual Property**

As on the date of this Information Memorandum, our logo, viz. "NPL" has been registered under various classes in terms of the Trademarks Act, 1999.

## **Corporate Social Responsibility**

We believe in the principles of Corporate Social Responsibility ("CSR") and recognize the importance of making positive contributions to the communities in which we operate. While our focus remains on achieving sustained financial performance, we also understand the necessity and significance of social stewardship.

During the Financial Year 2023, there was no CSR obligation on the company.

To oversee and guide our CSR initiatives, our Board has constituted a Corporate Social Responsibility Committee in accordance with the requirements of the Companies Act 2013 and the rules thereunder. This committee assumes primary responsibility for formulating and implementing our CSR strategies, ensuring that our initiatives are aligned with our corporate values and have a meaningful and sustainable impact on society.

## **Properties**

Our Registered and Corporate Office is located at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001, Maharashtra, India. As of the date of this Information Memorandum, our manufacturing facility, located in Kalyan, Maharashtra, is held by us on a leased basis from the Demerged Company.



## KEY REGULATIONS AND POLICIES

The following description is a brief overview of certain sector specific laws and regulations in India, which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars, and policies which are subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. The information detailed in this chapter has been obtained from sources available in the public domain. Description of the applicable law set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

### Laws in relation to our business

#### ***The Indian Boilers Act, 1923 (“Boilers Act”) and the Indian Boiler Regulations, 1950 (“Boiler Regulations”)***

The Boilers Act seeks to regulate, *inter alia*, the manufacture, possession and use of boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

#### ***The Public Liability Insurance Act, 1991 (“PLI Act”) and the Public Liability Insurance Rules, 1991***

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandates the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

#### ***Legal Metrology Act, 2009 (“LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)***

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing with the instruments for weights and measuring of goods is mandated to procure a license from the state department under the LM Act. Any violation of the provisions of the LM Act or non-compliance thereof shall result in a monetary penalty to be borne by the manufacturer or in some cases, seizure of goods or imprisonment.

The Packaged Commodity Rules were framed under Section 52(2) (j) and (q) of the LM Act. The said rules prescribe regulations for pre-packing and the sale of commodities in a packaged form, certain rules to be adhered to by wholesale and retail dealers, the declarations to be made on every package, the manner in which the declarations shall be made, etc. These declarations that are required to be made include, *inter alia*, the name and address of the manufacturer, the dimensions of the commodity and the weight and measure of the commodity in the manner as set forth in the Packaged Commodity Rules. The Packaged Commodity Rules was amended in the year 2017 to increase protection granted to consumers. These recent additions include removal of dual MRP, increased visibility of retail price, and bringing e-commerce under the umbrella of these rules.

#### ***The Explosives Act, 1884 (“Explosives Act”)***

The Explosives Act is a comprehensive law which prescribes the licensing for the manufacturing, possession, sale, transportation, export and import of explosives. Under the Explosives Act, ‘explosives’ is defined as any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect. The Central Government has the power to make rules consistent with the Explosives Act, for any part of India, to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use, sale, transport, import and export of explosives, or any specified class of explosives. Contravention or non-compliance of the provisions may result in extensive penalty provisions which have been



provided for manufacture, import or export, possession, usage, selling or transportation of explosives under the Explosives Act.

### **The Foreign Trade (Development and Regulation) Act, 1992 and the rules framed thereunder (“FTA”)**

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide power to prohibit, restrict and regulate exports and imports in general as well as specified cases of foreign trade. The FTA read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

### **Environmental Legislations**

#### ***The Environment (Protection) Act, 1986 (“EP Act”), Environment Protection Rules, 1986 (the “EP Rules”) and the Environmental Impact Assessment Notification, 2006 (“EIA Notification”)***

The EP Act seeks to protect and improve the environment. The EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Further, the EP Rules specifies, *inter alia*, the standards for emission or discharge of environmental pollutants, prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)***

The Water Act seeks to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one central pollution control board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

#### ***Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)***

The Air Act seeks to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the state boards. The central pollution control board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “*hazardous waste*” has been defined in the Hazardous Waste



Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### ***The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (“Chemical Accidents Rules”)***

The Chemical Accidents Rules, formulated pursuant to the provisions of the EP Act, seeks to manage the occurrence of chemical accidents, by setting up a central crisis group and a crisis alert system. The functions of the central crisis group include: (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

### ***Gas Cylinder Rules, 2016 (“Gas Cylinder Rules”)***

The Central Government, in exercise of powers under Section 5 and Section 7 of the Explosives Act, had promulgated the Gas Cylinder Rules, 2016, in supersession of the Gas Cylinder Rules, 2004 to regulate filling, possession, transport and import of such gases. The objective of these rules is to ensure safety of persons engaged in the filling, possession, transportation and import of such gases in compressed or liquefied state. A person can fill or possess such cylinders filled with compressed gas only once they have duly obtained the approval from chief controller, who will certify compliance with the construction standards after being shown the necessary test and inspection certificates.

### ***The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (“HCR Rules”)***

The HCR Rules are formulated under the EP Act. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken must provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

## **Labour related legislations**

### ***Factories Act, 1948 (“Factories Act”)***

The Factories Act defines a “factory” to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, where a manufacturing process is being carried on without the aid of power. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

### ***Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 (“Shops and Establishments Act”)***

Under the provisions of the Shops and Establishments Act, applicable in the state of Maharashtra, establishments are required to be registered. The Shops and Establishments Act regulates the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for



fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the Shops and Establishments Act.

***Industries (Development and Regulation) Act, 1951 (“Industries Act”)***

The Industries Act governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Industries Act is applicable to the ‘Scheduled Industries’ which have been listed down in the first schedule of the Industries Act. Small-scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Act.

The Industries Act regulates the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. The Industries Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion which is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to the aforementioned material legislations under which our Company has obtained all relevant licenses and permissions, depending upon the nature of the activity undertaken by us, there are several applicable labour enactments which include the following:

- The Apprentices Act, 1961;
- The Employee’s Compensation Act, 1923;
- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees’ State Insurance Act, 1948;
- The Equal Remuneration Act, 1976;
- Industrial Employment (Standing Orders) Act, 1946;
- The Payment of Bonus Act, 1965;
- The Payment of Gratuity Act, 1972;
- The Payment of Wages Act, 1936;
- The Minimum Wages Act, 1948;
- The Maternity Benefit Act, 1961;
- The Industrial Disputes Act, 1947;
- The Trade Unions Act, 1926;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;
- The Maharashtra Labour Welfare Fund Act, 1953.

***The Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA Act”)***

The CLRA Act has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal





employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

In order to rationalize and reform labour laws in India, the government has enacted the following codes:

**Code on Wages, 2019**, received the assent of the President of India on August 8, 2019, and proposes to subsume four existing legislations namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of the Code on Wages, 2019, mainly in relation to the constitution of the advisory board.

**Industrial Relations Code, 2020**, received the assent of the President of India on September 28, 2020, and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**Occupational Safety, Health and Working Conditions Code, 2020**, received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, Motor Transport Workers Act, 1961, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**Code on Social Security, 2020**, received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008 provision concerning application of Aadhaar has already been notified by the Central Government. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employee's Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. The draft rules propose to subsume, *inter alia*, the Employees' State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.

## **Intellectual Property laws**

### ***The Trade Marks Act, 1999 ("Trademarks Act")***

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks, infringing trademarks or chemical compounds among others. It also provides for infringement, falsifying and falsely applying for trademarks. Under the provisions of the Trademarks Act, an application for trademark registration may be made with the registry of trade marks by any person or persons claiming to be the proprietor of the trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademarks Rules, 2017 have subsequently been enacted and implemented, which have overhauled the regime with respect to assignment and transmission, statement of use, well known trademarks, opposition proceedings, etc.





***Other laws***

In addition to the above, we also comply with the provisions of the Companies Act and rules framed thereunder, the Competition Act, 2022, foreign exchange and investment laws and foreign trade laws and other applicable laws and regulation imposed by the Central Government and state governments and other authorities for our day-to-day business, operations, and administration. Our Company is also amenable to various central and state tax laws.



## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

National Peroxide Limited (*formerly known as NPL Chemicals Limited*) (“**Company**” or “**Resulting Company**”) was incorporated on July 29, 2020, as a public limited company incorporated under the Companies Act, 2013, pursuant to a certificate of incorporation dated August 5, 2020, issued by the Registrar of Companies, Maharashtra at Mumbai. Pursuant to the Composite Scheme of Arrangement, the name of the Company has been changed to National Peroxide Limited and a fresh certificate of incorporation dated January 31, 2024 was issued by the Registrar of Companies, Maharashtra at Mumbai.

### Change in the registered office of our Company

There has been no change in the registered office of our Company since its incorporation.

### Changes in Memorandum of Association

Other than as disclosed below and pursuant to the Composite Scheme of Arrangement, there have been no changes in the Memorandum of Association:

Date of Shareholders’ resolution	Particulars
May 19, 2023	The authorized share capital of our Company was increased from ₹ 1,00,000 divided into 10,000 equity shares of our Company of face value of ₹ 10 each to ₹ 10,00,00,000 divided into 1,00,00,000 equity shares of our Company of face value of ₹ 10 each.

### Main objects as set out in the Memorandum of Association of our Company

The main object of our Company as contained in our Memorandum of Association is:

*To carry on business as manufacturers, producers, importers, exporters, merchants, distributors, commission agents, brokers, and wholesale and retail dealers of and in peroxide of hydrogen, other heavy chemicals, and fine chemicals and of and in all kinds of chemicals detergents, pigments and medicinal, pharmaceutical, veterinary, serobacteriological, dental, cosmetic and perfumery products of soap, medicinal foods, diagnostics preparations, bacteriological stains, artificial manures and other products designed to protect and encourage the germination of seeds and the growth of plants of every description, of insecticides of every kind and generally of chemicals and chemical products of all kinds and allied and auxiliary products and intermediates thereof.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

### Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Calendar year	Particulars
2023	Demerger pursuant to the Composite Scheme of Arrangement amongst National Peroxide Limited ( <i>currently known as Naperol Investments Limited</i> ), Naperol Investments Limited ( <i>which is amalgamated with erstwhile National Peroxide Limited</i> ) and NPL Chemicals Limited ( <i>currently known as National Peroxide Limited</i> ) and their respective shareholders and creditors.
2020	Incorporation of our Company on July 29, 2020

### Key awards, accreditations or recognitions

Calendar Year	Awards and Accreditations
2023-2024	<ul style="list-style-type: none"><li>Award from FICCI, Sustainability - Excellence in Safety in Chemicals</li><li>Award from National Safety Council for Lowest Average Accident Frequency Rate and Longest Accident-Free Period</li></ul>
2022-2023	<ul style="list-style-type: none"><li>Award from FICCI, for Excellence in Management of Health &amp; Safety in Chemicals</li></ul>



Calendar Year	Awards and Accreditations
2019-2021	<ul style="list-style-type: none"> <li>• Certificate of Appreciation from National Safety Council of India, for appreciable achievement in occupational safety &amp; health</li> </ul>
2021	<ul style="list-style-type: none"> <li>• Certificate of Merit from National Safety Council Maharashtra Chapter, for Meritorious Performance in Industrial Safety during 2021 in Chemicals &amp; Fertilizers</li> </ul>

### **Time and cost over-runs**

There have been no time and cost over-runs in respect of our business operations.

### **Defaults or re-scheduling, restructuring of borrowings with financial institutions/banks**

There have been no defaults or re-scheduling/restructuring in relation to borrowings availed by our Company from any financial institutions or banks.

### **Launch of key products or services, entry into new geographies or exit from existing markets**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” on page 68.

### **Facility creation, location of offices**

For details regarding facility creation and location of our offices, see “*Our Business*” on page 68.

### **Material agreements**

#### **Details of subsisting shareholders’ agreements**

As on the date of this Information Memorandum, there are no subsisting shareholders’ agreements in relation to our Company.

#### **Other material agreements**

There are no material agreements entered into by our Company, other than in the ordinary course of business of the Company that are subsisting on the date of this Information Memorandum.

Further, there is no agreement entered into by a Key Managerial Personnel or Senior Management or Director or Promoter or any employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings in the securities of our Company.

#### **Guarantees given by our Promoter**

Our Promoter is not offering any Equity Shares and accordingly the confirmation pertaining to guarantees extended in favour of third parties is not applicable.

#### **Our holding company**

As on the date of this Information Memorandum, our Company does not have any holding company.

#### **Our Subsidiary and Joint venture**

As on the date of this Information Memorandum, our Company does not have any subsidiary or joint venture.

#### **Other Confirmations**

There has been no rescheduling of our borrowings from financial institutions.

Our Company does not have any strategic or financial partners.



As on date of filing of this Information Memorandum, other than pursuant to the Composite Scheme of Arrangement, there has been no material acquisition of business or divestments, undertakings, mergers, amalgamations, or revaluation of assets since incorporation of the Company.



## COMPOSITE SCHEME OF ARRANGEMENT

### Details of the Composite Scheme of Arrangement

The National Company Law Tribunal, Mumbai bench, *vide* its order dated May 4, 2023, approved the Scheme of Arrangement amongst National Peroxide Limited (*currently known as Naperol Investments Limited*) (the “**Demerged Company**” or the “**Transferee Company**”) and Naperol Investments Limited (*which is amalgamated with erstwhile National Peroxide Limited*) (the “**Transferor Company**”) and NPL Chemicals Limited (*currently known as National Peroxide Limited*) (the “**Resulting Company**” or “**our Company**”) and their respective shareholders and creditors, in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 which *inter alia* provides, for:

- (i) the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Composite Scheme of Arrangement) from the Demerged Company into the Resulting Company on a going concern basis and the consequent issue of Equity Shares by the Resulting Company in the manner set out in the Scheme;
- (ii) the amalgamation of the Transferor Company with the Transferee Company in the manner set out in the Scheme; and
- (iii) the reduction of the share capital of the Resulting Company in the manner set out in the Composite Scheme of Arrangement.

The Composite Scheme of Arrangement is divided into following parts: (i) Part I deals with the definitions, share capital and date of taking effect and implementation of the Composite Scheme of Arrangement; (ii) Part II deals with the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company and the consideration thereof; (iii) Part III deals with the amalgamation of the Transferor Company with the Transferee Company; (iv) Part IV deals with the reduction and cancellation of the existing equity share capital of the Resulting Company held by the Demerged Company; and (v) Part V deals with general terms and conditions that would be applicable to the Composite Scheme of Arrangement.

### Rationale for the Composite Scheme of Arrangement

- (i) The Transferee / Demerged Company is engaged in business of manufacturing of and dealing in peroxygen chemicals and is one of the largest manufacturer of hydrogen peroxide in India, with an installed capacity of 150 KTPA on 50% w/w basis. The Transferee / Demerged Company also owns certain strategic investments and is also engaged in the business of making long term investments and corporate lending directly and also through its wholly owned subsidiary viz., the Transferor Company.
- (ii) The nature and competition involved in each of the aforementioned businesses is distinct and it is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders.
- (iii) Further for growth and expansion of the said chemical business and the investment and corporate lending business, differentiated strategy is required to be aligned to the industry specific risks, market dynamics and growth trajectory.
- (iv) With a view to reorganise the businesses of the Transferee / Demerged Company, it is proposed to bring the said chemical business of the Demerged / Transferee Company under the aegis of the Resulting Company and amalgamate the Transferor Company, engaged in the business of long- term investment and corporate lending, with the Transferee Company. This, *inter alia*, result in the following benefits:
  - (a) unlocking the value of each of the businesses for the shareholders of the Transferee / Demerged Company, attracting investors and providing better flexibility in accessing capital;
  - (b) segregating different businesses having different risk and return profiles, and providing investors with better flexibility to select investments which best suit their investment strategies and risk profile; and
  - (c) enabling focused growth strategy for each of the businesses for exploiting opportunities specific to each business.



The Composite Scheme of Arrangement is in the best interests of the shareholders, employees and the creditors of the Transferor Company, the Demerged Company and the Resulting Company.

### **Appointed date and Effective date for the Composite Scheme of Arrangement**

In terms of the Composite Scheme of Arrangement, opening business hours of April 1, 2022, is the Appointed Date for the Composite Scheme of Arrangement. Further, Effective Date is defined to mean the day on which the last of the approvals/ conditions specified in Clause 31 of the Composite Scheme of Arrangement (Conditions Precedent) are obtained or complied with.

The Composite Scheme of Arrangement was sanctioned by the National Company Law Tribunal, Mumbai bench by an order dated May 4, 2023. Further all the condition precedents in connection with the Composite Scheme of Arrangement were obtained/complied by September 11, 2023, and accordingly, the Composite Scheme of Arrangement has become effective from April 1, 2022 (“**Appointed Date**”) and operative from September 11, 2023 (“**Effective Date**”). Also, with effect from the Effective Date upon allotment of equity shares by the Resulting Company to the shareholders of the Demerged Company in terms of Clause 9 (consideration) of the Composite Scheme of Arrangement on September 27, 2023 (“**Resulting Company New Equity Shares**”), the reduction and cancellation of existing equity shares of the Resulting Company held by the Demerged Company shall become effective.

### **The Salient features of the Composite Scheme of Arrangement are as follows:**

#### ***Demerger and Vesting of the Demerged Undertaking into our Company***

On the Composite Scheme of Arrangement becoming effective i.e. the Effective Date and with effect from the Appointed Date, and subject to the provisions of the Composite Scheme of Arrangement and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the Income Tax Act, the Demerged Undertaking (as detailed out in the Composite Scheme of Arrangement) along with all its assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. shall, without any further act, instrument or deed, be demerged from Demerged Company and transferred to and be vested in or be deemed to have been vested in the Resulting Company as a going concern so as to become the assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Resulting Company by virtue of, and in the manner provided in the Composite Scheme of Arrangement, on and from the Appointed Date.

#### ***Consideration for the demerger of the Demerged Undertaking***

Upon Part II of the Composite Scheme of Arrangement coming into effect and in consideration of and subject to the provisions of the Composite Scheme of Arrangement, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date, as under:

1 (One) fully paid-up equity share of the Resulting Company having face value of ₹ 10 (Rupees ten) each for every 1 (One) equity share of ₹ 10 (Rupees ten) each of the Demerged Undertaking.

It is hereby clarified that no shares shall be issued by the Resulting Company in respect of the shares held by the Demerged Company in the Resulting Company.

The Resulting Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company.

The pre-demerger shareholding of the Demerged Company in the Resulting Company shall be cancelled and the amount of such share capital, as stands cancelled, be credited to capital reserve.





### ***Amalgamation of Transferor Company with Transferee Company***

Upon Part III of the Composite Scheme of Arrangement becoming effective and with effect from the Appointed Date and subject to the provisions of the Composite Scheme of Arrangement and pursuant to Section 232 of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern and all assets and liabilities of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets and liabilities of the Transferee Company by virtue of, and in the manner provided in the Composite Scheme of Arrangement.

Upon Part III of the Composite Scheme of Arrangement becoming effective, the authorised equity share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC, by the authorised share capital of the Transferor Company amounting to ₹ 50,00,000 (Rupees Fifty Lakh only) and the consent of the shareholders of the Transferee Company to the Composite Scheme of Arrangement shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized equity share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorised equity share capital to that extent. Accordingly, the authorised share capital of the Transferee Company will be ₹ 25,50,00,000 (Rupees Twenty-Five Crores and Fifty Lakhs only).

Upon Part III of the Composite Scheme of Arrangement becoming effective, all shares of the Transferor Company held by the Transferee Company (held either directly or through its nominees) shall stand cancelled without any further application, act or deed.

On Part III of the Composite Scheme of Arrangement becoming effective, the Transferor Company shall stand dissolved without winding up. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

### **Reduction and Cancellation of the Existing Equity Share Capital of the Resulting Company Held by the Demerged Company**

With effect from the Effective Date and upon allotment of Resulting Company New Equity Shares by the Resulting Company, the entire paid up equity share capital, as on Effective Date, of the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date and the paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced.

### **General Terms and Consideration**

Upon the Composite Scheme of Arrangement becoming effective, the name of the Resulting Company shall stand changed to “National Peroxide Limited” or such other name which is available and approved by the RoC, by simply filing the requisite forms with the appropriate authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.

### **Conditions Precedent**

1. The Composite Scheme of Arrangement is conditional upon and subject to the following conditions precedent:
  - (i) obtaining no-objection/ observation letter from BSE Limited in relation to the Composite Scheme of Arrangement under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
  - (ii) approval of the Composite Scheme of Arrangement by the requisite majority of each class of shareholders and creditors of the Transferor Company, the Transferee Company/Demerged Company, and the Resulting Company and such other classes of persons of the said parties, if any, by e-voting, as applicable or as may be required under the Act and as may be directed by the Tribunal;
  - (iii) receipt of registration/ license by Transferee Company a from RBI as may be required, in relation to Part III of the Composite Scheme of Arrangement;



- (iv) the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties;
  - (v) certified/ authenticated copies of the orders of the Tribunal, sanctioning the Composite Scheme of Arrangement, being filed with the RoC having jurisdiction over the Parties; and
  - (vi) The requisite consent, approval or permission of Appropriate Authority including SEBI, BSE Limited, depositories etc. or any other Person which by Applicable Law or contract, agreement may be necessary for the implementation of the Composite Scheme of Arrangement.
2. Without prejudice to Clause 31.1 of the Composite Scheme of Arrangement and subject to the satisfaction or waiver of the conditions mentioned in Clause 31.1 of the Composite Scheme of Arrangement, the Composite Scheme of Arrangement shall be made effective in the order as contemplated below:
    - (i) Part II of the Composite Scheme of Arrangement shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 31.1 of the Composite Scheme of Arrangement by the Boards of the Transferor Company, Resulting Company and the Transferee/ Demerged Company;
    - (ii) Part III of the Composite Scheme of Arrangement shall be made effective immediately after the implementation of Part II of the Composite Scheme of Arrangement; and
    - (iii) Part IV of the Composite Scheme of Arrangement shall be made effective immediately upon allotment of Resulting Company New Equity Shares.
  3. The condition as stated in Clause 31.1.3 of the Composite Scheme of Arrangement, shall only be applicable for effectiveness of Part III of the Composite Scheme of Arrangement. It is clarified that in view of Clause 32.4 of the Composite Scheme of Arrangement, the condition as stated in Clause 31.1.3 of the Composite Scheme of Arrangement, shall not be applicable for effectiveness of Part II and Part IV of the Composite Scheme of Arrangement.
  4. It is hereby clarified that submission of the Composite Scheme of Arrangement to the Tribunal (as defined in the Composite Scheme of Arrangement) and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Transferor Company, the Transferee Company / Demerged Company and the Resulting Company may have under or pursuant to all Applicable Laws.
  5. On the approval of the Composite Scheme of Arrangement by the shareholders of the Transferor Company, the Transferee Company/Demerged Company and the Resulting Company and such other classes of Persons of the said Parties (as defined in the Composite Scheme of Arrangement), if any, pursuant to Clause 31.1.2 of the Composite Scheme of Arrangement, the shareholders and classes of persons shall also be deemed to have resolved and accorded all relevant consents under the Companies Act, 2013 or otherwise to the same extent applicable in relation to the demerger, amalgamation,

#### **Approvals with respect to Composite Scheme of Arrangement**

The NCLT vide its order dated May 4, 2023 (certified true copy of the order received on May 25, 2023) has sanctioned the Composite Scheme of Arrangement. In accordance with the said Composite Scheme of Arrangement, the equity shares of our Company issued subject to applicable regulations shall be listed and admitted to trading on the BSE. Such listing and admission for trading is not automatic and will be subject to such other terms and conditions as may be prescribed by the BSE at the time of application by our Company seeking listing.

For details of the Shareholding of our Company pursuant to the allotment in terms of the Composite Scheme of Arrangement please refer to chapter “*Capital Structure*” on page 35.



## OUR MANAGEMENT

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, the number of Directors on our Board shall not be less than three and not more than fifteen, provided that our Company may appoint more than fifteen Directors after passing a special resolution.

As on the date of this Information Memorandum, our Board comprises of six Directors, including one Executive Director, two Non-Executive Directors, three Independent Directors including one woman Director. The composition of the Board of Directors is in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

### Board of Directors

The following table sets forth details of our Board as of the date of filing of this Information Memorandum with the Stock Exchanges:

S. No.	Name, DIN, date of birth, designation, occupation, current term and period of directorship, address	Age (Years)	Directorship in other companies
1.	<p><b>Ness Nusli Wadia</b></p> <p><i>DIN:</i> 00036049</p> <p><i>Date of Birth:</i> May 30, 1971</p> <p><i>Designation:</i> Chairman and Non-Executive Director</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Since October 26, 2023</p> <p><i>Address:</i> Beach House, P. Balu Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India</p>	53	<p><i>Indian companies:</i></p> <ul style="list-style-type: none"> <li>• The Bombay Dyeing &amp; Manufacturing Company Limited;</li> <li>• The Bombay Burmah Trading Corporation Limited;</li> <li>• Naperol Investments Limited (formerly known as National Peroxide limited);</li> <li>• Nowrosjee Wadia &amp; Sons Limited;;</li> <li>• Britannia Industries Limited;</li> <li>• Go Airlines (India) Limited (the Board is currently suspended as the Company is under Insolvency Resolution process;</li> <li>• Virtual Education Network Private Limited;</li> <li>• K.P.H. Dream Cricket Private Limited;</li> <li>• Go Investments &amp; Trading Private Limited; and</li> <li>• Nitapo Holdings Private Limited.</li> </ul> <p><i>Foreign companies:</i></p> <ul style="list-style-type: none"> <li>• Island Horti-Tech Holdings Pte. Ltd.;</li> <li>• Leila Lands SB, Malaysia;</li> <li>• Island Landscape &amp; Nursery Pte Ltd.; and</li> <li>• Strategic Foods International Co. (LLC), Dubai.</li> </ul>
2.	<p><b>Minnie Bodhanwala</b></p> <p><i>DIN:</i> 00422067</p> <p><i>Date of Birth:</i> January 13, 1963</p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Occupation:</i> Medical Professional</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of directorship:</i> Since October 26, 2023</p> <p><i>Address:</i> 101, Gulmohar House, 3rd Road, TPS IV, Almeida Park, Bandra (West), Mumbai 400 050, Maharashtra, India</p>	61	<p><i>Indian companies:</i></p> <ul style="list-style-type: none"> <li>• The Bombay Dyeing &amp; Manufacturing Company Limited;</li> <li>• Naperol Investments Limited (formerly known as National Peroxide limited);</li> <li>• Axel Polymers Limited; and</li> <li>• The Bombay Burmah Trading Corporation Limited.</li> <li>• Tia Plastek Private Limited</li> </ul> <p><i>Foreign companies:</i></p> <p>Nil</p>



S. No.	Name, DIN, date of birth, designation, occupation, current term and period of directorship, address	Age (Years)	Directorship in other companies
3.	<p><b>Viraf Mehta</b></p> <p><b>DIN:</b> 00352598</p> <p><b>Date of Birth:</b> September 17, 1954</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Professional</p> <p><b>Current term:</b> Appointed for a term of 5 years not liable to retire by rotation</p> <p><b>Period of directorship:</b> Since October 26, 2023</p> <p><b>Address:</b> K3/63, M. Cama Park, Cama Road, Andheri (West), Mumbai 400 058, Maharashtra, India</p>	69	<p><i>Indian companies:</i></p> <ul style="list-style-type: none"> <li>• Naperol Investments Limited (formerly known as National Peroxide limited);</li> <li>• Godrej Infotech Limited; and</li> <li>• Sattva Holding and Trading Private Limited.</li> </ul> <p><i>Foreign companies:</i></p> <p>Nil</p>
4.	<p><b>Parvathi Menon</b></p> <p><b>DIN:</b> 02874749</p> <p><b>Date of Birth:</b> May 22, 1974</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Employed</p> <p><b>Current term:</b> Appointed for a term of 5 years not liable to retire by rotation.</p> <p><b>Period of directorship:</b> Since October 26, 2023</p> <p><b>Address:</b> Ruby 04, Golden Enclave, Old Airport Road, Kodihalli, Vimanapura, Bangalore, Karnataka - 560017</p>	50	<p><i>Indian companies:</i></p> <ul style="list-style-type: none"> <li>• Naperol Investments Limited (formerly known as National Peroxide limited);</li> <li>• Innovation Alchemy Consulting Private Limited; and</li> <li>• Fresh Harvest Private Limited.</li> </ul> <p><i>Foreign companies:</i></p> <p>Nil</p>
5.	<p><b>Jaivir Singh</b></p> <p><b>DIN:</b> 01362930</p> <p><b>Date of Birth:</b> May 19, 1980</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Service</p> <p><b>Current term:</b> Appointed for a term of 5 years</p> <p><b>Period of directorship:</b> Since November 20, 2023</p> <p><b>Address:</b> B-10, Anand Niketan, New Delhi 110021</p>	44	<p><i>Indian companies:</i></p> <ul style="list-style-type: none"> <li>• HSJ Investments &amp; Holdings Pvt. Ltd</li> <li>• Impact Sare Magnum Township Pvt. Ltd.</li> <li>• Impact Hills Development Pvt. Ltd.</li> <li>• M/s TV Today Network Ltd.</li> </ul> <p><i>Foreign companies:</i></p> <p>Nil</p>



S. No.	Name, DIN, date of birth, designation, occupation, current term and period of directorship, address	Age (Years)	Directorship in other companies
6.	<p><b>Rajiv Arora</b></p> <p><i>DIN:</i> 08730235</p> <p><i>Date of Birth:</i> May 4, 1963</p> <p><i>Designation:</i> CEO and Director</p> <p><i>Occupation:</i> Service</p> <p><i>Current term</i> Up to June 3, 2025</p> <p><i>Period of directorship:</i> Since September 25, 2023</p> <p><i>Address:</i> C-164(GF), South City 2, Sohna Road, Sector – 49, Gurgaon – 122 018, Haryana, India</p>	61	<p><i>Indian companies:</i></p> <ul style="list-style-type: none"> <li>• Naperol Investments Limited (formerly known as National Peroxide limited);</li> <li>• DPI Products and Services Limited;</li> <li>• Subham Viniyog Private Limited;</li> <li>• Placid Plantations Limited;</li> <li>• Harvard Plantations Limited;</li> <li>• Medical Microtechnology Limited;</li> <li>• Varnilam Investment And Trading Company Limited;</li> <li>• Bombay Burmah Trading Employee Welfare Company Limited;</li> <li>• Roshnara Investment And Trading Company Private Limited;</li> <li>• Shadhak Investment And Trading Company Private Limited;</li> <li>• Lima Investment And Trading Company Private Limited;</li> <li>• Cincinnati Investment And Trading Company Private Limited;</li> <li>• MSIL Investments Private Limited;</li> <li>• Epsilon Medico Equipment Company.</li> </ul> <p><i>Foreign companies:</i></p> <p>Nil</p>

### Brief profile of our Directors

**Ness Nusli Wadia** is currently the Chairman of our Board and was inducted as a Non-Executive Director of our Company since March 1997. He holds a master of science degree in engineering business management from University of Warwick. He currently serves as the director on the Board of various companies of Wadia group including The Bombay Burmah Trading Corporation Limited, National Peroxide Limited, Britannia Industries Limited, and The Bombay Dyeing and Manufacturing Company Limited. He is a member on the Board of the Wadia Hospitals and trustee of Sir Ness Wadia Foundation, F. E. Dinshaw Trust, Britannia Nutrition Foundation and Modern Education Society, Pune. Further, he was active in major industry organizations namely FICCI and led several forums such as lifestyle forum, young leaders forum as well as was the president of Mumbai chapter. He is also a co-owner of Punjab Kings (*formerly known as Kings XI Punjab*) and St Lucia Zouks, which are cricket teams playing in the Indian Premier League and Caribbean Premier League respectively.

**Minnie Bodhanwala** is the Non-Executive Director of our Company. She holds a bachelor of dental studies from Osmania University. She has been a Director on our Board since October 26, 2023. She is presently working as chief executive officer at Nowrosjee Wadia Maternity Hospital and Bai Jerbai Wadia Hospital for Children, Parel, Mumbai. She was honoured with more than 40 awards, which include various prestigious awards like the “*International Award in Healthcare*” by the Thai Chamber of Commerce, Bangkok; “*Global Award for Sustainable Healthcare Models with Revenue Turnover*”, Dubai; “*Leading Business Women of the Year*” by Global, Mumbai; “*Life Time Achievement Award in Healthcare*” by National Excellence Awards 2015. She has more than 35 years of experience in chemical industry. Prior to joining our Company, she was associated with Jeevanti Healthcare Private Limited as chief operating officer and Baroda Heart Institute and Research Centre.

**Viraf Mehta** is an Independent Director of our Company. He holds a bachelor’s degree in commerce from the Mumbai University and is also a fellow member of The Institute of Chartered Accountants of India (ICAI). He has been a Director on our Board since October 26, 2023. He has more than 40 years of experience in audit, assurance and business advisory services. Prior to joining our Company, he was the managing partner of Kalyaniwalla & Mistry, Chartered Accountants and of Kalyaniwalla Mistry Associates, Chartered Accountants. His professional experience includes handling special assignments for a wide spectrum of clients in different services and industries. He has also handled assignments relating to special audits and investigations on behalf of



the Reserve Bank of India, Securities Exchange Board of India and on behalf of the special court set up under the Trial of Offences Relating to Transactions in Securities Act, 1992. He was a member on the committees of the Bombay Chamber of Commerce and of the ICAI as an invitee.

**Parvathi Menon** is an Independent Director of our Company. She holds a masters' degree in communication from the Hyderabad Central University and is an alumna of the Management Program for Women Entrepreneurs at IIM Bangalore. She has been a Director on our Board since October 26, 2023. She is currently the principal learning partner, corporate learning, at Harvard Business Publishing. She also chairs the board of School for Social Entrepreneurs, India and is actively involved in mentoring small business entrepreneurs in the early stages of enterprise development. Further, she has been an empanelled facilitator for Harvard Business Publishing (HBP) in India for over 8 years and has led the facilitation of several HBP leadership development programs for corporate leadership on behalf of HBP across India, Middle East and Southeast Asia. With over 28 years of experience, she has built a repertoire of knowledge in designing and facilitating innovation adoption for leaders and teams working on complex challenges. Prior to joining our Company, she was associated with Innovation Alchemy Consulting Private Limited and Fresh Harvest Private Limited.

**Jaivir Singh** is an Independent Director of our Company. He has been a Director on our Board since November 20, 2023. Jaivir Singh serves as the vice chairman of the PwC India Foundation, as also Advisor to the chairman of PwC in India and managing director in PwC India. He is a serving member of the global corporate sustainability board of the PwC Network and leads the Global Office for Humanitarian Affairs ("GOHA") for PwC International. He has also from 2008 to 2011, been the advisor to the Dean of the Fuqua School of Business (Duke University) where he supported the creation and execution of the universities India entry strategy. Outside of PwC, Jaivir Singh serves as a trustee on the board of Humentum, a global non-profit working with humanitarian and development organizations to improve how they operate. He continues to spend some time with the family business, where he drives marketing and strategy for Impact Projects Pvt Ltd, a real estate development company operating in Northern India, and is also involved in the Nanhi Chhaan Foundation, a not-for-profit institution set up by his family to address development issues relating to the Girl Child and Women. Jaivir Singh did his schooling from the Doon School and then went for Further studies in Marketing & Advertising (BA) (NC), 2001 to 2002 to LCP, London, UK.

**Rajiv Arora** is the CEO and Executive Director of our Company. He holds a bachelor's degree in engineering (chemical) from Birla Institute of Technology and Science, Pilani and a master's degree in business administration (marketing & operations) from Indian Institute of Management, Bangalore. He has been a Director on our Board since September 25, 2023. He has more than 35 years of experience in diverse industries. Prior to this, he was associated as a president & business head with Shriram Axiall Private Limited since 2014. He has been associated with DCM Shriram Group since 2002 and prior to that, he has worked for 17 years with companies like Ester Industries Limited, Ester Europe GmbH, SRF Limited, Modipon Fibres Limited and Grasim Industries Limited.

#### **Details of directorships in Delisted/Suspended Companies:**

None of our Directors is, or was, a director of any listed company whose shares were suspended from being traded on any stock exchange during the term of their directorship in such company, in the five years prior to the date of this Information Memorandum.

None of our Directors is, or was, a director of any listed company which was delisted from any stock exchange, during the term of their directorship in such company.

#### **Confirmations**

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrower issued by the RBI.





### **Relationship between Directors**

None of our Directors are related to each other or to any of the Key Managerial Personnel or Senior Management.

### **Arrangement or understanding with major Shareholders, customers, suppliers or others**

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

### **Service contracts with Directors**

There are no service contracts entered into between any of our Directors and our Company for provision of any benefits upon termination of employment.

### **Terms of Appointment of our Executive Director**

The Demerged Company had appointed Rajiv Arora as CEO and Executive Director with effect from June 4, 2020, for a period of five years. The services of Rajiv Arora as CEO were transferred to our Company with effect from April 1, 2022, on the same terms and conditions. He was appointed as the Executive Director of our Company for remaining tenure up to June 3, 2025, with effect from September 26, 2023, pursuant to a resolution passed by our Board of Directors at their meeting held on September 25, 2023, which was approved by the Shareholders at the EGM held on September 26, 2023. Our Company has also entered into an agreement dated September 26, 2023, with Rajiv Arora with respect to the terms and conditions of the appointment. The details of the remuneration and perquisites payable to him during the term of his office, include the following:

- (a) Basic salary upto a maximum of ₹ 30,00,000/- per month with increments each year, as approved by the Board on the recommendation of the Nomination and Remuneration Committee
- (b) Benefits and perquisites and allowances as may be recommended by the Nomination and Remuneration Committee and approved by the Board of the Company from time to time, or as may be applicable in accordance with the rules and policies of the Company, upto a maximum of ₹ 30,00,000/- per month.
- (c) Reimbursement of all actual expenses including travelling, entertainment / business promotion and other actual out-of-pocket expenses incurred by him in connection with or in relation to the business of the Company.
- (d) Performance linked pay, as may be determined by the Board of the Company, upon the recommendation of the Nomination and Remuneration Committee on the performance criteria formulated by the Company / Nomination and Remuneration Committee.
- (e) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be made by the Company in accordance with the rules / policy formulated by the Company.
- (f) Group hospitalisation and other insurance for which the payment of premium would be made by the Company.
- (g) Leave in accordance with the rules framed by the Company.

### **Terms of appointment of our Independent Director**

Pursuant to a resolution of the Board dated October 26, 2023, our Independent Directors are entitled to receive sitting fees of ₹ 60,000 for attending each meeting of our Board and ₹ 60,000 for attending the meetings of the Audit Committee, ₹ 60,000 for attending the meetings of the Nomination and Remuneration Committee, ₹ 40,000 for attending the meetings of the Corporate Social Responsibility Committee, ₹15,000 for attending the meetings of the Stakeholders Relationship Committee and ₹40,000 for attending the meetings of the Risk Management Committee. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act, 2013 and the rules framed thereunder and the SEBI Listing Regulations. If the commission exceeds such limit, the same can be paid with the approval of shareholders.



### **Terms of appointment of our Non-executive Directors other than Independent Directors**

Pursuant to a resolution of the Board dated October 26, 2023, our Non-Executive Directors (other than Independent Directors) are entitled to receive sitting fees of ₹ 60,000 for attending each meeting of our Board and ₹ 60,000 for attending the meetings of the Audit Committee, ₹ 60,000 for attending the meetings of the Nomination and Remuneration Committee, ₹ 40,000 for attending the meetings of the Corporate Social Responsibility Committee, ₹15,000 for attending the meetings of the Stakeholders Relationship Committee and ₹ 40,000 for attending the meetings of the Risk Management Committee. Further, our Non-Executive Directors (other than Independent Directors) may be paid commission and reimbursement of expenses as permitted under the Companies Act, 2013 and the rules framed thereunder and the SEBI Listing Regulations. If the commission exceeds such limit, the same can be paid with the approval of shareholders.

### **Remuneration paid to Executive Directors**

The details of remuneration paid by our Company to the Executive Directors for Fiscal 2023 are as follows:

<b>Name of Director</b>	<b>Designation</b>	<b>Total remuneration (in ₹ lakhs)</b>
Rajiv Arora	CEO and Executive Director	293.14

### **Remuneration paid to Non-Executive Directors**

As on date of this Information Memorandum, National Peroxide Limited (*formerly NPL Chemicals Limited*) has not paid any remuneration to Non – Executive Directors for Fiscal 2023.

### **Remuneration paid to Independent Directors**

On account of non-appointment of the Independent Directors on our board during Fiscal 2023, no remuneration was paid in this regard.

### **Bonus or profit-sharing plan for our Directors**

Except Rajiv Arora who is paid performance linked bonus as part of his remuneration, our Company does not have any performance linked bonus or profit-sharing plan for our Directors.

### **Payment or benefit to the officers of our Company**

No amount or benefit has been paid, or given, within the two preceding years from the date of this Information Memorandum, or is intended to be paid, or given, to any of the officers of our Company, other than in the ordinary course of their employment or engagement with our Company.

### **Shareholding of our Directors in our Company**

Our Articles of Association do not require that our Directors hold any qualification shares.

Except as disclosed in the section titled “*Capital Structure*” on page 35, none of our Directors hold any Equity Shares in our Company.

### **Interest of Directors**

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration payable and reimbursement of expenses payable to them, if any under the Articles of Association and to the extent of the remuneration paid to them, if any for services rendered as an officer or employee of the Company. For further details, see “*Terms of appointment of our Executive Directors*” and “*Payment or Benefit to Directors*” above.

Our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.



Our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in the Company, or that may be allotted to the non-Promoter Directors, out of the present Composite Scheme of Arrangement and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

Except Ness Nusli Wadia, none of our Directors have any interest in promotion or formation of our Company as on the date of this Information Memorandum.

All our Directors may be deemed to be interested in the contracts, transactions, agreements or arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners.

None of our Directors have any interest in any venture that is involved in activities similar to those conducted by our Company.

Our Directors have no interest in any property acquired by our Company or proposed to be acquired by our Company or in any transaction in the acquisition of land, construction of building and supply of machinery, etc.

No loans have been availed by the Directors from our Company.

Certain of our Directors may also be regarded as interested in Equity Shares held by them, if any, allotted to their relatives pursuant to the Composite Scheme of Arrangement, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, and to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Except in the ordinary course of business and as disclosed in “*Related Party Transactions*” on page 108, our Directors do not have any other business interest in our Company.

### **Borrowing Powers of the Board**

The Board has been authorized by the Company to borrow sums of money for the purpose of the Company with or without security upon such terms and conditions as the Board may think fit, which, together with the monies already borrowed by Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) shall not exceed the limits prescribed under the Companies Act, 2013.

### **Changes in our Board of Directors in the last three years**

The changes in our Board during the three years immediately preceding the date of this Information Memorandum are set forth below:

<b>Name</b>	<b>Designation</b>	<b>Date of appointment/cessation</b>	<b>Reason</b>
Rajesh Batra	Director	July 29, 2020	First Director
Jairaj Bham	Director	July 29, 2020	First Director
Girish Advani	Director	July 29,2020	First Director
Ness Nusli Wadia	Chairman and Non-Executive Director	October 26, 2023	Appointment
Minnie Bodhanwala	Non-Executive Director	October 26, 2023	Appointment
Viraf Mehta	Independent Director	October 26, 2023	Appointment
Parvathi Menon	Independent Director	October 26, 2023	Appointment
Rajiv Arora	Chief Executive Officer & Executive Director	September 25, 2023	Appointment
Jaivir Singh	Independent Director	November 20, 2023	Appointment
Rajesh Batra	Director	October 26, 2023	Resignation



Name	Designation	Date of appointment/cessation	Reason
Jairaj Bham	Director	October 26, 2023	Resignation
Girish Advani	Director	October 26, 2023	Resignation

## Corporate Governance

The provisions with respect to the corporate governance prescribed under the SEBI Listing Regulations will be applicable upon Listing of the Equity Shares of the Company on BSE. Our Company administers corporate governance through the Board of Directors and the Committees of the Board. Our Company is in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations and the Companies Act, and other applicable regulations, in respect of corporate governance, including in relation to the constitution of the Board and committees thereof, and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

In compliance with the requirement of the Regulation 17-27 of SEBI Listing Regulations, the Company has constituted following Board level Committees:

### Audit Committee:

The Audit committee was constituted by a resolution of our Board dated October 26, 2023, The current constitution of the Audit committee is as follows:

Name of Director	Designation in the Committee	Nature of Directorship
Viraf Mehta	Chairman	Non-Executive Independent Director
Parvathi Menon	Member	Non-Executive Independent Director
Minnie Bodhanwala	Member	Non-Executive Non-Independent Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

The Audit Committee shall have powers, which shall be as under:

- (i) To investigate any activity within its terms of reference;
- (ii) To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from any employee of the Company;
- (iii) To obtain outside legal or other professional advice;
- (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall be as under:

- (i) Oversight of the Company's financial reporting process, and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- (iv) 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 section 134 of the Companies Act;



- (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 the management of the Company;
  - (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; and
  - (g) Modified opinion(s) in the draft audit report.
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - (vi) 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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of the proceeds of the Offer, and making appropriate recommendations to the Board to take up steps in this matter;
  - (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - (viii) Approval of any subsequent modification of transactions of the Company with related parties;
  - (ix) Scrutiny of inter-corporate loans and investments;
  - (x) Valuation of undertakings or assets of the company, wherever it is necessary;
  - (xi) Evaluation of internal financial controls and risk management systems;
  - (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (xiii) 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;
  - (xiv) Discussion with internal auditors of any significant findings and follow up there on;
  - (xv) 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;
  - (xvi) 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;
  - (xvii) Looking 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;
  - (xviii) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment of any other services;
  - (xix) Reviewing the functioning of the whistle blower mechanism;
  - (xx) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") after assessing the qualifications, experience and background, etc., of the candidate;
  - (xxi) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
  - (xxii) 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;

(xxiii) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(xxiv) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee shall mandatorily review the following information:

- (i) Management discussion and analysis of financial condition and results of operations;
- (ii) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
- (iii) Internal audit reports relating to internal control weaknesses;
- (iv) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
- (v) 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) of the SEBI Listing Regulations; and
  - (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

#### **Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated October 26, 2023. The current constitution of the NR Committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Viraf Mehta	Chairman	Non-Executive Independent Director
Parvathi Menon	Member	Non-Executive Independent Director
Ness Nusli Wadia	Member	Non-Executive Non-Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

Role of committee shall, inter-alia, include the following:

- (i) 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;
- (ii) Formulation of criteria for evaluation of performance of independent directors and the Board;

For every appointment of an independent director, the NRC 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.





- (iii) Devising a policy on Board diversity;
- (iv) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- (v) Recommending the remuneration, in whatever form, payable to the senior management personnel;
- (vi) Determining 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.
- (vii) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and
- (viii) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

**Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated October 26, 2023. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the Committee	Designation
Ness Nusli Wadia	Chairman	Non-Executive Non-Independent Director
Parvathi Menon	Member	Non-Executive Independent Director
Minnie Bodhanwala	Member	Non-Executive Non-Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 and its terms of reference are as follows:

- (i) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (ii) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (iii) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (iv) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:
  - (a) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;
  - (b) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
  - (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - (d) monitoring and reporting mechanism for the projects or programmes; and
  - (e) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.



- (v) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (vi) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- (vii) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable law.

**Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee was constituted by a resolution of our Board dated October 26, 2023. The current constitution of the Stakeholders Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Minnie Bodhanwala	Chairman	Non- Executive Non -Independent Director
Viraf Mehta	Member	Non- Executive Independent Director
Rajiv Arora	Member	CEO- Executive Director

The scope and function of the Stakeholders’ Relationship Committee is in accordance with Section 178(6) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

The role of the committee shall *inter-alia* include the following:

- (i) Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, nonreceipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- (ii) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (iii) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (iv) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company;
- (v) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

**Risk Management Committee (“RM Committee”)**

The Risk Management Committee was constituted by a resolution of our Board dated October 26, 2023. The current constitution of the RM Committee is as follows:

Name of Director	Position in the Committee	Designation
Viraf Mehta	Chairman	Non- Executive Independent Director
Minnie Bodhanwala	Member	Non- Executive Non- Independent Director
Rajiv Arora	Member	CEO- Executive Director

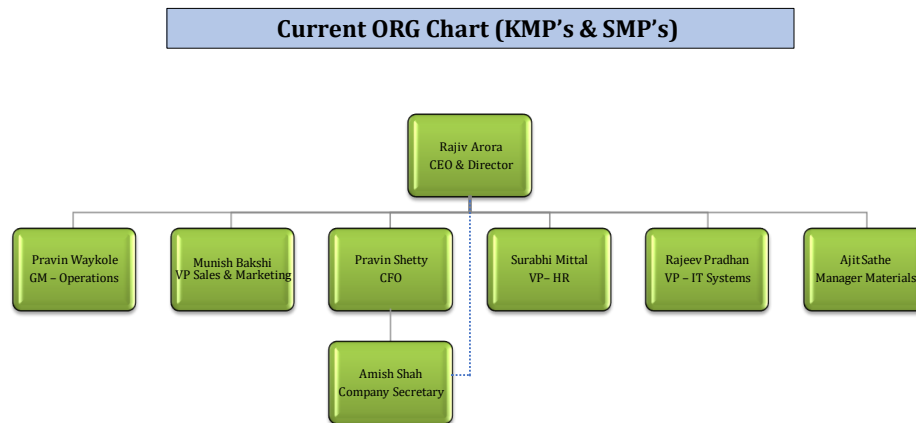
The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations and the applicable provisions of the Companies Act, 2013, and its terms of reference are as follows:

- (i) To formulate a detailed risk management policy which shall include:



- (a) framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, environmental, social and governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the committee;
  - (b) measures for risk mitigation including systems and processes for internal control of identified risks; business continuity plan.
- (ii) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - (iii) To review and recommend potential risk involved in any new business plan and processes;
  - (iv) To review the Company's risk-reward performance to align with the Company's overall policy objectives;
  - (v) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - (vi) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - (vii) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - (viii) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
  - (ix) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

**Management Organization Structure:**



• Rupesh Ingle (Sr. GM -Operations) last working date was 27<sup>th</sup> October 2023. His successor Mr. Pravin Waykole, GM - Operations has joined w.e.f. 2<sup>nd</sup> January 2024.

• CS Heena Shah, Company Secretary and Compliance Officer of the Company last working date was 30<sup>th</sup> November 2023. Her successor Mr. Amish Shah has joined w.e.f. 1<sup>st</sup> December 2023.



## Key Managerial Personnel and Senior Management:

In addition to, our CEO and Executive Director, whose details are provided in “-Brief Profiles of our Directors” on page 88, the details of our Key Managerial Personnel and Senior Management are provided below:

### Brief Profiles of our Key Managerial Personnel

**Amish Shah** is the Company Secretary and Compliance Officer of our Company. He has been associated with National Peroxide Limited (*formerly known as NPL Chemicals Limited*) since December 1, 2023. He holds a bachelor’s degree in commerce from the University of Mumbai and is an associate member of the Institute of Company Secretaries of India. He has over 11 years of experience in the field of secretarial and compliances. He has previously worked with The Bombay Burmah Trading Corporation Limited as Manager – Secretary. He is a permanent employee of our Company.

**Pravin Shetty** is the Chief Financial Officer of our Company. He has been associated with NPL since May 31, 2023. He holds a bachelor’s degree in commerce from the University of Mumbai and is an associate member of the Institute of Chartered Accountants of India. He has 23 years of experience in the field of accounting and finance management. He has previously worked with the Skanem India Private Limited in his capacity as chief financial officer. He is a permanent employee of our Company.

### Brief Profiles of our Senior Management

**Surabhi Mittal** is the Vice President – Human Resource of our Company. She has been associated with NPL since September 26, 2022. She has studied Social Work from Delhi School of Social Work, Delhi University. She also holds a post graduate diploma in human resource management from Symbiosis Center of Management of HRD, Pune. She has 23 years of experience in the field of human resource management. She has previously worked with Lanxess India Private Limited. In Fiscal 2023, she received remuneration of ₹ 35.86 lakhs from our Company. She is a permanent employee of our Company.

**Munish Bakshi** is the Vice President (Sales and Marketing) of our Company. He has been associated with NPL since November 1, 2022. He holds a bachelor’s degree in technology from Punjab Technical University, Jalandhar and also holds a post graduate diploma in business management from NMIMS, University of Mumbai. He has 19 years of experience in the field of sales and marketing. He has previously worked with JSW Paints Limited. In Fiscal 2023, he received remuneration of ₹ 25.29 lakhs from our Company. He is a permanent employee of our Company.

**Rajeev Pradhan** is the Vice president (IT Systems) of our Company. He has been associated with NPL since July 11, 2018. He holds a bachelor’s degree in science from Allahabad University. He has 30 years of experience in the field of information technology. He has previously worked with Arshiya Northern FTWZ Limited. In Fiscal 2023, he received remuneration of ₹ 61.63 lakhs from our Company. He is a permanent employee of our Company.

**Ajit Sathe** is the Manager (Materials) of our Company. He has been associated with NPL since February 2, 2019. He holds a bachelor’s degree in commerce from University of Mumbai. He has 29 years of experience in the field of material sourcing. He has previously worked with Clariant Chemicals (India) Limited. In Fiscal 2023, he received remuneration of ₹ 15.60 lakhs from our Company. He is a permanent employee of our Company.

**Pravin Waykole** is the GM operations of our Company. He has been associated with National Peroxide Limited (*formerly known as NPL Chemicals Limited*) since January 2, 2024. He holds a bachelor’s degree in chemical engineering. He has over 19 years of experience in the field of chemical industry He has previously worked with Asahi India Glass Ltd, Godrej Agrovet Ltd , Fuchs Lubricants India Pvt. Ltd (German MNC)

### Relationship of Key Managerial Personnel and Senior Management:

None of the Key Managerial Personnel or Senior Management are related to the Promoters or Directors of the Company, or to one another, in terms of the Companies Act, 2013.

### Arrangements or understanding with major shareholders, customers, suppliers and others:

None of our Key Managerial Personnel and Senior Management have been appointed pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.



### **Shareholding of the Key Managerial Personnel and Senior Management**

As on the date of this Information Memorandum, none of the Key Managerial Personnel and Senior Management hold any Equity Shares.

### **Changes in Key Managerial Personnel and Senior Management in the past 3 years:**

Except as disclosed below, there have been no changes in the Key Managerial Personnel and Senior Management during the three years immediately preceding the date of this Information Memorandum.

<b>Name</b>	<b>Designation</b>	<b>Date of appointment/cessation</b>	<b>Reason</b>
Pravin Waykole	GM Operations	January 2, 2024	Appointment
Amish Shah	Company Secretary and Compliance Officer	December 1, 2023	Appointment
Heena Shah	Company Secretary and Compliance Officer	November 30, 2023	Resignation
Rupesh Ingle	Senior GM Operations	October 27, 2023	Resignation

### **Interest of Key Managerial Personnel and Senior Management:**

All the Key Managerial Personnel and Senior Management may be deemed to be interested to the extent of the remuneration and other employee benefits in accordance with their terms of employment for services rendered as officers or employees of the Company. The Key Managerial Personnel and Senior Management may be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the Equity Shares held by them.

None of the Key Managerial Personnel or Senior Management have been paid any consideration of any nature by our Company, other than their remuneration.

### **Service contracts with Key Managerial Personnel and Senior Management**

Our Key Managerial Personnel and Senior Management have not entered into any service contracts with our Company.

### **Retirement and termination benefits**

Our CEO and Senior Management, employed on the payroll of the Company will receive benefits on their retirement or on termination of their employment with our Company as per their terms of employment.

### **Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management**

Other than retention bonus paid to certain of our Key Managerial Personnel and Senior Management as per the terms of appointment, there is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management, which does not form part of their remuneration.

### **Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management**

There is no bonus or profit-sharing plan for our Key Managerial Personnel and Senior Management, however, our Key Managerial Personnel and Senior Management are entitled to receive performance linked bonus.

### **Payment or benefit to officers of our Company (non-salary related)**

No amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management within the two years preceding the date of filing of this Information Memorandum or is intended to be paid or given, other than in the ordinary course of their employment for their services rendered in our Company.



**Attrition rate of Key Managerial Personnel and Senior Management**

The attrition rate of our Key Managerial Personnel and Senior Management is not high, as compared to the industry.

**Employee stock option plan or employee stock purchase plan**

As on the date of this Information Memorandum, our Company does not have any employee stock option scheme.







## OUR PROMOTERS AND PROMOTER GROUP

The following are the members of Promoter and Promoter Group of our Company:

1. Ness Nusli Wadia; and
2. Nusli Neville Wadia

As on the date of this Information Memorandum, the Promoters of our Company, collectively hold 20,925 Equity Shares of ₹ 10 each, equivalent to 0.36% of the paid-up Equity Share capital of our Company. For details, please see the section titled “*Capital Structure - Shareholding of our Promoters*” on page 40.

### Details of our Promoters

	<p>Ness Nusli Wadia, aged 53 years, is one of our Promoters.</p> <p>Date of birth: May 30, 1971</p> <p>Address: Beach House, P. Balu Marg, Prabhadevi, Mumbai 400 025</p> <p>PAN No.: AAAPW0814G</p> <p>For details in respect of his date of birth, personal address, educational qualifications, experience in the business, positions and posts held in the past, business and financial activities, other directorships, other ventures and special achievements, see “<i>Our Management-Brief profile of our Directors</i>” on page 88.</p>
	<p>Nusli Neville Wadia, aged 80 years, is one of our Promoters.</p> <p>Date of birth: February 15, 1944</p> <p>Address: Beach House, P. Balu Marg, Prabhadevi, Mumbai 400 025</p> <p>PAN No.: AAAPW0990M</p> <p>Mr. Nusli N Wadia, 80 is a well-known Indian industrialist. He is the Chairman of Wadia Group companies and director on the board of several Indian companies. Mr. Wadia has contributed actively in the deliberations of various organisations such as the Cotton Textiles Export Promotion Council (TEXPROCIL), Mill Owners’ Association (MOA), Associated Chambers of Commerce &amp; Industry, etc. He is the former chairman of TEXPROCIL and also of MOA. Mr. Wadia was appointed on the Prime Minister’s Council on Trade &amp; Industry from 1998 to 2004. He was the convenor of the Special Group Task Force on Food and Agro Industries Management Policy in September 1998. He was a member of the special subject group to review regulations and procedures to unshackle Indian industry and on the special subject group on disinvestment. He was a member of ICMF from 1984-85 to 1990-91. He is trustee of the executive committee of the Nehru Centre, Mumbai. Mr. Wadia has a distinct presence in public affairs and has been actively associated with leading charitable and educational institutions.</p> <p>Mr. Nusli N Wadia, is also chairman on the board of The Bombay Dyeing and Manufacturing Company Limited, Britannia Industries Limited, and Bombay Burmah Trading Corporation Limited.</p>

Our Company confirms that the permanent account number, Aadhaar card number, driving license number, bank account number and the passport number of our Promoters, has been submitted to the BSE at the time of filing the Draft Information Memorandum.



### **Other ventures of our Promoter**

Other than as disclosed in this section under “-Natural persons and entities forming part of the promoter Group” in terms of the SEBI ICDR Regulation, our Promoters is not involved in any other ventures which would be classified as members of the promoter group.

### **Change in control of our Company**

Other than pursuant to the Composite Scheme of Arrangement, there has been no change in control of our Company in the five years immediately preceding the date of this Information Memorandum.

### **Interest of Promoters:**

Our Promoter is interested in our Company to the extent (i) of his direct or indirect shareholding in our Company and Subsidiaries and shareholding of entities in which he is associated as promoter, director, member or trustee, as applicable; (ii) the dividends payable thereon; and (iii) any other distributions in respect of his shareholding in our Company. For further details, see “Capital Structure - Shareholding of our Promoters” on page 40. Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For further details of interest of our Promoters in our Company, see “Related Party Transactions” on page 108.

Except as otherwise disclosed in this Information Memorandum, Promoters are not interested as a member of any firm or any company and no sum has been paid or agreed to be paid to Promoters or to such firm or company in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoter or otherwise for services rendered by Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters do not have any interest whether direct or indirect in any property acquired by our Company, within three years preceding the date of this Information Memorandum or proposed to be acquired by our Company as on the date of this Information Memorandum or in any transaction for acquisition of land, construction of buildings and supply of machinery, etc.

The Promoters do not have any business interest in any venture that is or could be involved in any activities similar to those conducted by the Company. The Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation, in the event or as and when a conflict arises.

### **Payment or benefits to Promoters or Promoter Group**

There has been no payment made or benefits granted by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Information Memorandum nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Information Memorandum.

Our Company may in the future enter into transactions with our Promoters in the ordinary course of business, in the nature of related party transactions.

### **Companies or firms with which our Promoters has disassociated in the last three years**

Our Promoters have not disassociated himself from any company or firm during the three years preceding the date of this Information Memorandum.

### **Material guarantees**

As on the date of this Information Memorandum, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

### **Promoter Group**

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:



*Natural persons who are part of the Promoter Group*

The natural persons who are part of the Promoter Group are as follows:

Maureen Wadia  
Diana Wadia  
Jehangir Wadia

*Entities forming part of the Promoter Group*

The entities forming part of our Promoter Group, are as follows:

1. Bombay Dyeing and Manufacturing Company Limited;
2. Bombay Burmah Trading Corporation Limited;
3. Macrofil Investments Limited;
4. Nowrosjee Wadia and Sons Limited;
5. Varnilam Investments & Trading Company Limited; and
6. Baymanco Investments Limited
7. Ben Nevis Investments Limited
8. Boztoyz Trading Corporation Private Limited
9. C Enfants Retail Private Limited
10. Gladrags Media Limited
11. Go Airways Private Limited
12. Go Cargo Private Limited;
13. Go Engineering Private Limited;
14. Go Holdings Private Limited;
15. GO Investments and Trading Private Limited
16. Heera Holdings & Leasing Private Limited;
17. Integrated Clinical Research Sciences Private Limited;
18. KPH Dreams Cricket Private Limited;
19. Nidhivan Investments & Trading Company Private Limited;
20. Nitapo Holdings Private Limited;
21. Panella Foods and Beverages Private Limited;
22. Paradiso Entertainment Private Limited;
23. Sahara Investments Private Limited;
24. Virtual Education Network Private Limited;
25. Wadia Reality Private Limited;
26. Wadia Techno Engineering Limited; and
27. Naperol Investments Limited



## GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies”, includes (i) such companies (other than promoters and subsidiaries) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Promoters) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Financial Information, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, for the purposes of (ii) above, a company (other than our Promoter, and companies categorized under (i) above) have been considered material and shall be disclosed as a group company in this Information Memorandum if: (i) such company is a member of the Promoter Group; and (ii) our Company has entered into one or more transactions with such company during the nine months period ended December 31, 2023, which individually or cumulatively in value exceeds 10% of the profit after tax of our Company for the latest fiscal year derived from the Restated Financial Information.

Based on the parameters outlined above, our Group Companies are set forth below:

1. Bombay Dyeing and Manufacturing Company Limited;
2. Bombay Burmah Trading Corporation Limited;
3. Nowrosjee Wadia and Sons Limited; and
4. National Peroxide Limited.

In accordance with the SEBI ICDR Regulations, financial information in relation to our Group Companies for the previous three financial years, derived from their respective audited financial statements (as applicable) are available at the respective websites

### Details of our Group Companies

The details of our Group Companies are provided below:

#### 1. The Bombay Dyeing and Manufacturing Limited (“Bombay Dyeing”)

##### *Registered office*

The registered office of Bombay Dyeing is situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001.

##### *Financial information*

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of Bombay Dyeing for the last three financial years are as follows:

(in ₹ lakhs)

S. No.	Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
1	Reserves (excluding revaluation reserves)	(1,31,495)	(79,975)	(23,724)
2	Sales	2,67,373	2,00,092	1,19,342
3	Profit after tax	(51,660)	(46,045)	(46,910)
4	Earnings per share (in Rs.)	(25.01)	(22.29)	(22.71)
5	Diluted earnings per share (in Rs.)	(25.01)	(22.29)	(22.71)
6	Net Asset Value	(1,48,730)	(1,13,790)	(68,175)

#### 2. The Bombay Burmah Trading Corporation Limited (“The Bombay Burmah”)

##### *Registered office*

The registered office of The Bombay Burmah is situated at 9, Wallace Street, Fort, Mumbai 400 001



### Financial information

The following table sets forth details of the audited financial results of The Bombay Burmah, on a standalone basis, for Fiscal 2023, 2022 and 2021:

*(in ₹ lakhs)*

S. No.	Particulars	Fiscal 2023*	Fiscal 2022	Fiscal 2021
1	Reserves (excluding revaluation reserves)	19,189.61	19,725.20	21,550.55
2	Sales	35,574.39	41,187.64	31,514.59
3	Profit after tax	878.60	989.03	280.38
4	Earnings per share (in Rs.)	1.26	1.42	0.40
5	Diluted earnings per share (in Rs.)	1.26	1.42	0.40
6	Net Asset Value	20,585.88	21,121.47	22,946.82

\* In FY 23 BBTCL had discontinued coffee business and comparative of FY 22 has been given.

### 3. Nowrosjee Wadia & Sons Limited (“Nowrosjee Wadia”)

#### Registered office

The registered office of Nowrosjee Wadia is situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001.

#### Financial information

The following table sets forth details of the audited financial results of Nowrosjee Wadia, on a standalone basis, for Fiscal 2023, 2022 and 2021:

*(in ₹ lakhs)*

S. No.	Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
1	Reserves (excluding revaluation reserves)	46,028.54	53,293.96	47,359.98
2	Sales	6,729.61	6,847.67	5,657.33
3	Profit after tax	2,044.29	5,977.86	4,803.51
4	Earnings per share (in Rs.)	22.28	65.22	52.40
5	Diluted earnings per share (in Rs.)	1.22	2.59	2.04
6	Net Asset Value	46,973.87	54,239.29	48,305.31

### 4. Naperol Investments Limited (“NIL”)

#### Registered office

The registered office of NIL is situated at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001.

#### Financial information

The following table sets forth details of the audited financial results of NPL, on a standalone basis, for Fiscal 2023, 2022 and 2021:

*(in ₹ lakhs)*

S. No.	Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
1	Reserves (excluding revaluation reserves)	47,527.58	41,419.63	41,595.36
2	Sales	189.15	22,540.74	21447.35
3	Profit after tax	37,525.07	508.61	2081.08
4	Earnings per share (in Rs.)	652.95	8.85	36.21
5	Diluted earnings per share (in Rs.)	652.95	8.85	36.21
6	Net Asset Value	55,732.84	53,724.32	58,841.66



## **Nature and extent of interest of Group Companies**

### ***In the promotion of our Company***

Our Group Companies do not have any interest in the promotion of our Company, except as disclosed below: National Peroxide Limited had promoted the Company as its wholly owned subsidiary.

### ***Properties acquired by our Company in the past three years before filing this Information Memorandum or proposed to be acquired by our Company***

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of this Information Memorandum or proposed to be acquired by our Company.

### ***In transactions for acquisition of land, construction of building and supply of machinery, etc.***

Our Group Companies are not interested in any transactions for acquisition of land, construction of building or supply of machinery, etc with respect to our Company.

## **Common pursuits among the Group Companies and our Company**

There are no common pursuits amongst our Group Companies and our Company.

## **Related business transactions within our Group Companies and significance on the financial performance of our Company**

Except as disclosed in “*Related Party Transactions*” on page 108, there are no related business transactions with the Group Companies which are significant to the financial performance of our Company.

## **Litigation**

As on the date of this Information Memorandum, there is no pending litigation involving our Group Companies which may have a material impact on our Company.

## **Business interest of Group Companies**

Except in the ordinary course of business and as stated in “*Related Party Transactions*” on page 108, our Group Companies do not have any business interest in our Company.





## RELATED PARTY TRANSACTIONS

For details of related party transactions of our Company, see “*Financial Statements*” on page 110.



## DIVIDEND POLICY

As on the date of this Information Memorandum, our Company has a formal dividend policy approved by our Board at their meeting held on September 25, 2023, in accordance with the provisions of Regulation 43A of SEBI Listing Regulations. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion and subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013 and the dividend policy of our Company may be reviewed and amended periodically by our Board in accordance with the same.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on a number of factors that our Board deem relevant, including but not limited to our earnings, our results of operations, revenues, profits, operating cash flow, capital expenditure requirements, working capital requirements, stakeholder's expectations, business environment, change in government policies and general macro-economic conditions, changes in various legal and regulatory frameworks, health of overall industry, amount of profits retained for meeting the business requirements of the Company, debt servicing requirements of the Company, past dividend trends, dividend payout of companies in the comparable business and investment opportunity. Our Board may decide not to declare any dividend in case they are of the opinion that there are unfavorable internal / external conditions, or the Company has better opportunity in reinvesting the funds.

Our Company has not declared any dividend on the Equity Shares since its incorporation till the date of this Information Memorandum. Our Board has recommended a dividend of ₹17.50 per share amounting to Rs 1,005.73 lakhs for Fiscal 2023. The dividend to be distributed to the Shareholders was approved by the Shareholders in the annual general meeting held on December 21, 2023. The dividend was paid to the Shareholders on January 2, 2024. For Fiscal 2024, our Board has recommended a final dividend of ₹ 12.50 per fully paid up Equity Share. This proposed dividend is subject to the approval of Shareholders in the ensuing annual general meeting. Further, there is no guarantee that any dividends will be declared or paid, or the amount thereof will be decreased in the future.

### Details of dividend declared by Company to its Shareholders

Particulars	July 1, 2023, to December 27, 2023
Face value per share (in ₹)	10
Dividend per Equity Share (in ₹)	17.50
Dividend payable (₹ in lakhs)	1,005.73
Dividend paid on December 26, 2023	1,005.73
Dividend distribution tax (₹ in lakhs)	Nil

*Note: Dividend per Equity Share is calculated as dividend paid divided by total number of Equity Shares outstanding on the dividend payment dates.*



## SECTION VI - FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

Details	Page Number
The Restated Financial Information for the period ended December 31, 2023, and last 3 (three) financial year ended March 31, 2023, March 31, 2022, and March 31, 2021	111 - 171



# KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S EXAMINATION REPORT ON THE RESTATED FINANCIAL INFORMATION

The Board of Directors  
National Peroxide Limited,  
Neville House, J.N. Heredia Marg,  
Ballard Estate, Mumbai  
Maharashtra - 400001

1. We have examined the attached Restated Financial Information of National Peroxide Limited (Formerly known as NPL Chemicals Limited) (the "Company") as at and for the nine months period ended on December 31, 2023 and the years ended March 31, 2023, March 31, 2022 and for the period from July 29, 2020 to March 31, 2021, comprising the Restated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for the nine months period ended on December 31, 2023 and the years ended March 31, 2023, March 31, 2022 and for the period from July 29, 2020 to March 31, 2021, and notes to the restated financial information, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Restated Financial Information"). The Restated Financial Information have been prepared by the Management of the Company on the basis of Note 2(a)(i) to the Restated Financial Information and approved by the Board of Directors of the Company on March 14, 2024, for the purpose of its inclusion in the Information Memorandum (hereafter referred as 'Information Memorandum') to be filed with the Securities and Exchange Board of India ("SEBI"), Bombay Stock Exchange Limited ("BSE") and the Registrar of Companies, Mumbai, ("ROC") in connection with proposed listing of fully paid up 57,47,000 equity shares of Rs. 10 each (the "Shares" or "Securities") by the Company pursuant to the Composite Scheme of Arrangement, in accordance with the requirements of:
  - a. the sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act").
  - c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended from time to time (the "Guidance Note").
2. The Board of Directors of the Company is responsible for the preparation of the Restated Financial Information for the purpose of its inclusion in the Information Memorandum to be filed with "SEBI", "BSE" and "ROC" in connection with the proposed listing.

The Board of Directors of the Company is also responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information and for identifying and ensuring that the Company complies with the Act, the ICDR Regulations and the Guidance Note.
3. We have examined the Restated Financial Information taking into consideration:
  - a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated March 04, 2024, in connection with the issue.
  - b. the Guidance Note, which also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;



LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001  
TEL.: (91) (22) 6158 6200, 6158 7200 FAX : (91) (22) 6158 6275

- c. the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d. the requirements of Section 26 of the Act, SEBI Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, SEBI Act, the ICDR Regulation and the Guidance Note in connection with the proposed listing.

- 4. The Restated Financial Information have been compiled by the Management from:
  - a) Audited special purpose interim financial statements of the Company as at and for nine months period ended December 31, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Interim Financial Statements") which have been approved by the Board of Directors at their meeting held on March 14, 2024.
  - b) Audited revised financial statements as at and for the year ended on March 31, 2023, audited financial statements as at and for the year ended on March 31, 2022 and as at and for the period from July 29, 2020 to March 31, 2021, prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on October 26, 2023, May 09, 2022 and May 28, 2021 respectively.
- 5. For the purpose of our examination, we have relied on:
  - a. The Auditor's report issued by us dated March 14, 2024 on the special purpose interim financial statements of the Company as at and for the nine months period ended December 31, 2023, as referred in paragraph 4 above,
  - b. The revised Auditor's report issued by us dated October 26, 2023 on the revised financial statements of the Company as at and for the year ended March 31, 2023 as referred in paragraph 4 above, on which we expressed an unmodified opinion and Emphasis of Matter paragraph which has been reproduced below:

We draw attention to Note 4 of the revised financial statements which describes the basis of preparation and 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"). As explained in detail therein, these revised financial statements for the year ended March 31, 2023 have been prepared pursuant to the Scheme for Demerger, transfer and vesting of Demerged undertaking (as defined under the Scheme) from the Demerged Company into the Resulting Company from the Appointed date i.e. April 1, 2022, as approved by the National Company Law Tribunal (NCLT), Mumbai Bench, vide its certified order dated May 25, 2023 (the "Order"). The Company has accounted for such Scheme in accordance with provisions of Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and any amendments issued thereunder and in accordance with generally accepted accounting principles.

We issued a separate auditor's report dated May 19, 2023 on the financial statements to the members of the Company. The aforesaid Order having been approved by applicable regulatory authority subsequent to May 19, 2023, the Company has now prepared revised financial statements incorporating the impact for transfer of assets and liabilities related to the Demerged undertaking to the Resulting Company from the Appointed date i.e. April 1, 2022. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the financial statements, have been carried out solely on this matter and no additional procedures have been carried out for any other events occurring after May 19, 2023 (being the date of our earlier audit report on the earlier financial statements). Our earlier audit report dated

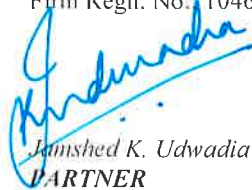


May 19, 2023 on the earlier financial statements is superseded by this revised report on the revised financial statements.

Our opinion on the revised financial statements and our report on Other Legal and Regulatory Requirement, is not modified in respect of the above matter.

- c. The Auditor's report issued by us dated May 09, 2022, on the financial statements of the Company as at and for the year ended March 31, 2022, as referred in paragraph 4 above, on which we expressed an unmodified opinion;
  - d. The Auditor's report issued by Saini Pati Shah & Co LLP, Chartered Accountants ("Previous Auditor") vide its report dated May 28, 2021, on the financial statements of the Company as at and for the period July 29, 2020 to March 31, 2021, as referred in paragraph 4 above.
6. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the revised audited financial statements and financial statements mentioned in paragraph 4 above.
  7. This examination report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
  8. We have no responsibility to update our examination report for events and circumstances occurring after the date of this report.
  9. Our examination report is intended solely for use of the Board of Directors for inclusion in the Information Memorandum to be filed with the SEBI, BSE and the ROC in connection with the proposed listing. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

  
Jamshed K. Udwadia  
**PARTNER**

M. No.: 124658

UDIN: **24124658BKAI XP6111**

Mumbai, March 14, 2024





National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Restated Statement of Assets and Liabilities  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	31,422.48	32,635.27	-	-
Right of use assets	5	856.38	905.05	-	-
Capital work-in-progress	5	999.81	262.13	-	-
Intangible assets	6	8.33	24.15	-	-
<b>Financial assets</b>					
- Other financial assets	7	46.04	80.31	-	-
Income tax assets (net)	7	181.13	-	-	-
Other non current assets	8	84.59	86.40	-	-
<b>Total non-current assets</b>		<b>33,598.76</b>	<b>33,993.31</b>	-	-
<b>Current assets</b>					
Inventories	9	5,125.66	3,614.69	-	-
<b>Financial assets</b>					
- Investments	10	3,726.35	3,995.91	-	-
- Trade receivables	11	2,445.64	2,426.70	-	-
- Cash and cash equivalents	12	845.11	642.67	0.21	1.00
- Bank balances other than above	13	1,771.55	54.55	-	-
- Other financial assets	14	39.46	26.28	-	-
Other current assets	15	390.17	592.75	-	-
<b>Total current assets</b>		<b>14,343.94</b>	<b>11,353.55</b>	<b>0.21</b>	<b>1.00</b>
Asset held for sale	16	-	7.69	-	-
<b>Total assets</b>		<b>47,942.70</b>	<b>45,354.55</b>	<b>0.21</b>	<b>1.00</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity share capital	17	574.70	-	1.00	1.00
Equity share capital suspense	17	-	574.70	-	-
Other equity	18	35,008.54	34,624.65	(1.55)	(0.72)
		<b>35,583.24</b>	<b>35,199.35</b>	<b>(0.55)</b>	<b>0.28</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
<b>Financial liabilities</b>					
- Borrowings	19	787.33	1,036.42	-	-
- Lease liability	5	910.02	927.54	-	-
Provisions	20	277.16	316.45	-	-
Deferred tax liabilities (net)	36	3,969.35	3,822.58	-	-
<b>Total non-current liabilities</b>		<b>5,943.86</b>	<b>6,102.99</b>	-	-
<b>Current liabilities</b>					
<b>Financial liabilities</b>					
- Borrowings	21	345.12	355.94	-	-
- Lease liabilities	5	23.25	21.83	-	-
- Trade payables	22	-	-	-	-
Total outstanding dues of micro enterprises and small enterprises; and		204.20	151.86	0.75	-
Total outstanding dues to creditors other than micro and small enterprises		2,041.34	2,153.91	0.01	0.72
- Other financial liabilities	23	1,435.14	610.37	-	-
Contract liabilities		1,798.19	141.68	-	-
Other current liabilities	24	463.60	270.46	-	-
Provisions	25	104.76	126.85	-	-
Income tax liabilities (net)	26	-	219.31	-	-
<b>Total current liabilities</b>		<b>6,415.60</b>	<b>4,052.21</b>	<b>0.76</b>	<b>0.72</b>
<b>Total liabilities</b>		<b>12,359.46</b>	<b>10,155.20</b>	<b>0.76</b>	<b>0.72</b>
<b>Total equity and liabilities</b>		<b>47,942.70</b>	<b>45,354.55</b>	<b>0.21</b>	<b>1.00</b>

Significant accounting policies

The accompanying notes are an integral part of the restated financial information

As per our report attached  
For KALYANWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS  
Firm Regn. No.: 104607/W/20100166

*Arundhati K. Udwadia*  
Arundhati K. Udwadia  
PARTNER  
M. No: 124658



For and on behalf of the Board of Directors of  
National Peroxide Limited  
CIN:-U24290MH2020PLC342890

*Rajiv Arora*  
Rajiv Arora  
Chief Executive Officer & Director  
DIN: 08730235

*Pravin Shetty*  
Pravin Shetty  
Chief Financial Officer

*Ness N. Wadia*  
Ness N. Wadia  
Chairman  
DIN: 00036049

*Amish Shah*  
Amish Shah  
Company Secretary



Place: Mumbai  
Date: March 14, 2024

Place: Mumbai  
Date: March 14, 2024

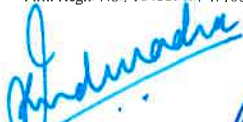


National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Restated Statement of Profit and Loss  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
<b>Income</b>					
Revenue from operations	27	24,495.40	37,587.44	-	-
Other income	28	473.13	885.42	-	-
<b>Total income</b>		<b>24,968.53</b>	<b>38,472.86</b>	-	-
<b>Expenses</b>					
Cost of raw materials and packing materials consumed	29	12,108.47	19,126.02	-	-
Purchase of stock in trade		-	131.39	-	-
Changes in inventories of stock-in-trade and finished goods	30	(760.14)	(1,149.14)	-	-
Power, fuel and water		4,198.01	5,376.45	-	-
Employee benefit expenses	31	2,121.85	2,645.08	-	-
Finance costs	32	150.85	701.99	-	-
Depreciation and amortisation expense	33	1,440.17	1,979.95	-	-
Other expenses	34	3,970.65	5,606.15	0.83	0.72
<b>Total expenses</b>		<b>23,229.86</b>	<b>34,417.89</b>	<b>0.83</b>	<b>0.72</b>
<b>Profit before exceptional items and tax</b>		<b>1,738.67</b>	<b>4,054.97</b>	<b>(0.83)</b>	<b>(0.72)</b>
Exceptional income	35	-	1,295.16	-	-
<b>Profit before tax</b>		<b>1,738.67</b>	<b>5,350.13</b>	<b>(0.83)</b>	<b>(0.72)</b>
<b>Tax expense:</b>	36				
Current tax		296.60	991.78	-	-
Tax adjustments relating to previous year		(70.58)	-	-	-
Deferred tax		140.80	408.19	-	-
<b>Total tax expense</b>		<b>366.82</b>	<b>1,399.97</b>	-	-
<b>Profit for the period/year</b>		<b>1,371.85</b>	<b>3,950.16</b>	<b>(0.83)</b>	<b>(0.72)</b>
<b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
Re-measurements of the net defined benefit obligations		23.74	35.02	-	-
Income tax relating to above item		(5.97)	(9.45)	-	-
Items that will be reclassified to profit or loss					
Effective portion of gain on cash flow hedge		-	41.24	-	-
Income tax relating to above item		-	(10.38)	-	-
<b>Other comprehensive income for the period/year, net of</b>		<b>17.77</b>	<b>56.43</b>	-	-
<b>Total comprehensive income/ (loss) for the period/year</b>		<b>1,389.62</b>	<b>4,006.59</b>	<b>(0.83)</b>	<b>(0.72)</b>
<b>Earnings per share</b>					
- Basic and diluted	37	23.87	68.73	(8.30)	(7.20)

Significant accounting policies  
The accompanying notes are an integral part of the restated financial information

As per our report attached  
For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS  
Firm Regn. No: 104607W / W100166


  
Anand K. Udwadia  
PARTNER  
M. No: 124658



For and on behalf of the Board of Directors of  
National Peroxide Limited  
CIN: L124290MH2020PLC342890

  
Ravi Arora  
Chief Executive Officer & Director  
DIN: 08730235

  
Pravin Shetty  
Chief Financial Officer

  
Ness N. Wadia  
Chairman  
DIN: 00036049

  
Amish Shah  
Company Secretary



Place: Mumbai  
Date: March 14, 2024

Place: Mumbai  
Date: March 14, 2024



National Peroxide Limited (formerly known as NPL Chemicals Limited)

Restated Statement of Cash Flows

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
<b>Cash flow from operating activities</b>				
Profit/(Loss) before tax	1,738.67	5,350.13	(0.83)	(0.72)
Adjustments for:				
Depreciation and amortisation expense	1,440.17	1,979.95	-	-
Finance costs	150.85	701.99	-	-
Interest income	(34.98)	(1.81)	-	-
(Gain)/Loss on sale of property, plant and equipment	0.90	(24.65)	-	-
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	(195.43)	(339.06)	-	-
Loss allowances	-	(22.07)	-	-
Net unrealised foreign exchange loss	4.61	5.79	-	-
<b>Operating cashflow before working capital changes</b>	<b>3,104.79</b>	<b>7,650.27</b>	<b>(0.83)</b>	<b>(0.72)</b>
<b>Change in operating assets and liabilities</b>				
(Increase) in inventories	(1,503.28)	(690.43)	-	-
(Increase) in trade receivables	(23.55)	(522.78)	-	-
Decrease in non-current financial asset	25.60	272.24	-	-
Decrease in other non current assets	7.69	29.44	-	-
(Increase) in current financial asset	(13.18)	(12.50)	-	-
(Increase) in other current assets	11.94	(51.54)	-	-
Increase in trade payables	39.77	911.68	0.04	0.72
(Decrease)/Increase in provisions	(37.64)	59.19	-	-
(Decrease) in other current financial liabilities	(48.76)	(30.36)	-	-
Increase in other current liabilities	113.83	86.07	-	-
(Decrease) in contract Liability	1,656.51	(217.80)	-	-
<b>Cash generated from/(used in) operations</b>	<b>3,333.72</b>	<b>7,483.48</b>	<b>(0.79)</b>	-
Income taxes paid (net)	(435.82)	(772.47)	-	-
<b>Net cash generated from (used in) operating activities</b>	<b>2,897.90</b>	<b>6,711.01</b>	<b>(0.79)</b>	-
<b>Cash flows from investing activities</b>				
Payments for property, plant and equipment (including capital work-in-progress and advances)	(960.37)	(599.04)	-	-
Proceeds from sale of property, plant and equipment	0.13	32.52	-	-
Payment for purchase of investments	(5,185.01)	(21,322.36)	-	-
Proceeds from sale of investments	5,650.00	24,402.22	-	-
Interest received	34.98	1.81	-	-
Fixed Deposits (placed)/matured (net)	(781.91)	(36.64)	-	-
Changes in balances in unpaid dividend bank accounts	(926.42)	-	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(2,168.60)</b>	<b>2,478.51</b>	-	-
<b>Cash flows from financing activities</b>				
Proceed from issue of equity shares	-	-	-	1.00
Receipts of intercorporate deposit	15.76	3.00	-	-
Repayment of intercorporate deposit	(18.76)	-	-	-
Repayment of long term borrowings	(264.71)	(7,965.87)	-	-
Principal elements of lease payments	(36.38)	-	-	-
Interest on lease rent	(138.62)	-	-	-
Interest paid	(84.15)	(633.17)	-	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(526.86)</b>	<b>(8,596.04)</b>	-	1.00
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>202.44</b>	<b>593.48</b>	<b>(0.79)</b>	1.00
Cash and cash equivalents at the beginning of the year	642.67	0.21	1.00	-
Cash and cash equivalents received pursuant to Composite Scheme of Arrangement	-	48.98	-	-
<b>Cash and cash equivalents at the end of the period/year</b>	<b>845.11</b>	<b>642.67</b>	<b>0.21</b>	<b>1.00</b>
<b>Cash and cash equivalents comprises of:</b>				
Cash and cash equivalents (Refer note 12)	845.11	642.67	0.21	1.00
	<b>845.11</b>	<b>642.67</b>	<b>0.21</b>	<b>1.00</b>

Note:

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7- "Cash Flow Statements" as notified under Companies (Accounts) Rules, 2015.

2. For disclosure requirement pertaining to change in liability arising from financing activities in accordance to Ind AS 7 (Refer Note 4.1 and Note 18)

As per our report attached  
For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS  
Firm Regn. No.: 1046077 / W/100166

*Amish K. Udawadia*  
Amish K. Udawadia  
PARTNER  
M. No: 124658



For and on behalf of the Board of Directors of  
National Peroxide Limited  
CIN:-U24290MH2020PLC342890

*Rajiv Arora*  
Rajiv Arora  
Chief Executive Officer & Director  
DIN: 08730235

*Pravin Shetty*  
Pravin Shetty  
Chief Financial Officer

*Ness N. Wadia*  
Ness N. Wadia  
Chairman  
DIN: 00036049

*Amish Shah*  
Amish Shah  
Company Secretary

Place Mumbai  
Date: March 14, 2024

Place Mumbai  
Date: March 14, 2024



National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Restated Statement of Changes in Equity  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**A. Equity share capital**

Particulars	Amount
Balance as at June 29, 2020	-
Issued during the period	1.00
Balance as at March 31, 2021	1.00
Changes in equity share capital during the year	-
Balance as at March 31, 2022	1.00
Less: Shares cancelled pursuant to the composite scheme of arrangement (Refer note 4)	(1.00)
Balance as at March 31, 2023	-
Add: Equity shares issued pursuant to Composite Scheme of Arrangement (Refer note 17)	574.70
Balance as at December 31, 2023	574.70

**B. Equity share capital suspense**

Particulars	Amount
Balance from 29th July 2020	-
Add: Movement during the year	-
Balance as at March 31, 2021	-
Add: Movement during the year	-
Balance as at March 31, 2022	-
Add: Addition pursuant to composite scheme of arrangement (Refer note 4)	574.70
Balance as at March 31, 2023	574.70
Less: Equity shares issued pursuant to Composite Scheme of Arrangement (Refer note 17)	(574.70)
Balance as at December 31, 2023	-

**C. Other equity**

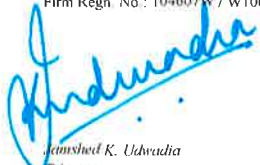
Particulars	Reserves and Surplus			Items of OCI	
	Capital reserve	General reserve	Retained earnings	Cash flow hedge reserve	Total other equity
Balance as at beginning of the period	-	-	-	-	-
Profit for the period	-	-	(0.72)	-	(0.72)
Other comprehensive income (net of tax)	-	-	-	-	-
Total comprehensive income for the period	-	-	(0.72)	-	(0.72)
Balance as at March 31, 2021	-	-	(0.72)	-	(0.72)
Balance as at April 1, 2021	-	-	(0.72)	-	(0.72)
Profit for the year	-	-	(0.83)	-	(0.83)
Other comprehensive income / (loss) (net of tax)	-	-	-	-	-
Total comprehensive income for the year	-	-	(1.55)	-	(1.55)
Balance as at March 31, 2022	-	-	(1.55)	-	(1.55)
Addition pursuant to Composite Scheme of Arrangement (Refer note 4)	30,649.47	-	-	(30.86)	30,618.61
Shares cancelled pursuant to the Composite Scheme of Arrangement (Refer note 4)	1.00	-	-	-	1.00
Restated Balance as at April 1, 2022	30,650.47	-	(1.55)	(30.86)	30,618.06
Profit for the year	-	-	3,950.16	-	3,950.16
Other comprehensive income / (loss) (net of tax)	-	-	25.57	30.86	56.43
Total comprehensive income for the year	-	-	3,975.73	30.86	4,006.59
Balance as at March 31, 2023	30,650.47	-	3,974.18	-	34,624.65
Profit for the period	-	-	1,371.85	-	1,371.85
Other comprehensive income / (loss) (net of tax)	-	-	17.77	-	17.77
Total comprehensive income for the period	-	-	1,389.62	-	1,389.62
Dividend paid	-	-	(1,005.73)	-	(1,005.73)
Balance as at December 31, 2023	30,650.47	-	4,358.07	-	35,008.54

Significant accounting policies

The accompanying notes are an integral part of the restated financial information

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As per our report attached  
For KALYANIWALLA & MISTRY LLP  
CHARTERED ACCOUNTANTS  
Firm Regn. No.: 104607W/W100166

  
Anand K. Udvardi  
PARTNER  
M. No. 124658



For and on behalf of the Board of Directors of  
National Peroxide Limited  
CIN:-U24290MH2020PLC342890



Rajiv Arora  
Chief Executive Officer & Director  
DIN: 08730235



Ness N. Wadia  
Chairman  
DIN: 00036049



Pravin Shetty  
Chief Financial Officer



Amish Shah  
Company Secretary

Place: Mumbai  
Date: March 14, 2024

Place: Mumbai  
Date: March 14, 2024



**1) General information:**

National Peroxide Limited (formerly known as NPL Chemicals Limited) (“NPL”, “the Company”) is a public limited Company incorporated on July 29, 2020 under the provisions of the Companies Act, 2013 with ROC-Mumbai with CIN U24290MH2020PLC342890. The Company’s registered office is situated at Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai - 400001.

Pursuant to the Composite Scheme of Arrangement (Refer note 4) the Chemical Business Undertaking of Naperol Investments Limited (formerly known as National Peroxide Limited) (“Demerged Company”) was demerged into the Company. Consequent thereto, the Company will continue to be manufacturer of Hydrogen Peroxide in India, with an installed capacity of 150 KTPA on 50% w/w. basis.

The Restated Financial Information comprises of Financial Statements of the Company for the nine month period ended December 31, 2023, the years ended March 31, 2023, March 31, 2022, and period from July 29, 2020 to March 31, 2021. “Period” hereinafter refers to nine month period ending December 31, 2023 and period from July 29, 2020 to March 31, 2021, unless otherwise specifically mentioned.

These Restated Financial Information are approved by the Board of Directors and authorized for issue on March 14, 2024.

**2) Significant accounting policies and critical accounting estimates and judgements:**

**Basis of preparation, measurement and significant accounting policies**

The principal accounting policies applied in the preparation of these Restated Financial Information for nine-month period ended December 31, 2023, and the year ended March 31, 2023, March 31, 2022 and period from July 29, 2020 to March 31, 2021 are set out below. These policies have been consistently applied to all the periods/years presented, unless otherwise stated.

**(a) Basis of preparation**

**(i) Compliance with Ind AS**

The Restated Financial Information of the Company comprise of the Restated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and period from July 29, 2020 to March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the nine month period ended December 31, 2023, and years ended March 31, 2023, March 31, 2022 and period from July 29, 2020 to March 31, 2021, the summary of material accounting policies and explanatory notes (collectively, the “Restated Financial Information”).

These Restated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) issued by the Securities and Exchange Board of India (‘SEBI’), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Information Memorandum to be filed with SEBI and other regulatory authorities such as Registrar of Companies (‘ROC’) in connection with proposed listing of its 57,47,000 equity shares of Rs. 10 each pursuant to the Composite Scheme of Arrangement, prepared by the Company in terms of the requirements of:

a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”);

b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, as amended.





This Restated Financial Information have been compiled by the Company from:

- Audited Special Purpose Interim Financial statements of the Company as at and for the nine month period ended December 31, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 Interim Financial reporting, specified under section 133 of the Act and other accounting principles generally accepted in India.
- Audited revised financial statements as at and for the year ended on March 31, 2023 and audited financial statements as at and for the years ended on March 31, 2022 and period from July 29, 2020 to March 31, 2021 prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The demerger of the Chemical Business Undertaking is on a going concern basis and accounted by applying Ind AS 103: Business Combinations and as per the Scheme approved by the regulator. The accounting policies followed for the said Chemical Business Undertaking by the Resulting Company (as defined in the Scheme) have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (Refer note 4) and the disclosures in respect of significant accounting policies are made accordingly.

(ii) **Historical cost convention**

The Restated Financial Information have been prepared on historical cost basis, except for the following:

- Certain financial assets and financial liabilities are measured at fair value (including derivative instruments);
- Defined benefit plans – plan assets are measured at fair value.
- Assets held for sale – measured at fair value less cost to sell.

(iii) **Recent pronouncements-**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the nine months ended December 31, 2023, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(iv) **Current vis-à-vis non-current classification**

The assets and liabilities reported in the Statement of Assets and Liabilities are classified on a “current / non-current basis”.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

Deferred tax assets and liabilities, and all assets and liabilities which are not current are classified as non-current assets and liabilities





The derivatives designated in hedging relationship and separated embedded derivatives are classified basis the hedged item and host contract respectively.

**(b) Business Combination**

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under common control are accounted for using the pooling of interest method and as per the provisions of the Scheme approved by the regulator. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in Capital reserve.

**(c) Segment reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM).

The Chief Executive Officer and Executive Director of the Company has been identified as CODM and he is responsible for allocating resources, assessing the financial performance and position of the Company and making strategic decisions.

The Company has identified one reportable segment 'manufacturing of peroxygens' based on information reviewed by the CODM. Refer note 39 for segment information presented.

**(d) Foreign currency translation:**

**(i) Functional and presentation currency**

Items included in the Restated Financial Information of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Restated Financial Information is presented in 'Indian Rupees' (INR), which is the Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in Restated Statement of Profit or Loss as part of the fair value gain or loss and translation



differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

**(e) Revenue recognition:**

**Revenue from sale of goods**

Revenue is generated primarily from sale of peroxygens. Revenue is recognized at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer upon dispatch or delivery, in accordance with the terms of customer contracts. Revenue is recognized at an amount that the Company expects to receive from customers that is net of trade discounts and goods and service tax (GST).

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.

**(f) Income tax:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the Restated Financial Information. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Restated Statement of Profit or Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**(g) Leases**

**As a lessee**

Leases are recognized as a right-of-use asset and corresponding liability at the date which the lease asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company



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allocates the consideration in the contract to the lease and non-lease components based on relative stand-alone prices.

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Company has the right to direct the use of the asset and whether the Company obtains substantially all the economic benefits from the use of that asset.

Assets and liabilities arising from lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Company under residual value guarantees.
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing.
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on any key variable/condition are recognized in profit or loss in the period in which the condition that triggers those payment occurs.

Right-of-use assets are measured at cost comprising the following

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement of date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The company has elected not to apply the requirements of IND AS 116 Leases to short-term leases of all assets that, at the commencement date, have a lease term of 12 months or less and leases for which the underlying asset





is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

**(h) Impairment of non-financial assets:**

Assets are tested for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(i) Cash and Cash Equivalents:**

Cash and cash equivalents in the Statement of Assets and Liabilities comprise cash at bank and on hand, and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Restated Statement of Cashflow, cash and cash equivalent consist of cash and short-term deposit as defined above.

**(j) Trade Receivables:**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**(k) Inventories:**

Inventories are valued at lower of cost and net realisable value. In the case of raw materials, packing materials, traded goods and stores and spares parts, cost is determined in accordance with the moving weighted average principle. Costs include the purchase price, non – refundable taxes and delivery and handling costs. Cost of finished goods includes all costs of purchases, direct materials, direct labour and appropriate proportion of variable and fixed overheads expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

**(l) Non-Current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for subsequent increase in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset is recognized at the date of de-recognition.

Non-Current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the statement of Assets and Liabilities. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Statement of Assets and Liabilities.



**(m) Investments and other financial instruments:**

**(i) Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

**Initial recognition and measurement**

Financial assets and financial liabilities are initially measured at fair value except for trade receivables not containing significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Restated Statement of Profit or loss.

**(ii) Classification and subsequent measurement of financial assets**

The classification of a financial asset depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

**Financial assets measured at amortised cost**

Financial assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Financial assets measured at fair value through other comprehensive Income (FVTOCI)**

Assets that are held for the collection of contractual cash Flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Changes in fair value of instrument is taken to other comprehensive income which are reclassified to Restated Statement of Profit or Loss.

**Financial assets measured at fair Value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss. Dividend income from these financial assets is included in other income once the Company's right to receive the dividend is established and it is probable that the economic benefits associated with the dividend will flow to the entity.

**Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income for investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividends on these investments in equity instruments are recognised in the Restated Statement of Profit and Loss All the equity instruments held by the Company are measured at FVTOCI.



### Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109- 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### Derecognition of Financial Assets

A financial asset is derecognised only when the company has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (iii) Financial Liabilities & Equity Instruments

An instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Dividend paid on equity instruments are directly reduced from equity.

#### Financial Liabilities

##### Subsequent measurement of financial liabilities

##### Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.





### Financial liabilities measured at amortised cost

All the financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Restated Statement of Profit and Loss. Company does not owe any financial liabilities which is held for trading.

### Derecognition of Financial Liabilities

A financial liability (or, where applicable, a part of a financial liability) is primarily derecognised when, and only when, the obligation under the liability is discharged or cancelled or expires.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income/ interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/ payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### (iv) Derivatives and hedging activities

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks such as cross currency interest rate swaps.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

The Company designates derivatives as hedges of a particular risk associated with the cash flows of recognized assets and liabilities (cash flow hedges). The Company has designated the cross-currency interest rate swap as a cash flow hedge for changes in both interest rate and foreign exchange rates.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

### Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/(losses).

Amounts previously recognized in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss. In the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from



equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is reclassified immediately in profit or loss.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

#### **Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

#### **Derivatives that are not designated as hedges**

The Company enters certain derivative contracts to hedge risk which are not designated as hedges. Such contracts are accounted for at fair value through Restated Statement of Profit or Loss and are included in other gains/(losses).

#### **(n) Offsetting Financial Instruments:**

Financial assets and liabilities are offset and the net amount reported in the statement of Assets and Liabilities when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **(o) Income recognition:**

##### **Interest income**

Interest income from financial assets is recognized using the effective interest rate method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).



**Dividend**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognized as other income in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**(p) Property, plant and equipment:**

All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

**Depreciation methods, estimated useful lives and residual value:**

Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management, which is in line with those specified by Schedule II to the Companies Act, 2013. The residual values are at 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

The estimated useful lives of the property, plant and equipment are as under:

Sr No	Class of assets	Estimated useful life
a	Freehold Building	05 - 60 years
b	Furniture and fixtures	10 years
c	Plant and equipment	05 - 25 years
d	Office equipment	03 - 05 years
e	Computer	3 years
f	Vehicles	05 - 08 years



**(q) Intangible assets:**

Intangible assets being computer software, are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognized as income or expense in the Restated Statement of Profit and Loss.

Cost of software is amortised over a period of 5 years being the estimated useful life.

**(r) Trade and other payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months of reporting period. Trade and other payables are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method.

**(s) Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of Assets and Liabilities when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**(t) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.





**(u) Provisions and Contingencies:**

**(i) Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**(ii) Contingent liabilities**

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

**(iii) Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized but disclosed only when an inflow of economic benefits is probable.

**(v) Employee benefits:**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of Assets and Liabilities.

**(ii) Post Employment obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, pension and provident fund contributions made to a trust in case of certain employees
- defined contribution plans such as provident fund and superannuation fund.

**Pension and gratuity obligations**

The liability or asset recognized in the statement of Assets and Liabilities in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Gratuity contributions are made to a trust ('National Peroxide Limited Employees' Gratuity Fund') administered by the Company.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating with the terms of the related obligation.



The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Restated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Restated Statement of Changes in Equity and in the statement of Assets and Liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

#### **Provident fund contributions made to a trust administered by the Company**

In respect of certain employees, provident fund contributions are made to a trust ('National Peroxide Limited Employees' Provident Fund') administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of the interest earnings of the fund is determined based on actuarial valuation.

#### **Defined contribution plans**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation contributions to superannuation fund. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

#### **(iii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Restated Statement of Profit or Loss.

The obligations are presented as current liabilities in the statement of Assets and Liabilities if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### **(w) Contributed Equity**

Equity shares are classified as equity.

Incremental cost directly attributable to the issue of new shares or options are shown in equity as a deduction net of tax from the proceeds.

#### **(x) Dividends:**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



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(y) **Earnings per share:**

**Basic Earnings per share**

Basic earnings per share is calculated by dividing:

- the net profit for the period attributable to the owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

**Diluted Earnings per share**

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

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

(z) **Exceptional items:**

Exceptional items include income or expense that are of such significance and nature that separate disclosure enables the user of the Restated Financial Information to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature and incidence.

If the management believes that losses/ gain are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

**Rounding of amounts:**

All amounts disclosed in Restated Financial Information and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

3) **Critical accounting estimates and judgements:**

The preparation of Restated Financial Information requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items, which are more likely to be materially adjusted due to estimates and assumptions turning out to be different from those originally assessed.

• **Estimation of useful life**

Useful lives of property, plant and equipment are based on the management's estimation. The useful lives as estimated are same as prescribed in Schedule II of the Companies Act, 2013.

The useful lives of Company's assets are determined by management at the time the asset is acquired/capitalised and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology.

• **Estimation of defined benefit obligation**

The present value of obligations under defined benefit plan is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long-term nature, these obligations are highly sensitive to



changes in these assumptions. All assumptions are reviewed at each reporting date. Refer note 41 for the details of the assumptions used in estimating the defined benefit obligation.

- **Impairment of trade receivables**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Fair value measurements and valuation processes**

Some of the assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, fair values are determined on the basis of the third-party valuations. The models used to determine fair values including estimates/ judgements involved are validated and periodically reviewed by the management. Refer note 42 to the Restated Financial Information.

- **Inventory obsolescence**

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

- **Taxes**

Deferred tax assets are recognized for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



#### 4 Particulars, Accounting and Disclosures of the Composite Scheme of Arrangement

The Board of Directors of the Company at their meeting held on March 09, 2021, inter alia, approved the Composite Scheme of Arrangement ("the Scheme") between National Peroxide Limited ("Demerged Company"/ "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 Scheme, inter alia, provides for-

- a) Part II – deals with transfer and vesting of the Demerged Undertaking (as defined under the Scheme) from the Demerged Company into Resulting Company, on a going concern basis and consideration thereof.
- b) Part III – deals with the amalgamation of Naperol Investments Limited into the Transferee Company.
- c) Part IV – deals with the reduction and cancellation of the existing equity share capital of the Resulting Company held by the Demerged Company;

The aforesaid Scheme filed with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") was amended by the Board of Directors of the Company at their meeting held on September 20, 2022, which inter-alia amended (i) change in Appointed Date from October 1, 2020 to April 1, 2022 and (ii) to include provisions in relation to lease of land by the Demerged Company to the Company. Accordingly, the Appointed date is April 01, 2022.

After the year end, NCLT through its Order dated May 4, 2023 (the "Order") has sanctioned the Scheme.

The financial statements of the Company for the year ended March 31, 2023 were approved by the Board of Directors as its meeting held on May 19, 2023 without giving effect to the Scheme, since the Company was yet to receive and accordingly file the certified copy of the Order with the Registrar of Companies ("ROC") and the requisite regulatory approvals as specified in the Scheme were also pending as on that date. On May 25, 2023, the Company has received the certified copy of the Order and filed certified true copy of the Order with the Ministry of Corporate Affairs (the "MCA") on June 8, 2023. Further, the Company has received final regulatory approval from the BSE on September 11, 2023, thereby the Scheme becomes effective from September 11, 2023. The said financial statements, approved by the Board of Directors, were adopted by the shareholders of the Company in Annual General Meeting held on November 27, 2023.

As per the clarification issued by Ministry of corporate Affairs vide circular no.09/2019 dated August 21, 2019 (MCA Circular), the Company has recognised the effect of the Composite Scheme of Arrangement for demerger with effect from the Appointed date, April 1, 2022.

The Board of Directors in its meeting held on October 26, 2023, has approved the Revised Financial Statements as of March 31, 2023.

The Financial Information for the year ended March 31, 2022, has been extracted from the audited financial statements of the Demerged Company, for the year ended March 31, 2022, which have been audited by the predecessor auditors of the Demerged Company. In line with the above, wherever the term "Financial statements" is mentioned, it should be referred to as "Revised financial statements".

#### Accounting of Transfer of Demerged undertaking as per approved Composite Scheme of Arrangement:

(i) The assets and liabilities (including cashflow hedge reserve) pertaining to the Demerged Undertaking, transferred to and vested in the Resulting Company pursuant to the Scheme are recorded at their respective carrying values as appearing in the books of Demerged Company.

(ii) As per the share swap ratio approved in the Scheme, the Company has issued equity shares of Rs. 10 each in the ratio of 1:1 to the shareholders of Demerged Company. 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. The shares of the Company is in the process of being separately listed. Further, the share capital of Rs. 100,000 consisting of 10,000 shares of Rs. 10 each held by Demerged Company stand cancelled the amount is credited to capital reserve and the Company has ceased to be a subsidiary of the Demerged Company from the Appointed date.

(iii) The difference between the net assets transferred from the Demerged Company, and the aggregate of the fresh share capital issued by the Company has been credited to Capital Reserves (Refer Table 1 below) as provided under the Scheme. For the purpose of the Scheme, "Net Assets" means the difference between the book value of assets and liabilities (including cash flow hedge reserves) as on Appointed date.



**Table 1- The difference between the net assets transferred from the Demerged Company, and the aggregate of the fresh share capital issued by the Company is credited to Capital reserve as under:**

Particulars	Rs. in lakhs
	Amount
Assets of the demerged undertaking	46,864.95
Less: Liabilities of the demerged undertaking	(15,671.64)
Cash flow hedge reserve (Debit Balance)	30.86
<b>Net assets of the demerged undertaking (A)</b>	<b>31,224.17</b>
Face value of fully paid-up equity shares issued to the shareholders of demerged company (B)	574.70
<b>Net amount credited to Capital reserve (C) = (A) -(B)</b>	<b>30,649.47</b>

**Table 2 - Summary of the Assets and Liabilities of the Chemical Business Undertaking, transferred and vested with the Company as at April 1, 2022 is as under:**

Particular	Rs. in lakhs
	Amount
<b>Non-current assets</b>	
Property, plant and equipment	33,715.14
Capital work-in-progress	398.67
Intangible assets	45.14
<b>Financial assets</b>	
- Other financial assets	317.55
Other non current assets	167.40
<b>Sub-Total</b>	<b>484.95</b>
<b>Total non- current assets</b>	<b>34,643.90</b>
Inventories	2,924.26
<b>Financial assets</b>	
- Investments	6,736.71
- Trade receivables	1,887.64
- Cash and cash equivalents	48.98
- Bank balances other than above	52.91
- Loans	-
- Other financial assets	13.78
Other current assets	541.21
<b>Sub-Total</b>	<b>9,281.23</b>
Asset held for sale	15.56
<b>Total current assets</b>	<b>12,221.05</b>
<b>Total assets (A)</b>	<b>46,864.95</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
<b>Financial liabilities</b>	
- Borrowings	1,377.08
Provisions	323.47
Deferred tax liabilities (net)	3,394.56
<b>Total non-current liabilities</b>	<b>5,095.11</b>
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
- Borrowings	8,030.29
- Trade payables	
Total outstanding dues of micro enterprises and small enterprises; and	63.08
Total outstanding dues to creditors other than micro and small enterprises	1,230.25
- Other financial liabilities	613.38
Contract liabilities	359.48
Other current liabilities	184.39
Provisions	95.66
Income tax liabilities (net)	-
<b>Total current liabilities</b>	<b>10,576.53</b>
<b>Total liabilities (B)</b>	<b>15,671.64</b>





5 Property, plant and equipment

(a) Particulars	Freehold Building	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
<b>Gross block</b>							
Balance as at March 31, 2022	-	-	-	-	-	-	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	1,008.34	39,397.50	199.32	93.17	42.31	40,740.64	398.67
Additions	80.98	85.59	-	37.60	-	204.17	483.35
Disposals	-	(7.55)	-	(7.90)	(3.85)	(19.30)	-
Transfer	11.82	497.01	111.06	-	-	619.89	(619.89)
Balance as at March 31, 2023	1,101.14	39,972.55	310.38	122.87	38.46	41,545.40	262.13
Additions	-	62.66	41.19	19.20	-	123.05	785.26
Disposals	-	-	-	(4.36)	-	(4.36)	(6.70)
Transfer	-	40.88	-	-	-	40.88	(40.88)
Balance as at Dec 31, 2023	1,101.14	40,076.09	351.57	137.71	38.46	41,704.97	999.81
<b>Accumulated depreciation and impairment</b>							
Balance as at July 29, 2020	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2022	-	-	-	-	-	-	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	230.89	6,659.43	57.35	51.44	26.39	7,025.50	-
Depreciation charge for the year	57.88	1,783.58	26.00	20.54	6.36	1,894.36	-
Disposals	-	(2.74)	-	(6.63)	(0.36)	(9.73)	-
Balance as at March 31, 2023	288.77	8,440.27	83.35	65.35	32.39	8,910.13	-
Depreciation charge for the year	35.39	1,300.93	23.15	15.42	0.79	1,375.68	-
Disposals	-	-	-	(3.32)	-	(3.32)	-
Balance as at Dec 31, 2023	324.16	9,741.20	106.50	77.45	33.18	10,282.49	-
Net carrying amount as on March 31, 2021	-	-	-	-	-	-	-
Net carrying amount as on March 31, 2022	-	-	-	-	-	-	-
Net carrying amount as on March 31, 2023	812.37	31,532.28	227.03	57.52	6.07	32,635.27	262.13
Net carrying amount as on Dec 31, 2023	776.98	30,334.89	245.07	60.26	5.28	31,422.48	999.81

i) Refer note 47(i) for disclosure of contractual commitments.

ii) For details of Property, plant and equipment which are pledged as security for borrowings - Refer note 19 Non-current borrowings.

iii) Plant and equipment includes computers gross block Rs 143.97 lakhs, accumulated depreciation Rs.99.74 lakhs and written down value Rs 44.22 lakhs, acquired pursuant to the composite scheme of arrangement (Refer note 4).

iv) Since, all the immovable properties comprising of building have been acquired pursuant to the composite scheme of arrangement (Refer note 4) the title deeds thereof are being held in the name of National Peroxide Limited ("Demerged Company"). The Company is in the process of transferring the title deeds of buildings in its own name.

Title deeds of immovable property not held in the name of the Company as at December 31, 2023 and March 31, 2023

Relevant line item in the Balance Sheet	Description of the property	Net carrying amount (Rs. in lakhs)	Whether title deed holder is promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in the name of the Company
Property, plant and equipment	Buildings	776.98	Entity within the promoter group	April 1, 2022	Demerger of undertakings had taken place from the appointed date April 1, 2022 which became effective on September 11, 2023. The immovable properties of Demerged Undertaking continue to be held by Naperol Investment Limited (formerly known as National Peroxide Limited) ("Demerged Company") as at December 31, 2023. Necessary steps are being taken by the Company to get the legal formalities completed for transferring the ownership in its name in the Government records.



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5 Aging of Capital work-in-progress:

(b) (i) Amount in capital work-in-progress for:

As at December 31, 2023

Particulars	Amounts in capital work-in-progress for				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	915.18	79.01	5.62	-	999.81
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>915.18</b>	<b>79.01</b>	<b>5.62</b>	<b>-</b>	<b>999.81</b>

As at March 31, 2023

Particulars	Amounts in capital work-in-progress for				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	242.61	19.48	0.04	-	262.13
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>242.61</b>	<b>19.48</b>	<b>0.04</b>	<b>-</b>	<b>262.13</b>

(ii) Completion schedule for capital work-in-progress where completion is overdue or has exceeded its cost compared to its original plan:

As at December 31, 2023

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress:</b>					
Substation and MCC rooms	112.88	-	-	-	112.88
Caustic & Sulphuric Tank	109.99	-	-	-	109.99
Electrical Projects	463.41	-	-	-	463.41
Reformer Tube Replacement	46.13	-	-	-	46.13
Additional quantity of reformer tube	58.88	-	-	-	58.88
Others	191.57	-	-	-	191.57
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>982.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>982.86</b>

As at March 31, 2023

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in progress:</b>					
Caustic & Sulphuric Tank	111.10	-	-	-	111.10
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>111.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111.10</b>

For the year ended March 31, 2022 and for the period ended March 31, 2021 there was no CWIP balance hence, disclosure for the said period is not made.



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National Peroxide Limited (formerly known as NPL Chemicals Limited)

Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

5.1 Right to use assets and lease liabilities

As Lessee

(i) Carrying value of right of use assets at the period/years end by class

Particulars	Land
<b>Gross block</b>	
<b>Balance as at March 31, 2022</b>	-
Additions (Refer note (d) below)	969.65
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>969.65</b>
Additions (Refer note (d) below)	-
Disposals	-
<b>Balance as at Dec 31, 2023</b>	<b>969.65</b>
<b>Accumulated depreciation and impairment</b>	
<b>Balance as at March 31, 2022</b>	-
Depreciation charge for the year	64.60
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>64.60</b>
Depreciation charge for the period	48.67
Disposals	-
<b>Balance as at Dec 31, 2023</b>	<b>113.27</b>
<b>Net carrying amount as on March 31, 2023</b>	<b>905.05</b>
<b>Net carrying amount as on Dec 31, 2023</b>	<b>856.38</b>

(ii) The following is the break-up of lease liability as at reporting date

Particulars	As at	As at	As at	As at
	Dec 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Current lease liability	23.25	21.83	-	-
Non-current lease liability	910.02	927.54	-	-
<b>Total</b>	<b>933.27</b>	<b>949.37</b>	-	-

(iii) The following is the movement of lease liability during the period/years

Particulars	Amount (Rs in lakhs)
<b>Balance from July 29, 2020</b>	-
Additions	-
Disposals	-
<b>Balance as at March 31, 2021</b>	-
Additions	-
Deletions	-
<b>Balance as at March 31, 2022</b>	-
Additions	969.65
Deletions	-
Finance cost incurred	79.72
Transferred to trade payable	(100.00)
Payment of lease liabilities	-
<b>Closing balance as at March 31, 2023</b>	<b>949.37</b>
Finance cost incurred	58.90
Transferred to trade payable	-
Payment of lease liabilities	(75.00)
<b>Closing balance as at December 31, 2023</b>	<b>933.27</b>



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**National Peroxide Limited (formerly known as NPL Chemicals Limited)**

**Notes to the Restated Financial Information**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

(iv) The table below provides details regarding the contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

Particulars	As at	As at	As at	As at
	Dec 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Less than one year	100.00	100.00	-	-
One to five years	436.48	424.00	-	-
More than five years	1,048.50	1,135.98	-	-
<b>Total</b>	<b>1,584.98</b>	<b>1,659.98</b>	-	-

(v) Amount recognised in Restated Statement of Profit and Loss

Particulars	As at	For year ended	For year ended	For year ended
	Dec 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Interest on lease liability (Refer note 32)	58.90	79.72	-	-
Expense relating to short-term leases and low value assets (Refer note 33)	27.26	56.33	-	-
Depreciation (Refer note 33)	48.67	64.60	-	-
	<b>134.83</b>	<b>200.65</b>	-	-

**Notes:**

- Total cash outflow for leases for the period ended December 31, 2023 was Rs. 175 Lakhs (which includes payment of rental dues amounting to Rs. 100 lakhs pertaining to previous financial year) and for the years ended March 31, 2023, March 31, 2022 and for the period from July 29, 2020 to March 31, 2021 was Rs. Nil respectively.
- There are no variable lease payments included in the measurement of lease liability.
- Extension and termination options: Extension and termination options are included in the lease contracts of the Company. These are used to maximise operational flexibility in terms of managing the assets of the Company. All the extension and termination options held are exercisable both by the Company and the respective lessor.
- Pursuant to the composite scheme of arrangement approved by NCLT, as per para 4.4 of the scheme, on the same becoming effective and w.e.f. appointed date i.e. April 1, 2022 as per scheme, Naperol Investments Limited (formerly known as National Peroxide Limited) ("NIL") shall effect the lease of land as specified in schedule IB to the scheme in the name of the Company. Accordingly, the Company has considered commencement date for the lease from April 1, 2022 for 15 Years or extended as agreed between NIL and the Company.



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National Peroxide Limited (formerly known as NPL Chemicals Limited)

Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

6 Intangible assets

Particulars	Computer Software
<b>Gross block</b>	
<b>Balance as at March 31, 2022</b>	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	104.96
Additions	-
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>104.96</b>
Additions	-
Disposals	-
<b>Balance as at December 31, 2023</b>	<b>104.96</b>
<b>Accumulated amortization</b>	
<b>Balance as at March 31, 2022</b>	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	59.82
Charge for the year	20.99
Disposals	-
<b>Balance as at March 31, 2023</b>	<b>80.81</b>
Charge for the period	15.82
Disposals	-
<b>Balance as at December 31, 2023</b>	<b>96.63</b>
<b>Net carrying amount as on March 31, 2021</b>	-
<b>Net carrying amount as on March 31, 2022</b>	-
<b>Net carrying amount as on March 31, 2023</b>	<b>24.15</b>
<b>Net carrying amount as on December 31, 2023</b>	<b>8.33</b>



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National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

7 Other non-current financial assets

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(Unsecured, considered good)				
Security deposits	19.71	45.31	-	-
Bank deposits with more than 12 months maturity	26.33	35.00	-	-
	46.04	80.31	-	-

7.1 Income tax assets (net)

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Advance taxes [Net of provision for taxation Rs. 1,027.16 lakhs] (March 31, 2022: Rs. Nil)	181.13	-	-	606.43
	181.13	-	-	606.43

8 Other non-current assets

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(Unsecured, considered good)				
Prepayments	12.07	19.76	-	-
Capital advances	12.67	6.79	-	-
Balances with government authorities#	124.10	124.10	-	-
Less: Provision for sales tax#	(64.25)	(64.25)	-	-
	84.59	86.40	-	-

# During the earlier years, the Company had provided Rs. 64.25 lakhs towards sales tax matters based on estimation for probable liabilities arising out of pending disputes / liabilities with

9 Inventories

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Raw materials and packing materials#	1,368.90	1,109.28	-	-
Finished goods	2,106.50	1,346.36	-	-
Traded goods	-	0.63	-	-
Stores and spares#	1,650.26	1,158.42	-	-
	5,125.66	3,614.69	-	-

# Write-down of inventories to net realisable value is NIL for Nine month period ended December 2023 ( year ended March 31, 2023 Rs. 109.93 lakhs, year ended March 31, 2022 - NIL and for the period from July 29, 2020 to March 31, 2021 - NIL.) These were recognised as an expense during the quarter and included in 'Other expenses - Consumption of stores and spares' and 'Cost of Raw Material and Packing Material Consumed' in Restated Statement of Profit and Loss

10 Current investments

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Investment in mutual funds (Unquoted Investments - FVTPL)^				
83,641.76 units (March 31, 2023: 98,005.79 units) of ICICI Prudential Overnight Fund Direct Plan Growth of Rs. 10 each	1,061.98	1,184.38	-	-
28,869.91 units (March 31, 2023: 33,337.57 units) of HDFC Overnight Fund - Direct Plan - Growth Option of Rs. 10 each	1,009.00	1,109.62	-	-
84,573.63 units (March 31, 2023: 95,138.35 units) of Bandhan Overnight Fund Direct Plan# - Growth of Rs. 10 each	1,062.31	1,137.49	-	-
47,203.53 units (March 31, 2023: 47,203.53 units) of Kotak Overnight Direct Plan Growth of Rs. 10 each	593.06	564.42	-	-
	3,726.35	3,995.91	-	-
Aggregate amount of quoted investments and market value thereof				
Aggregate amount of unquoted investments	3,726.35	3,995.91	-	-
Aggregate amount of impairment in value of investments				
	3,726.35	3,995.91	-	-

#Erstwhile known as IDFC Overnight Fund



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National Peroxide Limited (formerly known as NPL Chemicals Limited)

Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

11 Trade receivables

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Trade receivables from contract with customers	2,512.29	2,493.35	-	-
Less: Expected Credit Loss allowance	(66.65)	(66.65)	-	-
	<b>2,445.64</b>	<b>2,426.70</b>	-	-
<b>Breakup of security details</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	2,445.64	2,426.70	-	-
Significant increase in credit risk	-	-	-	-
Credit impaired	66.65	66.65	-	-
	<b>2,512.29</b>	<b>2,493.35</b>	-	-
Loss allowance	(66.65)	(66.65)	-	-
<b>Total trade receivables</b>	<b>2,445.64</b>	<b>2,426.70</b>	-	-

Aging of trade receivables:

As at Dec 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	1,936.56	500.47	8.14	0.34	0.13	-	2,445.64
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	1.29	65.36	66.65
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>1,936.56</b>	<b>500.47</b>	<b>8.14</b>	<b>0.34</b>	<b>1.42</b>	<b>65.36</b>	<b>2,512.29</b>

As at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	2,286.60	137.99	1.98	0.13	-	-	2,426.70
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	1.29	65.36	66.65
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>2,286.60</b>	<b>137.99</b>	<b>1.98</b>	<b>0.13</b>	<b>1.29</b>	<b>65.36</b>	<b>2,493.35</b>

As at March 31, 2022 and March 31, 2021

Particulars	Unbilled	Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-



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National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

12 Cash and cash equivalents

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash in hand	1.26	2.22	-	-
Balances with banks in current accounts	843.85	640.45	0.21	1.00
	845.11	642.67	0.21	1.00

13 Bank balances other than above

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Unclaimed dividend accounts	926.42	-	-	-
Deposits with maturity of less than three months <sup>^</sup>	55.47	54.55	-	-
Deposits with maturity of more than three months but less than twelve month	789.66	-	-	-
	1,771.55	54.55	-	-

<sup>^</sup>Under lien with Maharashtra Pollution Control Board

14 Other financial assets

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(Unsecured, considered good)				
Security deposits	39.46	26.28	-	-
	39.46	26.28	-	-

15 Other current assets

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(Unsecured, considered good)				
Advances to suppliers	91.25	123.71	-	-
Advances for expenses	56.35	45.88	-	-
Prepayments	136.02	384.83	-	-
Balances with government authorities	-	0.38	-	-
Receivable from Demerged entity on account of composite scheme of arrangement (Refer note 40)	77.32	37.95	-	-
Other Receivables	29.23	-	-	-
	390.17	592.75	-	-

16 Asset held for sale

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Capital work in progress	-	7.69	-	-
	-	7.69	-	-



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National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

17 Equity Share Capital

17(a) Authorised capital

Particulars	Number of shares	Amount
Equity share of Rs. 10 each		
Balance as at July 29, 2020	10,000	1.00
Movement during the period	-	-
Balance as at March 31, 2021	10,000	1.00
Movement during the year	-	-
Balance as at March 31, 2022	10,000	1.00
Add:-Increase in Authorised Equity share capital on account of Composite Scheme of Arrangement (Refer note 4)	99,90,000	999.00
Movement during the year	-	-
Balance as at March 31, 2023	1,00,00,000	1,000.00
Movement during the period	-	-
Balance as at December 31, 2023	1,00,00,000	1,000.00

17(b) Issued, subscribed and fully paid-up

Particulars	Number of shares	Amount
Outstanding as at the beginning of the period	-	-
Equity share of Rs. 10 each		
Issued during the period	10,000	1.00
As at March 31, 2021	10,000	1.00
Movement during the year	-	-
Balance as at March 31, 2022	10,000	1.00
Less: Shares cancelled pursuant to the Composite Scheme of Arrangement <sup>^</sup>	(10,000)	(1.00)
Balance as at March 31, 2023	-	-
Movement during the period	57,47,000	574.70
Balance as at December 31, 2023	57,47,000	574.70

17(c) Equity Share Capital Suspense

Particulars	Number of shares	Amount
Equity share of Rs. 10 each		
Balance as at July 29, 2020	-	-
Movement during the period	-	-
As at March 31, 2021	-	-
Movement during the year	-	-
Balance as at March 31, 2022	-	-
Add:- Addition on account of Composite Scheme of	57,47,000	574.70
Balance as at March 31, 2023	57,47,000	574.70
Movement during the period	(57,47,000)	(574.70)
Balance as at December 31, 2023	-	-

<sup>^</sup> The Composite Scheme of Arrangement has become effective on September 11, 2023 and as per the terms of the Scheme, one equity share of Rs.10 each is to be allotted to the existing shareholders of Naperol Investments Limited (formerly known as National Peroxide Limited) ("NIL") ("Demeiged Company") whose name appear in register of members of NIL as on the record date. The Company has allotted 57,47,000 equity shares on September 27, 2023 to the existing shareholders of Naperol Investments Limited (formerly known as National Peroxide Limited) as on record date. Hence, the equity shares have been transferred from Equity Share Capital Suspense to Issued, subscribed and fully paid-up Equity Share Capital.

Notes:

i) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	Number of shares	Amount
Equity shares		
Balance as at July 29, 2020	10,000	1.00
Movement during the period	-	-
Balance as at March 31, 2021	10,000	1.00
Movement during the year	-	-
Balance as at March 31, 2022	10,000	1.00
Less: Shares cancelled in pursuant to composite scheme of arrangement (Refer note 4)	(10,000)	(1.00)
Balance as at March 31, 2023	-	-
Transferred from Equity Share Capital Suspense	57,47,000	574.70
Balance as at December 31, 2023	57,47,000	574.70

ii) Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate: None

iii) Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity share having a par value of Rs.10 per share. Every holder of equity shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholdings.



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**National Peroxide Limited (formerly known as NPL Chemicals Limited)**  
**Notes to the Restated Financial Information**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**iv) Shares held by Holding Company**

National Peroxide Limited (NPL) was holding 100% shares of NPL Chemicals Limited (10,000 shares of face value Rs. 10 each amounting to Rs. 1,00,000) as at March 31, 2022 and March 31, 2021 (accordigly from April 1, 2022, the Company ceased to be the subsidiary of the holding company) Pursuant to the scheme of demerger the shares of NPL stands cancelled and new shares are issued to the existing shareholders of NPL at the record date in the ratio of 1 share each for 1 share held

**v) Shareholders holding more than 5% shares of a class of shares**

Particulars	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of Rs. 10 each fully paid up</b>								
National Peroxide Limited	-	-	-	-	10,000	1.00	10,000	1.00
Nowrosjee Wadia and Sons Limited	17,69,125	176.91	-	-	-	-	-	-
Macrofil Investments Limited	7,46,609	74.66	-	-	-	-	-	-
Baymanco Investments Limited (including 6 shares held by individual nominee shareholder)	11,71,500	117.15	-	-	-	-	-	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above

**vi) Details of shares allotted without payment being received in cash in last five years:**

The Company has not made any buy-back, nor there has been an issue of shares by way of bonus share nor issue of share pursuant to contract without payment being received / paid in cash for the period of five years immediately preceding the balance sheet date. However, 57,47,000 equity shares of Rs.10 each has been allotted on September 27, 2023 to the existing shareholders of Naperol Investments Limited (formerly known as National Peroxide Limited being the Demerged Company) as on record date (Refer note 4) without payment received in cash.

**vii) Shareholding of promoters:**

**Shares held by promoters as at December 31, 2023**

Sr. Promoter name	Number of shares	% of total number of -	% of change during the year
1 Ness Nusli Wadia	4,600	0.08%	-
2 Nowrosjee Wadia And Sons Limited	17,69,125	30.78%	-
3 Macrofil Investments Limited	7,46,609	12.99%	-
4 The Bombay Burmah Trading Corporation Limited	2,24,000	3.90%	-
5 The Bombay Dyeing And Manufacturing Company Limited	61,000	1.06%	-
6 Varnilam Investments & Trading Company Limited	16,750	0.29%	-
7 Nusli Neville Wadia	16,325	0.28%	-
8 Dina Neville Wadia	5,250	0.09%	-
9 Baymanco Investments Limited	11,71,500	20.38%	-
10 Ben Nevis Investments Limited	51,500	0.90%	-
<b>Total</b>	<b>40,66,659</b>	<b>70.75%</b>	<b>-</b>



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National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

18 Other equity

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
i) Capital Reserve	30,650.47	30,650.47	-	-
ii) Retained earnings	4,358.07	3,974.18	(1.55)	(0.72)
iii) Cash flow hedge reserves	-	-	-	-
	35,008.54	34,624.65	(1.55)	(0.72)

i) Capital Reserve

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period/year	30,650.47	-	-	-
Addition pursuant to composite scheme of arrangement (Refer note 4)	-	30,649.47	-	-
Shares cancelled pursuant to the composite scheme of arrangement (Refer note 4)	-	1.00	-	-
Add: Addition during the period/year	-	-	-	-
Less: Reduction during the period/year	-	-	-	-
Balance at the end of the period/year	30,650.47	30,650.47	-	-

Capital reserve was created on transfer of demerged undertaking under the composite scheme of arrangement.

ii) Retained earnings

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period/year	3,974.18	(1.55)	(0.72)	-
Add: Net Profit/(Loss) for the period/year	1,371.85	3,950.16	(0.83)	(0.72)
Less : Dividend declared	(1,005.73)	-	-	-
Add: Other comprehensive income (net of tax)	17.77	25.57	-	-
Balance at the end of the period/year	4,358.07	3,974.18	(1.55)	(0.72)

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Further, it also includes the impact of remeasurements of the defined benefit obligations, net of tax.

iii) Cash flow hedge reserves

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period/year	-	-	-	-
Add: Transfer in pursuant to composite scheme of arrangement (Refer note 4)	-	(30.86)	-	-
Add: Other comprehensive income (net of tax)	-	30.86	-	-
Balance at the end of the period/year	-	-	-	-

Cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that qualify as cash flow hedges. Amount are subsequently reclassified to restated statement of profit and loss as appropriate.



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National Peroxide Limited (formerly known as NPL Chemicals Limited)

Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

19 Non-current borrowings

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Secured</b>				
Term loan from bank:				
Rupee loan (Refer note 1 (b) below)	1,132.45	1,389.36	-	-
	1,132.45	1,389.36	-	-
Less: Current maturities of long term debt (Refer note 21) (included in current borrowings)	(345.12)	(352.94)	-	-
	787.33	1,036.42	-	-

I) Term of repayment

a) The sanctioned amount of Rupee term loan from bank is Rs. 1,500 lakhs (March 31, 2022: Rs. 1,500 lakhs). This facility carries floating interest rate of 8.55% to 9.70%. The loan is repayable in 17 equal quarterly instalments commencing from the end of 12<sup>th</sup> month from date of first drawdown (i.e. January 07, 2022).

II) Nature of security

The above loans are secured by a pari passu charge on entire movable fixed assets including plant and machinery of the Company located in Kalyan, Maharashtra. In respect of the secured loan transferred to the Company pursuant to the Composite Scheme of Arrangement, the process and transfer of charges is in progress.

III) Change in liability arising from financing activities

Particulars	As at March 31,	As at March 31,	Transfer in pursuant	Cash Flows	Foreign Exchange (Gain)/Loss (Non Cash)	As at March 31, 2023
	2021	2022	to composite scheme of arrangement (Refer note 4)			
Borrowings	-	-	9,407.37	(7,976.77)	(41.24)	1,389.36
	-	-	9,407.37	(7,976.77)	(41.24)	1,389.36

Particulars	As at March 31,	Transfer in pursuant	Cash Flows	Non cash movement (amortization of processing fees)	As at December 31, 2023
	2023	to composite scheme of arrangement (Refer note 4)			
Borrowings	1,389.36	-	(264.71)	7.80	1,132.45
Short Term Borrowings					
	1,389.36	-	(264.71)	7.80	1,132.45

For the year ended March 31, 2022 and for the period ended March 31, 2021, the Company had no borrowings hence, no disclosure is made for these periods.



20 Non-current Provisions

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
For employee benefits (refer note 41)				
Provident fund	-	-	-	-
Leave encashment and compensated absence	212.49	250.35	-	-
Pension	64.67	66.10	-	-
	<b>277.16</b>	<b>316.45</b>	-	-

21 Current borrowings

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Secured</b>				
Current maturities of long term borrowings <sup>^</sup>	345.12	352.94	-	-
<b>Unsecured</b>				
Loans from related party <sup>#</sup>	-	3.00	-	-
	<b>345.12</b>	<b>355.94</b>	-	-

<sup>^</sup> includes interest accrued on borrowings.

<sup>#</sup> The Unsecured Borrowings represents Inter corporate deposit taken from National Peroxide Limited. The rate of interest on the borrowings is 9.25% - 9.75% p a payable on quarterly basis and the borrowings is repayable on demand or completion of 360 days whichever is earlier.

22 Trade payables

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Dues to others</b>				
Total outstanding dues of micro enterprises and small enterprises (MSME) (Refer note 45)	204.20	151.86	0.75	-
Total outstanding dues to creditors other than micro and small enterprises	2,041.34	2,153.91	0.01	0.72
	<b>2,245.54</b>	<b>2,305.77</b>	<b>0.76</b>	<b>0.72</b>

\* Includes Amount payable to related parties - Refer note 40

Aging of trade payables:

As at December 31, 2023

Particulars	Unbilled	Not due	Outstanding for following period from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
			(i) Undisputed dues - MSME		158.14	46.06	
(ii) Undisputed dues - Others	339.67	1,287.93	400.51	11.76	0.17	1.30	2,041.34
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>339.67</b>	<b>1,446.07</b>	<b>446.57</b>	<b>11.76</b>	<b>0.17</b>	<b>1.30</b>	<b>2,245.54</b>

As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following period from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
			(i) Undisputed dues - MSME	4.25	147.61	-	-
(ii) Undisputed dues - Others	1,070.25	1,063.98	18.15	0.24	1.29	-	2,153.91
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,074.50</b>	<b>1,211.59</b>	<b>18.15</b>	<b>0.24</b>	<b>1.29</b>	<b>-</b>	<b>2,305.77</b>



*(Handwritten signatures)*



National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

As at March 31, 2022							
Particulars	Unbilled	Not due	Outstanding for following period from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	0.75	-	-	-	-	-	0.75
(ii) Undisputed dues - Others	-	-	0.01	-	-	-	0.01
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>0.75</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.76</b>

As at March 31, 2021							
Particulars	Unbilled	Not due	Outstanding for following period from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues - MSME	-	-	-	-	-	-	-
(ii) Undisputed dues - Others	0.22	-	0.50	-	-	-	0.72
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>0.22</b>	<b>-</b>	<b>0.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.72</b>

23 Other current financial liabilities

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Deposits	33.12	4.80	-	-
Capital creditors <sup>a</sup>	125.46	178.35	-	-
Unpaid dividend	926.42	-	-	-
Payable to employees	350.14	427.22	-	-
	<b>1,435.14</b>	<b>610.37</b>	<b>-</b>	<b>-</b>

<sup>a</sup>Including dues to micro and small enterprises for Nine months period ended December 31, 2023 - Rs. Nil (March 31, 2023 - Rs. 5.16 lakhs, March 31, 2022: Ru.Nil, March 31, 2021: 0.40 lakhs) (Refer note 45)

24 Other current liabilities

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Statutory dues (including provident fund, tax deducted at source and others)	463.60	270.46	-	-
	<b>463.60</b>	<b>270.46</b>	<b>-</b>	<b>-</b>

25 Current provisions

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
For employee benefits (Refer note 41)				
Leave encashment and compensated absence	93.57	117.85	-	-
Pension	11.19	9.00	-	-
	<b>104.76</b>	<b>126.85</b>	<b>-</b>	<b>-</b>

26 Income tax liabilities (net)

Particulars	As at		As at	
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Provision for tax [Net of advance tax, self assessment tax and TDS Rs. 782.04 lakhs (March 31, 2023: Rs. 772.47 Lakhs), (March 31, 2022: Rs. NIL), (March 31, 2021: Rs. NIL)]	-	219.31	-	-
	<b>-</b>	<b>219.31</b>	<b>-</b>	<b>-</b>





27 **Revenue from operations**

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Revenue from contracts with customers			
Manufactured goods	24,418.15	37,396.39	-
Traded goods	1.35	139.25	-
Other operating income	75.90	51.80	-
	<b>24,495.40</b>	<b>37,587.44</b>	-

Disclosure pursuant to Ind AS 115 - Revenue from Contracts with Customers

(A) **Revenue streams**

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Sales of Goods/Income from operations	24,419.50	37,535.64	-
Other operating revenues - Sale of Scrap	75.90	51.80	-
<b>Sale of goods / Income from operations</b>	<b>24,495.40</b>	<b>37,587.44</b>	-

(B) There are no material unsatisfied performance obligations for the Nine month period ended December 31, 2023 and for the year ended March 31, 2023. Further, entire revenue point in time when the performance obligation is satisfied and control of the goods is transferred to the customer.

(C) **Disaggregation of revenue from contracts with customers**

In the following table, revenue from contracts with customers is disaggregated by primary geographical market

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Domestic	17,948.32	23,755.14	-
Exports	6,547.08	13,780.50	-
<b>Sale of goods / income from operations</b>	<b>24,495.40</b>	<b>37,535.64</b>	-

(D) **Reconciliation of revenue recognised with contract price:**

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Revenue as per contract price	25,558.89	38,555.56	-
Less: Refund Liabilities - Sales Returns / Credits / Reversals	318.02	361.25	-
Less: Discounts	745.47	658.67	-
	<b>24,495.40</b>	<b>37,535.64</b>	-

(E) The entire amount of contract liability of Rs 141.68 lakhs as of March 31, 2023 (March 31 2022 - Nil and March 31, 2021 - Nil) has been recognised as revenue in the respect

(F) There are no significant changes in contract liabilities during the Nine month period ended December 31, 2023 and years ended March 31, 2023, March 31, 2022 & for the period 2020 to March 31, 2021.

28 **Other income**

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Interest income on financial assets at amortised cost			
On fixed deposits	34.98	1.80	-
Other interest income	-	0.01	-
Other non-operating income			
Fair value gain on investments (including gain on sale of investments) measured at FVTPL	195.43	339.06	-
Profit on sale of assets	-	24.65	-
Reversal of Loss allowance	-	22.07	-
Net foreign exchange gain	43.45	251.31	-
Export duty drawback	62.62	121.51	-
Miscellaneous income	136.65	125.01	-
	<b>473.13</b>	<b>885.42</b>	-

29 **Cost of raw materials and packing materials consumed**

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Opening balance of raw materials and packing materials	1,109.28	-	-
Add: Transferred in pursuant to composite scheme of arrangement (Refer note 4)	-	1,816.80	-
Add: Purchases made during the year	12,368.09	18,418.50	-
Less: Closing balance of raw materials and packing materials	(1,368.90)	(1,109.28)	-
	<b>12,108.47</b>	<b>19,126.02</b>	-

30 **Changes in inventories of stock-in-trade and finished goods**

Particulars	For the Nine month period ended	For the year ended	For the year ended
	December 31, 2023	March 31, 2023	March 31, 2022
Opening balance	1,346.36	-	-
Add: Transferred in pursuant to composite scheme of arrangement (Refer note 4)	-	197.22	-
Closing balance	(2,106.50)	(1,346.36)	-
	<b>(760.14)</b>	<b>(1,149.14)</b>	-



National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

31 Employee benefit expenses

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Salaries, wages and bonus	1,744.92	2,204.13	-	-
Contribution to provident fund and other funds (Refer note 41)	90.41	114.72	-	-
Provident fund benefits (Refer note 41)	1.50	2.53	-	-
Gratuity (Refer note 41)	25.43	34.76	-	-
Pension benefits (Refer note 41)	5.23	6.45	-	-
Workmen and staff welfare expenses	254.36	282.49	-	-
	<b>2,121.85</b>	<b>2,645.08</b>	-	-

32 Finance costs

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Interest and finance charges on financial liabilities not at fair value through profit or loss	91.56	381.84	-	-
Interest and finance charges on lease liabilities not at fair value through profit or loss	58.90	79.72	-	-
Fair value changes on cross currency interest rate swap designated as cash flow hedges - transferred from other comprehensive income	-	219.21	-	-
Other interest expense	0.39	21.22	-	-
	<b>150.85</b>	<b>701.99</b>	-	-

33 Depreciation and amortisation expense

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Depreciation on property, plant and equipment (Refer note 5)	1,375.68	1,894.36	-	-
Depreciation on right of use assets (Refer note 5.1)	48.67	64.60	-	-
Amortisation of intangible assets (Refer note 6)	15.82	20.99	-	-
	<b>1,440.17</b>	<b>1,979.95</b>	-	-

34 Other expenses

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Consumption of stores and spares	287.80	452.65	-	-
Legal and professional fees	520.40	632.41	0.01	0.30
Auditors Remuneration <sup>^</sup>	53.58	46.01	0.82	0.40
Rates and taxes	32.65	32.16	-	0.02
Repairs and maintenance	-	-	-	-
-plant and machinery	515.67	833.25	-	-
-building	1.89	4.73	-	-
Freight charges	448.32	158.89	-	-
Insurance charges	282.61	416.04	-	-
Director sitting fees (Refer note 40)	11.40	-	-	-
Director commission	17.22	-	-	-
Rental charges**	27.26	56.33	-	-
Loss on sale of assets	0.90	-	-	-
Clearing and forwarding expenses	1,200.21	2,041.94	-	-
Miscellaneous expenses	570.74	931.74	-	-
	<b>3,970.65</b>	<b>5,606.15</b>	<b>0.83</b>	<b>0.72</b>

\*\*Rental Expenses recorded for short term leases for the period ended December 31, 2023 was Rs 27.26 lakhs (Rs 56.33 lakhs - March 31, 2023)

Auditors Remuneration<sup>^</sup>

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Statutory audit fees	19.50	28.25	0.82	-
Limited review audit fees	14.75	15.50	-	-
Others*	19.00	-	-	-
Reimbursement of out of pocket expenses	0.33	2.26	-	-
	<b>53.58</b>	<b>46.01</b>	<b>0.82</b>	-

\*Others include fees for audit of Special Purpose /Restated Financial Information for the nine month period ended December 31, 2023

35 Exceptional income

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Insurance claim received due to loss on account of breakdown of machinery (Refer note 48)	-	1,295.16	-	-
	-	<b>1,295.16</b>	-	-



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## 36 Income tax

The following table provides the major components of income tax expense for the period ended June 30, 2023 and years ended March 31, 2023, March 31, 2022 and for the period July 29, 2020 to March 31, 2021 are:

## (a) Income tax recognised in statement of profit and loss

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
<b>Income tax expense</b>				
(i) Current tax expense	296.60	991.78	-	-
Tax adjustments relating to previous year (Refer Note below)	(70.58)	-	-	-
<b>Total current tax expense</b>	<b>226.02</b>	<b>991.78</b>	-	-
(ii) Deferred tax (benefit)/ expense				
Decrease (increase) in deferred tax assets	1.25	(20.64)	-	-
(Decrease) increase in deferred tax liabilities	139.55	428.83	-	-
<b>Total deferred tax (benefit)/ expense</b>	<b>140.80</b>	<b>408.19</b>	-	-
<b>Total Income tax (benefit)/ expense</b>	<b>366.82</b>	<b>1,399.97</b>	-	-

## (b) Income tax recognised in other comprehensive income

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
<b>Income tax expense</b>				
(i) Current tax benefit/ (expense)				
Remeasurement of defined benefit obligation	-	-	-	-
<b>Total current tax benefit/ (expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(ii) Deferred tax benefit/ (expense)				
Remeasurement of defined benefit obligation	(5.97)	(9.45)	-	-
Cash flow hedge reserve	-	(10.38)	-	-
<b>Total deferred tax benefit/ (expense)</b>	<b>(5.97)</b>	<b>(19.83)</b>	<b>-</b>	<b>-</b>
<b>Total Income tax benefit/ (expense)</b>	<b>(5.97)</b>	<b>(19.83)</b>	<b>-</b>	<b>-</b>

## (c) Reconciliation of effective tax rate:

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Profit before tax	1,738.67	5,350.13	(0.83)	(0.72)
Tax at the Indian applicable tax rate 25.17%	437.59	1,346.52	(0.21)	(0.18)
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:				
Expenses which are not deductible/ (taxable) in calculating taxable income:				
Tax adjustments relating to previous year (Refer Note below)	(70.58)	53.45	-	-
Current year losses on which no deferred tax is created	(0.19)	-	0.21	0.18
<b>Income tax expense</b>	<b>366.82</b>	<b>1,399.97</b>	<b>-</b>	<b>-</b>

## (d) Tax assets

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Opening balance	(219.31)	-	-	-
Add: Taxes paid	435.82	772.47	-	-
Less: Current tax payable for the year	296.60	991.78	-	-
Add: Current Tax adjustments relating to previous year	261.22	-	-	-
<b>Closing balance</b>	<b>181.13</b>	<b>(219.31)</b>	<b>-</b>	<b>-</b>
<b>Income tax assets</b>	<b>181.13</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income tax liabilities</b>	<b>-</b>	<b>219.31</b>	<b>-</b>	<b>-</b>
<b>Net Tax liabilities</b>	<b>181.13</b>	<b>(219.31)</b>	<b>-</b>	<b>-</b>

## (e) Movement in deferred tax liabilities

Particulars	For the Nine month period ended December 31, 2023	As at March 31, 2023	As at April 1, 2022	As at March 31, 2021
Deferred tax liabilities	4,117.81	3,978.26	-	-
Less: Deferred tax assets	148.46	155.68	-	-
<b>Deferred tax liability (net)</b>	<b>3,969.35</b>	<b>3,822.58</b>	<b>-</b>	<b>-</b>



Movement of deferred tax balances  
March 31, 2023

Particulars	As at April 1, 2022	Transfer pursuant to composite scheme of arrangement (Refer note 4)	Recognised in Restated Profit and Loss	Recognised in OCI	As at March 31, 2023
Property, plant and equipment	-	3,537.12	425.17	-	3,962.29
Financial asset measured at FVTPL	-	12.31	3.66	-	15.97
<b>Total deferred tax liabilities</b>	-	<b>3,549.43</b>	<b>428.83</b>	-	<b>3,978.26</b>
Provision for post retirement benefits and other employee benefits	-	105.99	14.63	(9.45)	111.17
Right of use assets (net of lease liabilities)	-	-	11.15	-	11.15
Loss allowance	-	22.33	(5.14)	-	17.19
Provision for sales tax	-	16.17	-	-	16.17
Loss on cash flow hedging reserve	-	10.38	-	(10.38)	-
Business loss	-	-	-	-	-
<b>Total deferred tax assets</b>	-	<b>154.87</b>	<b>20.64</b>	<b>(19.83)</b>	<b>155.68</b>
<b>Deferred tax liability (net)</b>	-	<b>3,394.56</b>	<b>408.19</b>	<b>19.83</b>	<b>3,822.58</b>

December 31, 2023

Particulars	As at March 31, 2023	Transfer pursuant to composite scheme of arrangement (Refer note 4)	Recognised in Restated Profit and Loss	Recognised in OCI	As at December 31, 2023
Property, plant and equipment	3,962.29	-	121.64	-	4,083.93
Financial asset measured at FVTPL	15.97	-	17.91	-	33.88
<b>Total deferred tax liabilities</b>	<b>3,978.26</b>	-	<b>139.55</b>	-	<b>4,117.81</b>
Provision for post retirement benefits and other employee benefits	111.17	-	(9.03)	(5.97)	96.17
Right of use assets (net of lease liabilities)	11.15	-	8.20	-	19.35
Loss allowance	17.19	-	(0.42)	-	16.77
Provision for sales tax	16.17	-	-	-	16.17
<b>Total deferred tax assets</b>	<b>155.68</b>	-	<b>(1.25)</b>	<b>(5.97)</b>	<b>148.46</b>
<b>Deferred tax liability (net)</b>	<b>3,822.58</b>	-	<b>140.80</b>	<b>5.97</b>	<b>3,969.35</b>

For the year ended March 31, 2023 and for the period July 29, 2020 to March 31, 2021 there were no deferred tax assets or deferred tax liabilities created in the books hence, no disclosure is being made.

Note :

As per the Composite Scheme of Arrangement, if the Demerged Company (Naperol Investments Limited formerly known as National Peroxide Limited) is entitled to any unutilized credits (including unabsorbed depreciation) relating to the Demerged Undertaking, the Resulting Company (National Peroxide Limited formerly known as NPL Chemicals Limited) is entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits. Accordingly, the Resulting Company being entitled to the benefit of the unabsorbed depreciation relating to the assets transferred to it as part of the demerged undertaking, claimed the same in its Return of Income for the year ended March 31, 2023. Since the deferred tax asset relating to the unabsorbed depreciation existing as at the appointed date had remained in the Demerged Company as at March 31, 2023, the same has been transferred to the Resulting Company during the period and is adjusted with the tax liability of the year ended March 31, 2023. The excess tax provision as per books for the year ended March 31, 2023, consequent to the claim of the unabsorbed depreciation, has also been reversed and adjusted against the aforesaid tax liability and is disclosed as prior year tax adjustments for the period ended December 31, 2023.



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**National Peroxide Limited (formerly known as NPL Chemicals Limited)**

**Notes to the Restated Financial Information**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**37 Earning per share**

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
<b>Basic and diluted earnings per share</b>				
Profit for the year (Rs. in lakhs)	1,371.85	3,950.16	(0.83)	(0.72)
Weighted average number of shares	57,47,000	57,47,000	10,000	10,000
Basic and diluted earnings per share (Rs.)	23.87	68.73	(8.30)	(7.20)
Face value per share (Rs.)	10.00	10.00	10.00	10.00

**38 Corporate social responsibility ("CSR")**

The amount of CSR required to be spent as per Section 135 of Companies Act, 2013 is Rs. 27.01 lakhs as determined to be spent for the financial year 2023-24. The CSR spent during the Nine month period ended December 31, 2023 is Nil. For the year ended March 31, 2023, March 31, 2022 and for the period ended March 31, 2021, the Company has not satisfied any conditions mentioned in Section 135 of Companies Act, 2013. Therefore, the Company is not required to spend any amount on CSR for the said periods.

**39 Segment information**

The CEO & Executive Director reviews the Company's performance. Presently, the Company is engaged in only one segment viz 'Manufacturing of peroxygens' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India.

**Information about geographical areas**

Revenue	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
Within India	17,948.32	23,806.94	-	-
Outside India	6,547.08	13,780.50	-	-
<b>Total Revenue</b>	<b>24,495.40</b>	<b>37,587.44</b>	-	-

No single customer of the Company accounts for 10% or more of total revenue.



**40 Related party disclosures**

Related party disclosures as required by Ind AS-24 "Related Party Disclosures" are given below:

**(i) Key managerial personnel**

**Executive Director**

Mr. Rajiv Arora, Chief Executive Officer and Executive Director (w.e.f. September 25, 2023)

**Non-executive directors**

Mr. Rajesh Batra (upto October 26, 2023)

Mr. Jairam Bham (upto October 26, 2023)

Mr. Girish Advani (upto October 26, 2023)

Mr. Ness N. Wadia - Chairman (w.e.f. October 26, 2023)

Dr (Mrs.) Minnie Bodhanwala (w.e.f. October 26, 2023)

**Independent directors**

Mr. Viraf Mehta (w.e.f. October 26, 2023)

Ms. Parvathi Menon (w.e.f. October 26, 2023)

Mr. Jaivir Singh (w.e.f. November 20, 2023)

**Chief Financial Officer**

Mr. Conrad David Fernandes (upto May 31, 2023)

Mr. Pravin Shetty (w.e.f. September 25, 2023)

**Company Secretary**

Mrs. Heena Nikunj Shah (upto November, 2023)

Mr. Amish Shah (w.e.f. December 01, 2023)

**(iii) Employee benefits plans with whom transactions were carried out during the year**

National Peroxide Limited Employees' Provident Fund (w.e.f. April 1, 2022)

National Peroxide Limited Employees' Gratuity Fund (w.e.f. April 1, 2022)

**(iv) Enterprises forming part of Promoter group and with whom transactions were carried out during the year**

The Bombay Burmah Trading Corporation Limited (w.e.f. September 27, 2023)

Nowrosjee Wadia and Sons Limited (w.e.f. September 27, 2023)

The Bombay Dyeing & Manufacturing Company Limited (w.e.f. September 27, 2023)

Naperol Investments Limited (formerly known as National Peroxide Limited) (w.e.f. April 1, 2022)

Note: Pursuant to the Composite Scheme of Arrangement (Refer note 4) the company has reassessed the relationship and disclosed the related party transactions accordingly for the Nine month period ended December 31, 2023 and year ended March 31, 2023.





National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

The following transactions were carried out with related parties during the year in the ordinary course of business:

Particulars	For the Nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the period from July 29, 2020 to March 31, 2021
<b>Inter-corporate deposit taken</b>				
Naperol Investments Limited	15.76	3.00	-	-
<b>Inter-corporate deposit (Repaid)</b>				
Naperol Investments Limited	(18.76)	-	-	-
<b>Interest expense on inter-corporate deposit</b>				
Naperol Investments Limited	0.95	0.14	-	-
<b>Rent Expenses</b>				
The Bombay Dyeing and Manufacturing Company Limited	18.49	44.31	-	-
<b>Payment of Lease Rent</b>				
Naperol Investments Limited	75.00	100.00	-	-
<b>Recovery of shared service charges</b>				
The Bombay Burmah Trading Corporation Limited	91.12	76.65	-	-
<b>Payment of shared service charges</b>				
Nowrosjee Wadia and Sons Limited	85.93	134.70	-	-
<b>Reimbursement of expenses</b>				
Nowrosjee Wadia and Sons Limited	3.19	6.87	-	-
The Bombay Dyeing and Manufacturing Company Limited	63.83	76.07	-	-
<b>Sale of other Assets</b>				
Nowrosjee Wadia and Sons Limited	-	4.00	-	-
<b>Compensation to key managerial personnel</b>				
<b>Mr. Rajiv Arora</b>				
Short term employee benefits	280.73	280.40	-	-
Post employment benefits**	14.42	12.74	-	-
<b>Mr. Conrad Fernandes</b>				
Short term employee benefits	26.49	96.51	-	-
Post employment benefits**	0.72	4.30	-	-
<b>Mr. Pravin Shetty</b>				
Short term employee benefits	29.10	-	-	-
Post employment benefits**	1.51	-	-	-
<b>Ms. Heena Shah</b>				
Short term employee benefits	18.62	23.45	-	-
Post employment benefits**	0.80	1.10	-	-
<b>Mr. Amish Shah (W.e. f. Dec 23)</b>				
Short term employee benefits	1.37	-	-	-
Post employment benefits**	0.09	-	-	-
** As the liabilities for defined benefit plans are provided on actuarial basis for the Company, the amounts pertaining to Key Managerial Personnel are not included.				
<b>Director Sitting fees to Non-executive Directors</b>	11.40	-	-	-
<b>Contribution to employee benefit plans</b>				
National Peroxide Limited Employees' Provident Fund	1.50	2.53	-	-



National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**Balances outstanding as at the year end:**

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Other Current Assets</b>				
The Bombay Burmah Trading Corporation Limited	29.23	26.97	-	-
Nowrosjee Wadia & Sons Ltd.	28.54	-	-	-
<b>Security Deposits</b>				
The Bombay Dyeing and Manufacturing Company Limited	21.75	21.75	-	-
<b>Accounts Payable</b>				
The Bombay Dyeing and Manufacturing Company Limited	-	7.01	-	-
Nowrosjee Wadia & Sons Ltd.	-	4.31	-	-
Naperol Investments Limited (Refer Note below)	-	100.00	-	-
<b>Other Receivable</b>				
Naperol Investments Limited (Refer Note below)	77.32	37.95	-	-
<b>Loans</b>				
Naperol Investments Limited	-	3.00	-	-

**Note:- Pursuant to composite scheme of arrangement**

As per the composite scheme of arrangement Naperol Investments Limited (formerly known as National Peroxide Limited) ("Demerged Company") has continued to manage the operations of demerged business undertaking, hence the inter-se transactions between the demerged & resulting company pertaining to the operations of resulting company including interest, transfer of inventories, sales of goods, assets, employee funds etc. have not been reported here on above. A sum of Rs 77.32 lakhs as at December 31, 2023 (March 31, 2023- Rs.37.95 lakhs, March 31, 2022 - Nil and March 31, 2021 - Nil) from National Peroxide Limited on account of money held in trust by them for managing the operations of demerged undertaking.

Above related party transactions were made on normal commercial terms and conditions and at market rates.



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41 Employee benefit obligations

The Company has classified various employee benefits as under:

(a) Leave Obligations

The leave obligations cover the Company's liability for sick and privileged leave

Provision for leave encashment	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Current	93.57	117.85	-	-
Non-current	212.49	250.35	-	-

(b) Defined Contribution Plan

(i) Provident fund

(ii) Superannuation fund

The Company has recognised the following amounts in the Restated Statement of Profit and Loss for the period/cars:

(i) Contribution to provident fund	83.51	108.77	-	-
(ii) Contribution to superannuation fund	8.40	5.96	-	-

(c) Post employment obligations

Gratuity

The Company has a defined benefit plan, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days basic salary for every completed years of services or part thereof in excess of six months, based on the rate of basic salary last drawn by the employee concerned.

(i) Significant estimates: actuarial assumptions	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet date				
Discount rate (per annum)	7.30%	7.45%	-	-
Salary escalation rate				
-For management employees	8.00%	8.00%	-	-
-For other employees	8.00%	8.00%	-	-
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table	-	-

The estimates of salary escalation rate considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market

(ii) Gratuity Plan

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>Beginning of the period</b>	-	-	-
Current service cost	-	-	-
Interest expense / (income)	-	-	-
<b>As at March 31, 2021</b>	-	-	-
Current service cost	-	-	-
Interest expense / (income)	-	-	-
<b>As at March 31, 2022</b>	-	-	-
<b>As at April 1, 2022</b>	-	-	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	1,036.67	(1,036.67)	-
Current service cost	45.66	-	45.66
Interest expense / (income)	50.09	(60.99)	(10.90)
<b>Total amount recognised in restated statement of profit and loss</b>	<b>95.75</b>	<b>(60.99)</b>	<b>34.76</b>
<b>Remeasurements:</b>			
Return on plan assets, excluding amount included in interest expense / (income)	-	(34.81)	(34.81)
(Gain) / loss from change in financial assumptions	(16.35)	-	(16.35)
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	16.40	-	16.40
<b>Total amount recognised in other comprehensive income</b>	<b>0.05</b>	<b>(34.81)</b>	<b>(34.76)</b>
<b>Employer contributions</b>			
Benefits payments	(75.21)	75.21	-
Assets acquired / (settled) on account of business combination or intergroup transfer	-	-	-
<b>As at March 31, 2023</b>	<b>1,057.26</b>	<b>(1,057.26)</b>	<b>-</b>
Current service cost	34.81	-	34.81
Interest expense / (income)	36.72	(46.10)	(9.38)
<b>Total amount recognised in restated statement of profit and loss</b>	<b>71.53</b>	<b>(46.10)</b>	<b>25.43</b>
<b>Remeasurements:</b>			
Return on plan assets, excluding amount included in interest expense / (income)	-	(22.92)	(22.92)
(Gain) / loss from change in financial assumptions	4.47	-	4.47
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	(6.98)	-	(6.98)
<b>Total amount recognised in other comprehensive income</b>	<b>(2.51)</b>	<b>(22.92)</b>	<b>(25.43)</b>
<b>Employer contributions</b>			
Benefits payments	(131.52)	131.52	-
Assets acquired / (settled) on account of business combination or intergroup transfer	-	-	-
<b>As at December 31, 2023</b>	<b>994.76</b>	<b>(994.76)</b>	<b>-</b>



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The net liability disclosed above relates to funded plans are as follows:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations:	994.76	1,057.26	-	-
Fair value of plan assets	(994.76)	(1,057.26)	-	-
Deficit of gratuity plan	-	-	-	-
Current portion	-	-	-	-
Non-current portion	-	-	-	-

(iii) Sensitivity analysis

Significant estimates: Sensitivity of actuarial assumptions

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	December 31, 2023	March 31, 2023	December 31, 2023	March 31, 2023	December 31, 2023	March 31, 2023
Discount rate	0.50%	0.50%	-1.69%	-1.71%	1.80%	1.82%
Salary escalation rate	0.50%	0.50%	1.60%	1.60%	-1.55%	-1.58%

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	0.50%	-	-1.71%	-	1.82%	-
Salary escalation rate	0.50%	-	1.60%	-	-1.58%	-

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate	-	-	-	-	-	-
Salary escalation rate	-	-	-	-	-	-

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. While calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) The above defined benefit gratuity plan was administrated 100% by a trust as at December 31, 2023 and March 31, 2023.

(v) Defined benefit liability and employer contributions

The Company will pay demand raised by the trust towards gratuity liability on time to time basis to eliminate the deficit in defined benefit plan.

The weighted average duration of the defined benefit obligation is 4.80 years for December 31, 2023 and 4.78 years for March 31, 2023.

(vi) Risk exposure

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: Investment risk, interest rate risk and salary risk.

Investment risk:

The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

Interest risk:

A fall in the discount rate which is linked to the G Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

Salary risk:

The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

(vii) Category of plan asset

Particulars	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Amount	in %	Amount	in %	Amount	in %	Amount	in %
Government debt instruments	369.50	37%	429.50	41%	-	-	-	-
Other debt instruments	497.78	50%	499.10	47%	-	-	-	-
Others	127.48	13%	128.66	12%	-	-	-	-
Total	994.76	100%	1,057.26	100%	-	-	-	-

(viii) Projected cash flow

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Less than a year	-	427.32	464.51	-
Between 1-2 years	-	87.48	60.21	-
Between 2-5 years	-	265.73	291.09	-
Between 5-9 years	-	102.46	120.61	-
10 years and above	-	372.28	382.13	-

The Company expects to contribute Rs. Nil to the plan during the financial year 2023-24




**Pension**

The Company operates a defined benefit pension plan. The pension benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. The Company does not contribute annually to any trust or a fund towards the liability under the plan, this plan is unfunded.

**(i) Significant estimates: actuarial assumptions**

Valuations in respect of pension have been carried out by an independent actuary, as at the Balance Sheet date

	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	7.30%	7.45%	-	-
Salary escalation rate	8.00%	8.00%	-	-
Pension increase rate	-	-	-	-

**(ii) Pension Plan**

Particulars	Present value of obligation
<b>Beginning of the period</b>	-
Current service cost	-
Interest expense / (income)	-
<b>As at March 31, 2021</b>	-
Current service cost	-
Interest expense / (income)	-
<b>As at March 31, 2022</b>	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	77.94
Current service cost	1.37
Interest expense / (income)	5.08
<b>Total amount recognised in restated statement of profit and loss</b>	<b>6.45</b>
<b>Remeasurements</b>	
(Gain) / loss from change in financial assumptions	(1.77)
(Gain) / loss from change in demographic assumptions	-
Experience (gains) / losses	1.51
<b>Total amount recognised in other comprehensive income</b>	<b>(0.26)</b>
Benefits payment	(9.03)
<b>As at March 31, 2023</b>	<b>75.10</b>
Current service cost	1.29
Interest expense / (income)	3.94
<b>Total amount recognised in restated statement of profit and loss</b>	<b>5.23</b>
<b>Remeasurements</b>	
(Gain) / loss from change in financial assumptions	(0.51)
(Gain) / loss from change in demographic assumptions	-
Experience (gains) / losses	1.18
<b>Total amount recognised in other comprehensive income</b>	<b>1.69</b>
Benefits payment	(6.16)
<b>As at December 31, 2023</b>	<b>75.86</b>

The net liability disclosed above relates to funded plans are as follows:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	75.86	75.10	-	-
Fair value of plan assets	-	-	-	-
<b>Deficit of pension plan</b>	<b>75.86</b>	<b>75.10</b>	-	-
Current portion	11.19	9.00	-	-
Non-current portion	64.67	66.10	-	-

**(iii) Sensitivity analysis**

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Increase in assumption					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	December 31, 2023	March 31, 2023	December 31, 2023	March 31, 2023	December 31, 2023	March 31, 2023
Discount rate	0.50%	0.50%	-2.20%	-2.26%	2.32%	2.38%

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Discount rate	0.50%	-	-2.26%	-	2.38%	-

Particulars	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate	-	-	-	-	-	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. While calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.



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(iv) Risk exposure

Aforesaid post-employment benefit plans typically expose the Company to

Investment risk:

The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A fall in the discount rate which is linked to the G Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

Salary risk:

The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

(v) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 4.52 years as at December 31, 2023 and 4.63 years as at March 31, 2023

(vi) Projected cash flow

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Less than a year	11.10	8.99	-	-
Between 1-2 years	11.04	11.54	-	-
Between 2-5 years	31.82	29.95	-	-
Between 5-9 years	25.79	29.18	-	-
10 years and above	36.51	37.15	-	-

The Company expects to contribute ₹Nil to the plan during the financial year 2023-24

Provident Fund

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation.

Company measures its liability towards provident fund through actuarial valuation using 'projected credit unit method'. In case of net assets, assets are recognised to the extent of liability only.

(i) Significant estimates: actuarial assumptions

Valuations in respect of provident fund have been carried out by an independent actuary, as at the Balance Sheet date

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Discount rate (per annum)	7.30%	7.45%	-	-

(ii) Provident fund plan

	Present value of obligation	Fair value of plan assets	Net amount
<b>Beginning of the period</b>	-	-	-
Current service cost	-	-	-
Interest expense / (income)	-	-	-
<b>As at March 31, 2021</b>	-	-	-
Current service cost	-	-	-
Interest expense / (income)	-	-	-
<b>As at March 31, 2022</b>	-	-	-
<b>As at April 1, 2022</b>	-	-	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	588.55	(588.55)	-
Current service cost	2.53	-	2.53
Interest expense / (income)	41.09	(41.09)	-
<b>Interest on net defined benefit liability / assets</b>	<b>43.62</b>	<b>(41.09)</b>	<b>2.53</b>
<b>Re measurements:</b>			
Return on plan assets, excluding amount included in interest expense / (income)	-	(8.11)	(8.11)
(Gain) / loss from change in financial assumptions	0.82	-	0.82
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	7.29	-	7.29
<b>Total amount recognised in other comprehensive income</b>	<b>8.11</b>	<b>(8.11)</b>	<b>-</b>
Employer's contributions	-	(2.53)	(2.53)
Employee's contributions	2.75	(2.75)	-
Benefits payment	-	-	-
<b>As at March 31, 2023</b>	<b>643.03</b>	<b>(643.03)</b>	<b>-</b>
Current service cost	1.50	-	1.50
Interest expense / (income)	33.31	(33.31)	-
<b>Interest on net defined benefit liability / assets</b>	<b>34.81</b>	<b>(33.31)</b>	<b>1.50</b>
<b>Re measurements:</b>			
Return on plan assets, excluding amount included in interest expense / (income)	-	(9.39)	(9.39)
(Gain) / loss from change in financial assumptions	(3.79)	-	(3.79)
(Gain) / loss from change in demographic assumptions	-	-	-
Experience (gains) / losses	13.18	-	13.18
<b>Total amount recognised in other comprehensive income</b>	<b>9.39</b>	<b>(9.39)</b>	<b>-</b>
Employer's contributions	-	(1.50)	(1.50)
Employee's contributions	1.60	(1.60)	-
Benefits payment	(96.86)	96.86	-
<b>As at December 31, 2023</b>	<b>591.97</b>	<b>(591.97)</b>	<b>-</b>



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The net liability disclosed above relates to funded plans are as follows:

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Present value of funded obligations	591.97	643.03	-	-
Fair value of plan assets	(591.97)	(643.03)	-	-
Deficit of provident fund plan	-	-	-	-
Current portion	-	-	-	-
Non-current portion	-	-	-	-

(iii) Sensitivity analysis

The sensitivity of the provision for defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation			
	December, 31	March 31,	Increase in assumptions		Decrease in assumptions	
	2023	2023	December, 31	March 31,	December, 31	March 31,
Discount rate	0.50%	0.50%	-0.09%	-0.69%	1.11%	1.11%

Particulars	Change in assumptions		Impact on defined benefit obligation			
	March 31,	March 31,	Increase in assumptions		Decrease in assumptions	
	2023	2022	March 31,	March 31,	March 31,	March 31,
Discount rate	0.50%	-	-0.69%	-	1.11%	-

Particulars	Change in assumptions		Impact on defined benefit obligation			
	March 31,	March 31,	Increase in assumptions		Decrease in assumptions	
	2022	2021	March 31,	March 31,	March 31,	March 31,
Discount rate	-	-	-	-	-	-

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. While calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) The above defined benefit plan was administered 100% by a trust as at December 31, 2023 and March 31, 2023.

(v) Defined benefit liability and employer contributions

The Company will pay demand raised by the trust towards provident fund liability on time to time basis to eliminate the deficit in defined benefit plan.

The weighted average duration to payment is 9.17 years as at December 31, 2023 and as at March 31, 2023.

(vi) The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit.

(vii) Category of plan asset

Particulars	As at		As at		As at		As at	
	December 31, 2023	in %	March 31, 2023	in %	March 31, 2022	in %	March 31, 2021	in %
Government debt instruments	307.50	52%	307.50	48%	-	-	-	-
Other debt instruments	156.31	26%	176.35	27%	-	-	-	-
Entity's own equity instruments	62.22	11%	50.62	8%	-	-	-	-
Insurer managed funds	-	0%	-	-	-	-	-	-
Others	65.94	11%	108.56	17%	-	-	-	-
Total	591.97	100%	643.03	100%	-	-	-	-

(viii) The Company expects to contribute Rs. 2.69 lakhs to the plan during the next twelve months.




National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information  
(All amounts are in Indian Rupees lakhs, unless otherwise stated)

42 Fair value measurements

(a) Financial instruments by category

Particulars	As at December 31, 2023			As at March 31, 2023			As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVOCI	Amortised	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised	FVTPL	FVOCI	Amortised
<b>Financial assets</b>												
Investment in Mutual Funds	3,726.35	-	-	3,995.91	-	-	-	-	-	-	-	-
-Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	2,445.64	-	-	2,426.70	-	-	-	-	-	-
Cash and cash equivalents	-	-	845.11	-	-	642.67	-	-	0.21	-	-	1.00
Bank balances other than cash and cash equivalents	-	-	1,797.88	-	-	89.55	-	-	-	-	-	-
Security deposits	-	-	59.17	-	-	71.59	-	-	-	-	-	-
Inter corporate deposits	-	-	-	-	-	-	-	-	-	-	-	-
Derivative designated as hedge - CCIRS	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	<b>3,726.35</b>	<b>-</b>	<b>5,147.80</b>	<b>3,995.91</b>	<b>-</b>	<b>3,230.51</b>	<b>-</b>	<b>-</b>	<b>0.21</b>	<b>-</b>	<b>-</b>	<b>1.00</b>
<b>Financial liabilities</b>												
Borrowings (includes current maturities of borrowings and accrued interest)	-	-	1,132.45	-	-	1,392.36	-	-	-	-	-	-
Trade payable	-	-	2,245.54	-	-	2,305.77	-	-	0.76	-	-	0.72
Lease liabilities	-	-	933.27	-	-	949.37	-	-	-	-	-	-
Other financial liabilities	-	-	1,435.14	-	-	610.37	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>5,746.40</b>	<b>-</b>	<b>-</b>	<b>5,257.87</b>	<b>-</b>	<b>-</b>	<b>0.76</b>	<b>-</b>	<b>-</b>	<b>0.72</b>

\*\* Inter corporate deposits include interest accrued till the year end, whereas the same has been classified under other financial assets in the restated financial information

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021*	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Total financial assets	-	-	-	-
<b>Financial liabilities</b>				
Total financial liabilities	-	-	-	-
<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at December 31, 2023*</b>				
<b>Financial assets</b>				
Notes to the Restated Financial Information	-	-	19.71	19.71
Bank deposits with more than 12 months maturity	-	-	26.33	26.33
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>46.04</b>	<b>46.04</b>
<b>Financial liabilities</b>				
Borrowings (including accrued interest)	-	-	787.33	787.33
Lease liabilities	-	-	910.02	910.02
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,697.35</b>	<b>1,697.35</b>
<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2023*</b>				
<b>Financial assets</b>				
Security deposits	-	-	45.31	45.31
Bank deposits with more than 12 months maturity	-	-	35.00	35.00
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>80.31</b>	<b>80.31</b>
<b>Financial liabilities</b>				
Borrowings (including accrued interest)	-	-	1,036.42	1,036.42
Lease liabilities	-	-	927.54	927.54
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,963.96</b>	<b>1,963.96</b>
<b>Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2022 and March 31, 2021</b>				
<b>Financial assets</b>				
Security deposits	-	-	-	-
Bank deposits with more than 12 months maturity	-	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Borrowings (including accrued interest)	-	-	-	-
Lease liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**National Peroxide Limited (formerly known as NPL Chemicals Limited)**

**Notes to the Restated Financial Information**

(All amounts are in Indian Rupees lakhs, unless otherwise stated)

Note:

Level 1 Level 1 hierarchy includes financial instruments measured using quoted prices

Level 2 The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3

There are no transfers between any levels during the year.

The Company does not have significant financial instrument at level 3 with unobservable input and hence no sensitivity analysis performed

(c) Valuation techniques used to determine fair value

Fair value of all equity instruments which are traded in the stock exchanges are valued using the closing price as at the reporting date. The Mutual Funds are valued using

The fair value of cross currency interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and forward exchange rates as at the balance sheet date

The fair values of non-current borrowings are based on discounted cash flows using a credit adjusted borrowing rate as at the reporting date

**(d) Fair Value of financial assets and liabilities measured at amortised cost**

Particulars*	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>								
Security deposits	19.71	19.71	45.31	45.31	-	-	-	-
Bank deposits with more than 12 months maturity	26.33	26.33	35.00	35.00	-	-	-	-
<b>Total financial assets</b>	<b>46.04</b>	<b>46.04</b>	<b>80.31</b>	<b>80.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>								
Borrowings (including accrued interest)	787.33	787.33	1,036.42	1,036.42	-	-	-	-
Lease liabilities	910.02	910.02	927.54	927.54	-	-	-	-
<b>Total financial liabilities</b>	<b>1,697.35</b>	<b>1,697.35</b>	<b>1,963.96</b>	<b>1,963.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The carrying amounts of cash and cash equivalents, other bank balances, trade receivables, investment in mutual funds, inter corporate deposits, other financial assets, current financial liabilities- borrowings including accrued interest, lease liabilities, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short term nature

**43 Financial risk management**

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swap are entered to hedge certain foreign currency risk exposures and interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Credit limits, timely review, diversification of deposits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Foreign currency borrowing - hedged - CCIRS Others - limited exposure, unhedged
Market risk- interest risk	Borrowing at variable rates	Sensitivity analysis	Cross currency interest rate swaps
Market risk- price risk	Investment in mutual funds	Sensitivity analysis	Diversification of portfolio

The Company has adopted a Risk Management Policy wherein all material risks faced by the Company are identified and assessed. The Risk Management framework defines the risk management approach of the Company and includes collective identification of risks impacting the Company's business and documents their process of identification, mitigation and optimization of such risks.

Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. The effective portion of the change in the fair value of the hedging instrument is deferred into the cash flow hedge reserve through OCI and will be recognised in profit or loss when the hedged item affects profit or loss. This will effectively result in recognising interest expense at a fixed interest rate for the hedged loans and foreign currency borrowing at the fixed foreign currency rate.

**(a) Credit risk**

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost as well as credit exposures to trade customers including outstanding receivables.

The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.



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(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Company's credit risk arises from accounts receivable balances. The Company has a credit risk policy in place to ensure that sales are made to customers only after an appropriate credit risk assessment and credit line allocation process. Procedures are standardised within a customer credit risk policy and supported by the information technology system by limiting the credit exposure to each customer and allowing an average credit period of 30-90 days. The Company has adopted a policy of only dealing with creditworthy counterparties. Intercorporate deposits given are for not more than 12 months. The Company periodically assess the recoverability of intercorporate deposits.

The Company provides for life time allowance on trade receivable using simplified approach and on a case to case basis on specified customers. Specific debtors represents debtors facing bankruptcy cases, operation shutdown and other scenario as determined by the management. Such debtors are categorised as specific debtors upon intimation/news. Such specific debtors has no nexus with the macro economy factor. The Company recognises expected credit loss on specified receivables as determined by the management.

Reconciliation of loss allowance on trade receivables	Amount
Loss allowance on July 29, 2020	-
Changes in loss allowance	-
Loss allowance on March 31, 2021	-
Changes in loss allowance	-
Restated loss allowance on March 31, 2022	-
Loss allowance on April 1, 2022	-
Transfer pursuant to composite scheme of arrangement (Refer note 4)	88.72
Changes in loss allowance	(22.07)
Loss allowance on March 31, 2023	66.65
Changes in loss allowance	-
Loss allowance on December 31, 2023	66.65

For banks and financial institutions, only highly rated banks / institutions are accepted. Generally all policies surrounding credit risk have been managed at Company level.

(b) Liquidity risk

Liquidity risk is the risk that the Company will fail in meeting its obligations to pay its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. In respect of its operations, the Company funds its activities primarily through cash generated in operations and working capital borrowings.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Cash which is not needed in the operating activities of the Company is invested in marketable liquid funds.

Based on recent trends observed, profitability, cash generation, cash surpluses held by the Company and the borrowing lines available, the Company does not envisage any material liquidity risks.

(i) Maturities of financial liabilities

The amounts disclosed below are the non derivative contractual undiscounted cash flows of financial liabilities and net settled derivative financial instruments undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For cross currency interest rate swap, the cash flows have been estimated using forward interest rates and forward exchange rates as at the end of the reporting period.

December 31, 2023	Less than 1 year	Between 1 year and 5 years	More than 5 years	Total
<b>Non derivative financial liabilities</b>				
Borrowings (includes current maturities of borrowings and accrued interest)	345.12	787.33	-	1,132.45
Trade payables	2,245.54	-	-	2,245.54
Other financial liabilities	1,435.14	-	-	1,435.14
Lease liabilities	100.00	436.48	1,048.50	1,584.98
<b>Total non derivative financial liabilities</b>	<b>4,125.80</b>	<b>1,223.81</b>	<b>1,048.50</b>	<b>6,398.11</b>
<b>Total derivative liabilities</b>	-	-	-	-
<b>March 31, 2023</b>				
<b>Non derivative financial liabilities</b>				
Borrowings (includes current maturities of borrowings and accrued interest)*	355.94	1,036.42	-	1,392.36
Trade payables	2,305.77	-	-	2,305.77
Other financial liabilities	610.37	-	-	610.37
Lease liabilities	100.00	424.00	1,135.98	1,659.98
<b>Total non derivative financial liabilities</b>	<b>3,372.08</b>	<b>1,460.42</b>	<b>1,135.98</b>	<b>5,968.48</b>
<b>Total derivative liabilities</b>	-	-	-	-
<b>March 31, 2022</b>				
<b>Non derivative financial liabilities</b>				
Borrowings (includes current maturities of borrowings and accrued interest)*	-	-	-	-
Trade payables	0.76	-	-	0.76
Other financial liabilities	-	-	-	-
<b>Total non derivative financial liabilities</b>	<b>0.76</b>	-	-	<b>0.76</b>
<b>Total derivative liabilities</b>	-	-	-	-
<b>March 31, 2021</b>				
<b>Non derivative financial liabilities</b>				
Borrowings (includes current maturities of borrowings and accrued interest)*	-	-	-	-
Trade payables	0.72	-	-	0.72
Other financial liabilities	-	-	-	-
<b>Total non derivative financial liabilities</b>	<b>0.72</b>	-	-	<b>0.72</b>
<b>Total derivative liabilities</b>	-	-	-	-

\* The foreign currency borrowing has a maturity period of 5 years. The loan has a Put and Call Option at the end of second year from the date of drawdown (i.e. March 6, 2019) and annually thereafter. The Company has accordingly classified its borrowings of US \$10.50 millions as current maturities of long term borrowing.



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National Peroxide Limited (formerly known as NPL Chemicals Limited)

Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

(ii) Undrawn borrowing facilities

The Company has following undrawn facilities:

	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Bank Overdraft	391.32	628.50	-	-

(c) Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) Foreign currency risk, b) Interest rates risk and c) Other price risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risks arise from recognised assets and liabilities, when they are denominated in a currency other than functional currency of the Company. The Company imports certain raw materials and spare parts used in manufacturing and exports finished goods. Therefore it is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the US-dollar ("USD"). Company's exposure to foreign currency risk due to operation is very limited and it always ensures that the such exposure is within the approved limit for which the Company does not require to hedge through derivatives. However, for foreign currency variable interest rate denominated borrowings the Company's risk management policy is to hedge 100% of the exposure using cross currency interest rate swaps. Under the Company's policy, the critical term of the cross currency interest rate swaps must align the hedged item.

The Company's unhedged foreign currency exposure at the end of the reporting period expressed in Rupees, are as follows:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Financial assets</b>				
Trade receivables (USD 0.03 million; March 31, 2023: USD 0.27 million; March 31, 2022: USD Nil; March 31, 2021: USD Nil)	27.03	222.21	-	-
Bank Balances (USD 0.62 million; March 31, 2023: USD 0.47 million; March 31, 2022: Nil; March 31, 2021: Nil)	511.31	385.62	-	-
<b>Other Current Assets</b>				
Advance to Suppliers (USD 0.07 million; March 31, 2023: Nil; March 31, 2022: Nil; March 31, 2021: Nil)	54.32	-	-	-
<b>Net exposure to foreign currency risk (assets)</b>	<b>592.66</b>	<b>607.83</b>	-	-
<b>Financial liabilities</b>				
Payable (Other payable) - (USD 0.20 million; March 31, 2023: Nil; March 31, 2022: Nil; March 31, 2021: Nil)	(163.19)	-	-	-
<b>Contract liabilities</b>				
Advance from Customer (USD 0.27 million; March 31, 2023: USD 0.69 million; March 31, 2022: USD Nil; March 31, 2021: USD Nil)	(225.47)	561.12	-	-
<b>Net exposure to foreign currency risk (liabilities)</b>	<b>(388.66)</b>	<b>561.12</b>	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhedged foreign currency denominated financial instruments

Particulars	Impact on profit before tax			
	Period ended December 31, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Period ended March 31, 2021
<b>Assets</b>				
FX rate – increase by 5% on closing rate on reporting date*	29.63	30.39	-	-
FX rate– decrease by 5% on closing rate on reporting date *	(29.63)	(30.39)	-	-
<b>Liabilities</b>				
FX rate – increase by 5% on closing rate on reporting date*	19.43	(28.06)	-	-
FX rate– decrease by 5% on closing rate on reporting date *	(19.43)	28.06	-	-

\* Holding all other variables constant

The above amounts have been disclosed based on the accounting policy for exchange differences

(ii) Interest rate risks

The Company's interest risk arises from long term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. The Company's policy is to maintain most of its borrowings at fixed rates, where the Company enters into long term borrowings at floating rates, it swaps into fixed rates that are lower than those available if the Company borrowed at fixed rates directly. As at March 31, 2023, the Company's USD denominated borrowings has been foreclosed as disclosed in note 19.

(a) Interest rate risk exposures

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Fixed rate borrowings (including accrued interest)*	-	-	-	-
Floating rate borrowings	1,132.45	1,389.36	-	-
<b>Total</b>	<b>1,132.45</b>	<b>1,389.36</b>	-	-

\* This borrowing has been converted to fixed rate borrowings through cross currency interest rate swaps

(b) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows

Particulars	Period ended December 31, 2023	Year ended March 31, 2023
+100	(11.32)	(13.89)
-100	11.32	13.89

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
+100	(13.89)	-
-100	13.89	-

Particulars	Year ended March 31, 2022	Period ended March 31, 2021
+100	-	-
-100	-	-

\* Holding all other variable constant





National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

(iii) Foreign currency and interest rate risks

The Company has taken cross currency interest rate swaps (CCIRS) for hedging its foreign currency and interest rate risks related to external commercial borrowings. This CCIRS contracts are composite contracts for both the foreign currency and interest rate risk and the mark to market value is determined for both the risks together. The details of derivative financial instruments at the end of the reporting period expressed in Rupees, are as follows:

Particulars	Currency	As at December 31, 2023		As at March 31, 2023	
		Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)	Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)
Cross currency interest rate swap	USD	-	-	-	-

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)	Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)
Cross currency interest rate swap	USD	-	-	-	-

Particulars	Currency	As at March 31, 2022		As at March 31, 2021	
		Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)	Amount in foreign currency (In lakhs)	Fair value (gain) / loss (Rupees in lakhs)
Cross currency interest rate swap	USD	-	-	-	-

Sensitivity

The sensitivity of other comprehensive income before tax due to foreign currency movement and interest rate movements is as below:

Particulars	Period ended December 31, 2023	Year ended March 31, 2023
FX rate - increase by 5% on closing rate of reporting date*	-	-
FX rate - decrease by 5% on closing rate of reporting date*	-	-
Interest rates - increase by 50 bps on closing rate on reporting date*	-	-
Interest rates - decrease by 50 bps on closing rate on reporting date*	-	-
* Holding all other variable constant	-	-

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
FX rate - increase by 5% on closing rate of reporting date*	-	-
FX rate - decrease by 5% on closing rate of reporting date*	-	-
Interest rates - increase by 50 bps on closing rate on reporting date*	-	-
Interest rates - decrease by 50 bps on closing rate on reporting date*	-	-
* Holding all other variable constant	-	-

Particulars	Year ended March 31, 2022	Period ended March 31, 2021
FX rate - increase by 5% on closing rate of reporting date*	-	-
FX rate - decrease by 5% on closing rate of reporting date*	-	-
Interest rates - increase by 50 bps on closing rate on reporting date*	-	-
Interest rates - decrease by 50 bps on closing rate on reporting date*	-	-
* Holding all other variable constant	-	-

(iv) Other price risks

The Company is exposed to price risks arising from mutual funds. Further, mutual funds are subject to changes in the market price of securities.

Sensitivity

If mutual fund prices had been 10% higher / lower, profit before tax for the Nine month period ended December 31, 2023 would increase / decrease by Rs. 372.64 lakhs (March 31, 2023: Rs. 372.64 lakhs, March 31, 2022: Rs. Nil, March 31, 2021: Rs. Nil) as a result of the changes in fair value of mutual funds measured at FVTPL.

(a) Disclosure of effects of hedge accounting on financial performance

As at December 31, 2023

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Cross currency interest rate swap	-	-	-	Net foreign exchange gain under Other income is NIL.

As at March 31, 2023

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge				
Cross currency interest rate swap	(271.79)	-	313.03	Net foreign exchange gain under Other income of Rs. 41.24 lakhs





National Peroxide Limited (formerly known as NPL Chemicals Limited)  
Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

As at March 31, 2022 and March 31, 2021

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification
---------------	--	--	--	--

Cash flow hedge

Cross currency interest rate swap

Movements in cash flow hedging reserve

Risk category

Derivative instruments	Cross currency interest rate swap			
Cash flow hedging reserve	Nine month period ended December 23	2022-23	2021-22	2020-21
Opening balance	-	-	-	-
Add: Pursuant to composite scheme of arrangement (Refer note 4)	-	30.86	-	-
Add/ (Less): Changes in fair value of CCIRS	-	271.79	-	-
Add/ (Less): Amounts reclassified through profit or loss	-	(313.03)	-	-
Add/ (Less): Deferred tax relating to above (net)	-	10.38	-	-
Closing balance	-	-	-	-

Hedge ineffectiveness

The Company's hedging policy only allows for effective hedge relationships to be established.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item, and so a qualitative assessment of effectiveness is performed. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

The Company enters into cross currency interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, repayment dates, maturities and notional amount as all critical terms matched during the year, the economic relationship was 100% effective. There was no ineffectiveness during the financial year ended March 31, 2023.

The Company is exposed to USD LIBOR within a fair value hedge accounting relationship, which is subject to interest rate benchmark reform. The Company has identified LIBOR exposures and is constantly reviewing the same, will have its transition plan in place as and when this is implemented.

Below are details of the hedging instruments and hedged items in scope of the Ind AS 109 amendments due to interest rate benchmark reform. The terms of the hedged items listed match those of the corresponding hedging instruments.

Hedge type	Instrument type	Maturing in	Nominal	Hedged item
Cash Flow Hedge	Pay fixed rate interest at 7.70% and receive floating rate interest at LIBOR + 1.25%	2024	USD 10.50 Millions	Floating rate external commercial borrowing (ECB) of the same maturity

Since External commercial borrowings has been foreclosed on March 06, 2023 the cross currency interest rate swap has been terminated from the said date.

44 Capital Management

(a) Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. Gearing ratio is determined as net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total equity.

Particulars	As at	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total debt (Refer note 5.1, 19 and 21)	2,065.72	2,341.73	-	-
Less: Cash and cash equivalents (Refer note 12)	(845.11)	(642.67)	(0.21)	(1.00)
Net debt	1,220.61	1,699.06	(0.21)	(1.00)
Total equity (Refer note 17c and 18)	35,583.24	35,199.35	(0.55)	(0.72)
Net debt to equity ratio	3.43%	4.83%	38.18%	138.89%

Loan covenants

The Company's ECB agreement is subjected to covenant clauses, whereby the Company is required to meet certain key financial ratios. During the previous year, the Company complied with all the covenants as per the borrowing agreement except one covenant as stated below:

- the ratio of EBIT to total debt service at the end of each measurement period shall not be less than 1.25.

Company has foreclosed the loan on March 06, 2023.

During the previous year, the company complied with all the covenants as per the borrowing agreement except one covenant as stated below:

- the ratio of EBIT to total debt service at the end of each measurement period shall not be less than 1.25.

(b) Dividends

Particulars	As at	As at	As at
	December 31, 2023	March 31, 2023	March 31, 2022

(i) Equity shares

Final dividend for the year ended March 31, 2022 of Rs. 5 per fully paid share

Dividend Distribution Tax (DDT) on final dividend

(ii) Dividends not recognised at the end of the reporting period

For the year ended March 31, 2023, the Board of Directors at their meeting held on November 27, 2023 have proposed a final dividend of Rs. 17.50 per equity share amounting to Rs. 1,005.73 lakhs. The same is approved by shareholders at the Annual General Meeting held on December 21, 2023 and the dividend has been paid on January 2, 2024. (March 31, 2022 - Rs Nil).



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**National Peroxide Limited (formerly known as NPL Chemicals Limited)**

**Notes to the Restated Financial Information**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**45 Micro, small and medium enterprise**

Disclosure in respect to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') Act, 2006 is as follows:

The information as required under Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The principal amounts / interest payable amounts for delayed payments to such vendors as at Balance Sheet date during the current period and previous period/years mentioned below.

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid to any supplier registered under the Micro, Small and Medium Enterprises Development Act, 2006	204.36	157.02	0.75	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-	-
Amount of interest accrued and remaining unpaid for the year.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-	-
The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-	-	-

**46 Contingent liability**

**Claims against the Company not acknowledged as debt**

- (i) Contingent liability relating to determination of provident fund liability, based on judgement of the Hon'ble Supreme Court, is not determinable at present for the period prior to March 2019, due to uncertainty on the impact of the judgement in the absence of further clarification relating to applicability. The Company has paid provident fund to employees as applicable with effect from March 2019. The Company will continue to assess any further developments in this matter for their implications on financial statements, if any.

**47 Capital and other commitments**

**Capital commitments**

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances, self assessment & TDS) for Rs. 98.68 lakhs (March 31, 2023 Rs. 462.30 lakhs) (March 31, 2022: Rs. Nil, March 31, 2021: Rs. Nil).

**(ii) Other commitment:**

The Company has entered into a long term agreement with GAIL (India) Limited ("GAIL") for purchase of Natural Gas. The agreement is valid till December 31, 2025. As per the said agreement, the Company under 'Take or Pay obligation' clause has to make payment for a fixed quantity of gas on an annual basis, whether used or not. GAIL has the discretion to waive off the Take or Pay charges. A request for supply of Make Up gas can be made by the Company corresponding to Take or Pay deficiencies which are outstanding and for which the Company would pay to GAIL at the time of annual program.

**48 Insurance claim on account of breakdown of machinery:**

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 year 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 year ended March 31, 2023.



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**National Peroxide Limited (formerly known as NPL Chemicals Limited)**

**Notes to the Restated Financial Information**

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

**49 Additional regulatory information required by Schedule III to the Companies Act, 2013**

- (i) **Details of benami property held**  
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) **Borrowing secured against current assets**  
The Company has borrowings from financial institutions on the basis of security of current assets. The quarterly statements of current assets filed by the Company with financial institutions is in agreement with the books of accounts.
- (iii) **Willful defaulter**  
The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (iv) **Relationship with struck off companies**  
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (v) **Compliance with number of layers of companies**  
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (vi) **Compliance with approved scheme(s) of arrangements**  
The effect of the composite scheme of arrangement as explained in note 4, has been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with the applicable accounting standards'.
- (vii) **Utilisation of borrowed funds and share premium**  
I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries  
II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (viii) **Undisclosed income**  
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the
- (ix) **Details of crypto currency or virtual currency**  
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (x) **Valuation of Property, plant and equipment, intangible asset and investment property**  
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.  
The Company does not have investment property.
- 50 Other regulatory information**
- (i) **Title deeds of immovable properties not held in name of the Company**  
The title deeds of all the immovable properties, as disclosed in note 5 to the financial statements. The Company is in process of transferring the title deeds of buildings in its own name.
- (ii) **Registration of charges or satisfaction with Registrar of Companies**  
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (iii) **Utilisation of borrowings availed from banks and financial institutions**  
The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.



National Peroxide Limited (formerly known as NPL Chemicals Limited)

Notes to the Restated Financial Information

(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

51 Analytical Ratios

Sr. No.	Ratio	Numerator	Denominator	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Current Ratio	Current assets	Current liabilities	2.24	2.80	0.28	1.39
2	Debt-Equity Ratio	Non current borrowings + Current borrowings + Interest accrued but not due on borrowings	Shareholder's equity	0.03	0.04	-	-
3	Debt Service coverage Ratio	Profit after tax + Interest + Non cash expenses - Non cash income	Interest and lease payments + Principal repayments	7.36	0.75	-	-
4	Return on equity (ROE)	Net Profits after taxes	Average shareholder's equity	3.88%	11.22%	614.81%	-514.29%
5	Inventory Turnover Ratio	Cost of goods sold	Average inventory	2.60	10.02	-	-
6	Trade receivables turnover ratio	Net credit sales	Average accounts receivable	10.05	30.98	-	-
7	Trade payables turnover ratio	Net credit purchases	Average trade payables	5.43	16.08	-	7.82
8	Net capital turnover ratio	Net sales	Current assets - Current liabilities	3.09	5.15	-	-
9	Net profit ratio	Net profit after tax	Net sales	5.60%	10.51%	-	-
10	Return on capital employed (ROCE)	Earning before interest and taxes	Tangible net worth + Total borrowings + Deferred tax liability	4.65%	14.98%	150.91%	-2.57
11	Return on Investment	Income generated from Mutual funds	Average invested funds in Mutual Funds	5%	17%	-	0.00

52 Events Occurring after the Balance Sheet Date

The Company evaluated events and transactions that occurred subsequent to Balance Sheet date but prior to the approval of the financial statements to determine the necessary for recognition and/or reporting of subsequent events and the transactions in the financial statements. As at March 14, 2024 there were no subsequent events and transactions to be recognised as on reporting date that was not already disclosed.

53 Pursuant to the Scheme as referred to in Note 4, the Registrar of Companies, Maharashtra, Mumbai has approved the change of name of the Company from "NPL Chemicals Limited" to "National Peroxide Limited" with effect from January 31, 2024.

54 The figures for the previous year have been reclassified /regrouped wherever necessary to conform to current year's classification.

55 The restated financial information is approved by Board of Directors in their meeting held on March 14, 2024.



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## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2023, on the basis of our Restated Financial Information. This table should be read in conjunction with the sections "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 110 and 174, respectively.

*(in ₹ lakhs, except ratios)*

Particulars	As at December 31, 2023
<b>Borrowings</b>	
Current borrowings (I)	345.12
Non-current borrowings (including current maturity of long term debt)** (II)	787.33
<b>Total Borrowings (I) + (II) = (A)</b>	1,132.45
<b>Equity</b>	
Equity share capital	574.70
Other equity	35,008.54
<b>Total Equity (B)</b>	35,583.24
<b>Capitalisation (A) + (B)</b>	36,715.69
<b>Non-current borrowings (including current maturity of long term debt)/Total Equity (II/B)</b>	2.21%
<b>Total borrowings/Total Equity (A/B)</b>	3.18%

*\*\*These terms shall carry the meaning as per Schedule III of the Companies Act.*

**Notes:**

- The above has been computed on the basis on amounts derived from the Restated Financial Information.



## OTHER FINANCIAL INFORMATION

### Accounting ratios

The details of accounting ratios derived from Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

*(in ₹ lakhs, except otherwise stated)*

Particulars	For the nine months period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings / (loss) per Equity Share (in ₹)	23.87	68.73	(8.30)	(7.20)
Diluted Earnings / (loss) per Equity Share (in ₹)	23.87	68.73	(8.30)	(7.20)
Return on net worth (in %)	28.60	94.86	Nil	Nil
Net asset value per Equity Share (in ₹)	619.16	612.48	(5.50)	2.80
Weighted average number of equity shares outstanding during the period/ year	57,47,000	57,47,000	10,000	10,000
EBITDA (₹ in lakhs)	3,329.69	8,032.07	(0.83)	(0.72)

**Notes:**

1. Net worth as per the section 2(57) of the Companies Act, 2013, means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Return on net worth is calculated as profit for the year divided by Net worth.
2. Net asset value per Equity Share is calculated by dividing net worth by number of Equity Shares outstanding at the end of the year used in calculation of basic and diluted earnings per share.
3. EBITDA is calculated as the sum of (i) restated profit for the year, (ii) total tax expenses, (iii) depreciation and amortization expenses, and (iv) finance costs.





## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*Unless the context requires otherwise, the financial information in this Information Memorandum is derived from the Restated Financial Information together with the statement of significant accounting policies, and other explanatory information thereon. For further information, see "Financial Statements" on page 110.*

*The transactions pertaining to the demerged undertaking of the Demerged Company from the Appointed Date up to the Effective Date of the Scheme have been deemed to be made by the Company. Accordingly, no comparative figures for the previous period are available.*

*Unless otherwise indicated, the industry-related information contained in this Information Memorandum is derived from the report titled "Global Hydrogen Peroxide Market Research Report" dated November 2020, "Global Hydrogen Peroxide Market Research Report" dated July 2020 and "Global Peracetic Acid Market Research Report" dated July 2020 which have been prepared and issued by MarketResearch.biz. See "Risk Factors – Internal Risk Factors – 15. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 6.*

### Overview

National Peroxide Limited (currently known as Naperol Investments Limited), a public limited company was incorporated on March 16, 1954, under the Wadia Group and has been listed on the BSE. NPL stood as one of the largest manufacturers of hydrogen peroxide in India, with an installed capacity of 1,50,000 metric tonnes per annum (MTPA) on a 50% weight by weight (w/w) basis (Source: MarketResearch.biz). Pursuant to the effective date of the Composite Scheme of Arrangement i.e., September 11, 2023, the Demerged Undertaking is transferred and vested into the Company with effect from April 1, 2022.

Our Company manufactures hydrogen peroxide, which is a simple peroxide with an oxygen-oxygen single bond, which exists in the form of a clear, pale, blue liquid with an odour similar to nitric acid. It can act both as an oxidizing agent and reducing agent and undergoes thermal decomposition when exposed to sun high temperature. Hydrogen peroxide is available in majorly two categories (i) technical grade, and (ii) food grade, with varying concentrations depending upon the application.

We have developed strong client relationships, which have been fortified by our robust technological competence, cutting-edge manufacturing facility, and unwavering commitment to delivering high-quality solutions. Our manufacturing facility is located in Kalyan, Maharashtra, which adheres to international standards and ensures the production of high-quality hydrogen peroxide. This is achieved through the application of the auto-oxidation technique, a recognized industry standard.

In a strategic initiative to maximize value for the shareholders, attract investors, and enhance our access to capital, NPL underwent a Composite Scheme of Arrangement. This involved the demerger of the Company's Chemical Business into the Company. Additionally, Naperol Investments Limited (which is amalgamated with erstwhile National Peroxide Limited), another wholly owned subsidiary engaged in long-term investments and corporate lending, was amalgamated. This restructuring aimed to separate distinct companies, each with different risk and return characteristics, with the ultimate goal of optimizing outcomes and delivering greater value to our stakeholders.

We believe that our Company is well positioned to meet the ever-growing demand for essential chemicals on both domestic and global fronts. By integrating responsible care principles into our operations, we have established scalable facilities that enable us to cater to market needs while prioritizing quality and environmental considerations. Presently, our commitment to excellence allows us to effectively serve a diverse customer base, ensuring the timely supply of cost-efficient, superior-grade products.

As a member of the Wadia Group, our Company benefits from the leadership of experienced, motivated, and skilled promoters. These visionaries are supported by a seasoned senior management team, collectively possessing expertise in their respective fields. This combination helps us to understand and anticipate market trends, efficiently manage our business operations and growth, leverage strong customer relationships, and promptly adapt to shifting customer preferences.



## About Wadia group

The Wadia group is one of the oldest conglomerates in India, with a diverse presence across industries such as FMCG, real estate, textiles, chemicals, aviation, and food processing. The four companies within the Wadia Group are listed on the Stock Exchanges. These includes Britannia, a 102-year-old FMCG enterprise in the Nifty 50 index; Bombay Burmah, a 150-year-old tea and diversified business company; Bombay Dyeing, a 140-year-old textile, a real estate company; and National Peroxide Limited, a 68-year-old manufacturer of hydrogen peroxide.

Recognizing the significant influence of social, environmental, and governance factors on the wider community and the long-term sustainability of companies, the Wadia Group places great importance on responsible corporate citizenship. It steadfastly upholds its commitment and dedication to supporting initiatives that uplift people and communities through endeavors in housing, education, healthcare, and research. Moreover, the Wadia Group is deeply committed to aiding in the recovery and rebuilding of lives and livelihoods shattered by major natural disasters.

Through its commitment to excellence, responsible practices, and social impact, the Wadia Group exemplifies its strong belief in being a catalyst for positive change and progress.

## Our Strengths

- **Leadership in hydrogen peroxide manufacturing**

NPL is the largest manufacturer of hydrogen peroxide in India (*Source: Market Research Report*), a highly regarded eco-friendly disinfectant. With a history spanning over six decades, it has acquired extensive experience in the manufacturing and sale of peroxygen compounds to the domestic market. This leadership position not only highlights its established presence but also showcases its deep understanding of customer needs and industry demands.

- **Cutting-edge manufacturing facility**

The manufacturing facility in Kalyan is the foundation for operations of the Demerged Undertaking and has a manufacturing plant with modern equipment and technology. This modern infrastructure enables our Company to streamline its production processes, improve efficiency, and ensure consistent quality control. By using cutting-edge manufacturing capabilities, the Company is well-equipped to meet the evolving market requirements and deliver high-quality products to its valued customers.

- **Strategic association with the Wadia group**

Being part of the Wadia Group, our Company enjoys significant advantages. The association with the Wadia Group provides our Company, access to major ports and a robust gas pipeline infrastructure, which are crucial for efficient supply chain management and distribution. This strategic association enables our Company to leverage the Group's extensive resources, industry expertise, and market networks, bolstering its competitive edge and facilitating seamless operations.

## Our Strategies

- **Pioneer in exports, diversified geographical territories:**

We have established ourselves as pioneers in the export market, and we are committed to expanding our presence in diverse geographical territories. By identifying emerging markets and utilizing our expertise, we aim to create new opportunities and strengthen our global footprint. Our strategy includes extensive market research, establishing strategic partnerships, and customizing products to meet the specific demands or requirements of each region.

- **Approvals in food industry for hydrogen peroxide and peracetic acid:**

To enhance our market position and credibility, we are focused to obtain necessary regulatory approvals for food industry. By complying with the stringent quality standards required for food industry, we aim to increase our market share for aseptic grade hydrogen peroxide and pre-acetic acid.



- **Moving from spot to contractual agreements:**

To ensure value addition for both our customers and us, we are transitioning from spot business to contractual business. By establishing long-term partnerships, we can provide greater stability, consistent quality, and improved services to our customers. This approach allows us to develop stronger relationships, gain a deeper understanding of our customers' needs, and align our production capacities accordingly. We believe that this strategic shift will foster mutual growth and enhance our ability to effectively meet our customers' requirements.

- **Increase in uptime for production:**

To meet the growing demand and ensure timely delivery, we are committed to optimising our production processes and increasing uptime. Through the implementation of efficient maintenance schedules, investments in advanced technologies, and streamlining of operations, our goal is to maximize our production capacity. This will enable us to have a large volume of products to serve the markets, reduced lead times, meeting customer expectations, and ultimately enhancing customer satisfaction.

- **Succession planning and leadership development:**

Our Company recognise the importance of strong leadership and talent development. We have a succession planning strategy in place to ensure a seamless transition of key roles and responsibilities. Our approach includes targeted training programs, mentoring initiatives, and fostering a culture of continuous learning. By nurturing the potential of our employees and fostering their growth, we aim to develop the next generation of leaders within our organization. This strategic approach will enable us to sustain our long-term growth and maintain a competitive edge in the industry.

## Product Description

Our finished product and applications of the same are set out in the table below:

Finished Products	Application/ End Users
Hydrogen peroxide	pulp & paper, bleaching, de-inking textiles, pharmaceutical and cosmetic, natural resources extraction, cleaning and sanitization, organic and inorganic chemicals peroxides, dyestuffs, pesticides, effluent treatment, oxidizing agent for chemical reaction
Peracetic acid	food, pharmaceutical, pulp & paper, and water treatment

## Significant factors affecting our results of operations and financial condition

### *Dependency on our end customers*

We are the pioneer in India for peroxygen chemicals and stand as one of the largest manufacturers of hydrogen peroxide in India (*Source: Market Research Report*), with an impressive installed capacity of 1,50,000 metric tonnes per annum (MTPA) on a 50% weight by weight (w/w) basis. Our finished product include (i) hydrogen peroxide, which is used for pulp & paper, bleaching, de-inking textiles, pharmaceutical and cosmetic, natural resources extraction, cleaning and sanitization, organic and inorganic chemicals peroxides, dyestuffs, pesticides, effluent treatment, oxidizing agent for chemical reaction; and (ii) peracetic acid, which is used for food, pharmaceutical, pulp & paper, and water treatment.

We have developed an extensive customer base. In Fiscal year 2023, we sold our products in domestic and export market as well as its distributors that further sell our products to end customers in these industries. We have established strong relationships with a range of customers. The demand from our customers determines our revenues and results of operations and our sales are impacted by the production and inventory levels of our customers. Our sales are dependent on the success of our customers' products with end customers. Success of our customers products are dependent on various factors, such as market demand, import of the product, general customer preferences, the ability of our customers to successfully market their products, the competitive environment in which our customers operate, invention of more advanced and cost-effective alternatives at the end product level.



### ***Reliance on limited products and end user industries***

Our revenues are derived from our product portfolio that comprises of two chemicals i.e hydrogen peroxide and peracetic acid. We are reliant on the sale of our products for our revenue from operations. Whilst our products cater to a diverse range of end user industries, should the demand from end-industries where our products are used decrease, there may be a decline in the demand for the products we manufacture. Accordingly, since we have limited product offerings, such decrease in demand shall have an adverse impact on our business and results of operations.

### ***Price at which we procure our raw materials***

The primary raw materials used in the manufacture of our products are natural gas and electricity. The success of our operations depends on, among other things, our ability to source raw materials at competitive prices. Availability and prices of raw materials are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand and changes in government policies. Other than natural gas, we do not have long term agreements for raw material procurement. We source our raw materials from a diversified base of vendors, primarily from multiple domestic suppliers. As a result, raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters and pandemics. Further, we procure a large portion of our raw materials from a few key suppliers and any disruption of supply of raw materials from such suppliers is a significant factor that can affect our results of operations. Increase in raw material prices may result in corresponding increases in our product costs. Therefore, raw material cost is a critical component of our business and results of operations.

### ***Government Regulations and Policies***

Government regulations and policies of India can affect the availability of raw materials that are critical to our operations. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. These regulations and policies and the tax regimes to which we are subject could change at any time, with little or no warning or time for us to prepare. Any changes in government policies relating to the chemicals sector or adverse changes in commodity prices could adversely affect our business and results of operations. Further, our manufacturing facility is located in Maharashtra and any significant changes in the policies of the state or local government or the Government of India, could require us to incur significant capital expenditure and change our business strategy.

### ***Foreign currency fluctuation***

Our financial statements are prepared in Indian Rupees. However, a portion of our revenue is generated from export of our products. In Fiscal 2023, we had exported our products to countries such as Russian Federation and West Africa. We are exposed to exchange rate risk primarily due to payables in respect of our imported raw material. As a result, our results of operations are influenced by exchange rate fluctuations between foreign currencies of the markets in which we sell our products and the Indian Rupee. Significant currency exchange rate fluctuations and currency devaluations could have an adverse effect on our results of operations.

### **Significant Accounting Policies and critical accounting estimates and judgements**

#### **Basis of preparation, measurement and significant accounting policies**

The principal accounting policies applied in the preparation of these restated financial information for nine-month period ended December 31, 2023, and the year ended March 31, 2023, March 31, 2022 and period from July 29, 2020 to March 31, 2021 are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.



**(a) Basis of preparation**

**(i) Compliance with Ind AS**

The Restated Financial Information of the Company comprise of the Restated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and period from July 29, 2020 to March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the nine month periods ended December 31, 2023, and years ended March 31, 2023, March 31, 2022 and period from July 29, 2020 to March 31, 2021, the summary of material accounting policies and explanatory notes (collectively, the “**Restated Financial Information**”).

These Restated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in this Information Memorandum in connection with proposed listing of its 57,47,000 equity shares of Rs. 10 each pursuant to the Composite Scheme of Arrangement, prepared by the Company in terms of the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“the Act”);
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended.

This restated financial information have been complied by the Company from:

- Audited Special Purpose Interim Financial Statements of the Company as at and for the nine-month period ended December 31, 2023 prepared in accordance with Indian Accounting Standard (Ind AS) 34 Interim Financial reporting, specified under section 133 of the Act and other accounting principles generally accepted in India.
- Audited revised financial statements as at and for the year ended on March 31, 2023 and audited financial statements as at and for the years ended on March 31, 2022 and period from July 29, 2020 to March 31, 2021 prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The demerger of the Chemical Business Undertaking is on a going concern basis and accounted by applying Ind AS 103: Business Combinations and as per the Scheme approved by the regulator. The accounting policies followed for the said Chemical Business Undertaking by the Resulting Company have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (Refer note 4 of Restated Financial Statement) and the disclosures in respect of significant accounting policies are made accordingly.

**(i) Historical cost convention**

The restated financial information have been prepared on historical cost basis, except for the following:

- Certain financial assets and financial liabilities are measured at fair value (including derivative instruments);
- Defined benefit plans – plan assets are measured at fair value.
- Assets held for sale – measured at fair value less cost to sell.

**(ii) Recent pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:



## **Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact on its restated financial information.

## **Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact on its restated financial information.

## **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

None of the amendments notified by MCA, which are applicable from April 1, 2023, are expected to have any material impact on the restated financial information of the Company. During nine months ended December 31, 2023, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### **(iii) Current vis-à-vis non-current classification**

The assets and liabilities reported in the Statement of Assets and Liabilities are classified on a “current / non-current basis”.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

Deferred tax assets and liabilities, and all assets and liabilities which are not current are classified as non-current assets and liabilities.

The derivatives designated in hedging relationship and separated embedded derivatives are classified basis the hedged item and host contract respectively.

### **(b) Business Combination**

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or





changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under common control are accounted for using the pooling of interest method and as per the provisions of the Scheme approved by the regulator. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in Capital reserve.

**(c) Segment reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM).

The CEO and Executive Director has been identified as CODM and he is responsible for allocating resources, assessing the financial performance and position of the Company and making strategic decisions.

The Company has identified one reportable segment 'manufacturing of peroxygens' based on information reviewed by the CODM. Refer note 39 of Restated Financial Statement for segment information presented.

**(d) Foreign currency translation:**

**(i) Functional and presentation currency**

Items included in the restated financial information of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The restated financial information are presented in 'Indian Rupees' (INR), which is the Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in restated statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

**(e) Revenue recognition:**

**Revenue from sale of goods**

Revenue is generated primarily from sale of peroxygens. Revenue is recognized at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer upon dispatch or delivery, in accordance with the terms of customer contracts. Revenue is recognized at an amount that the Company expects to receive from customers that is net of trade discounts and goods and service tax (GST).

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.



**(f) Income tax:**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the restated financial information. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in restated statement of Profit or Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**(g) Leases**

**As a lessee**

Leases are recognized as a right-of-use asset and corresponding liability at the date which the lease asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on relative stand-alone prices.

The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Company has the right to direct the use of the asset and whether the Company obtains substantially all the economic benefits from the use of that asset.

Assets and liabilities arising from lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Company under residual value guarantees.
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.



Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing.
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on any key variable/condition are recognized in profit or loss in the period in which the condition that triggers those payment occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement of date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The company has elected not to apply the requirements of IND AS 116 Leases to short-term leases of all assets that, at the commencement date, have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

#### **(h) Impairment of non-financial assets**

Assets are tested for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

#### **(i) Cash and Cash Equivalents:**

Cash and cash equivalents in the Statement of Assets and Liabilities comprise cash at bank and on hand, and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of restated statement of cashflow cash and cash equivalent consist of cash and short-term deposit as defined above.



**(j) Trade Receivables:**

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**(k) Inventories:**

Inventories are valued at lower of cost and net realisable value. In the case of raw materials, packing materials, traded goods and stores and spares parts, cost is determined in accordance with the moving weighted average principle. Costs include the purchase price, non – refundable taxes and delivery and handling costs. Cost of finished goods includes all costs of purchases, direct materials, direct labour and appropriate proportion of variable and fixed overheads expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

**(l) Non-Current assets held for sale**

Non- current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for subsequent increase in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non -current asset is recognized at the date of de-recognition.

Non-Current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the statement of Assets and Liabilities. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Statement of Assets and Liabilities.

**(m) Investments and other financial instruments:**

**(i) Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

**Initial recognition and measurement**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in restated statement of Profit or loss.

**(ii) Classification and subsequent measurement of financial assets**

The classification of a financial asset depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost



### **Financial assets measured at amortised cost**

Financial assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

### **Financial assets measured at fair value through other comprehensive Income (FVTOCI)**

Assets that are held for the collection of contractual cash Flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Changes in fair value of instrument is taken to other comprehensive income which are reclassified to restated statement of profit or loss.

### **Financial assets measured at fair Value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss. Dividend income from these financial assets is included in other income once the Company's right to receive the dividend is established and it is probable that the economic benefits associated with the dividend will flow to the entity.

### **Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income for investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividends on these investments in equity instruments are recognised in the restated statement of profit and loss All the equity instruments held by the Company are measured at FVTOCI.

### **Impairment of Financial Assets**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109- 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### **Derecognition of Financial Assets**

A financial asset is derecognised only when the company has transferred the right to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **(iii) Financial Liabilities & Equity Instruments**



An instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Dividend paid on equity instruments are directly reduced from equity.

### **Financial Liabilities**

#### **Subsequent measurement of financial liabilities**

##### **Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

##### **Financial liabilities measured at amortised cost**

All the financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the restated statement of profit and loss. Company does not owe any financial liabilities which is held for trading.

##### **Derecognition of Financial Liabilities**

A financial liability (or, where applicable, a part of a financial liability) is primarily derecognised when, and only when, the obligation under the liability is discharged or cancelled or expires.

##### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income/ interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/ payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

##### **(iv) Derivatives and hedging activities**

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks such as cross currency interest rate swaps.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

The Company designates derivatives as hedges of a particular risk associated with the cash flows of recognized assets and liabilities (cash flow hedges). The Company has designated the cross-currency interest rate swap as a cash flow hedge for changes in both interest rate and foreign exchange rates.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.





The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

### **Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/(losses).

Amounts previously recognized in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is reclassified immediately in profit or loss.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

### **Embedded derivatives**

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### **Derivatives that are not designated as hedges**

The Company enters certain derivative contracts to hedge risk which are not designated as hedges. Such contracts are accounted for at fair value through restated statement of profit or loss and are included in other gains/(losses).

#### **(n) Offsetting Financial Instruments:**

Financial assets and liabilities are offset and the net amount reported in the statement of Assets and Liabilities when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **(o) Income recognition:**

### **Interest income**

Interest income from financial assets is recognized using the effective interest rate method.



Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### **Dividend**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognized as other income in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### **(p) Property, plant and equipment:**

All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

### **Depreciation methods, estimated useful lives and residual value:**

Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management, which is in line with those specified by Schedule II to the Companies Act, 2013. The residual values are at 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

The estimated useful lives of the property, plant and equipment are as under:

Sr No	Class of assets	Estimated useful life
(a)	Freehold Building	05 - 60 years
(b)	Furniture and fixtures	10 years
(c)	Plant and equipment	05 - 25 years
(d)	Office equipment	03 - 05 years
(e)	Computer	3 years
(f)	Vehicles	05 - 08 years

### **(q) Intangible assets:**

Intangible assets being computer software, are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.



Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognized as income or expense in the Restated Statement of Profit and Loss.

Cost of software is amortised over a period of 5 years being the estimated useful life.

**(r) Trade and other payables:**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months of reporting period. Trade and other payables are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method.

**(s) Borrowings:**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of Assets and Liabilities when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**(t) Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

**(i) Provisions and Contingencies:**

**(ii) Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**(iii) Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not



probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

**(iv) Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognized but disclosed only when an inflow of economic benefits is probable.

**(v) Employee benefits:**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of Assets and Liabilities.

**(ii) Post Employment obligations**

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, pension and provident fund contributions made to a trust in case of certain employees
- defined contribution plans such as provident fund and superannuation fund.

**Pension and gratuity obligations**

The liability or asset recognized in the statement of Assets and Liabilities in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Gratuity contributions are made to a trust ('National Peroxide Limited Employees' Gratuity Fund') administered by the Company.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the restated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the restated Statement of Changes in Equity and in the statement of Assets and Liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**Provident fund contributions made to a trust administered by the Company**

In respect of certain employees, provident fund contributions are made to a trust ('National Peroxide Limited Employees' Provident Fund') administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of the interest earnings of the fund is determined based on actuarial valuation.



## **Defined contribution plans**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations and superannuation contributions to superannuation fund. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

### **(iii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in restated Statement of Profit or Loss.

The obligations are presented as current liabilities in the statement of Assets and Liabilities if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **(u) Contributed Equity**

Equity shares are classified as equity.

Incremental cost directly attributable to the issue of new shares or options are shown in equity as a deduction net of tax from the proceeds.

### **(v) Dividends:**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **(w) Earnings per share:**

#### **Basic Earnings per share**

Basic earnings per share is calculated by dividing:

- the net profit for the period attributable to the owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

#### **Diluted Earnings per share**

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

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

### **(x) Exceptional items:**

Exceptional items include income or expense that are of such significance and nature that separate disclosure enables the user of the restated financial information to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature and incidence.



If the management believes that losses/ gain are material and is relevant to an understanding of the entity's financial performance, it discloses the same as an exceptional item.

#### **Rounding of amounts:**

All amounts disclosed in restated financial information and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### **Critical accounting estimates and judgements:**

The preparation of restated financial information requires the use of accounting estimates, which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items, which are more likely to be materially adjusted due to estimates and assumptions turning out to be different from those originally assessed.

- **Estimation of useful life**

Useful lives of property, plant and equipment are based on the management's estimation. The useful lives as estimated are same as prescribed in Schedule II of the Companies Act, 2013.

The useful lives of Company's assets are determined by management at the time the asset is acquired/capitalised and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life such as changes in technology.

- **Estimation of defined benefit obligation**

The present value of obligations under defined benefit plan is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long-term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer note 41 of Restated Financial Statement for the details of the assumptions used in estimating the defined benefit obligation.

- **Impairment of trade receivables**

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- **Fair value measurements and valuation processes**

Some of the assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, fair values are determined on the basis of the third-party valuations. The models used to determine fair values including estimates/ judgements involved are validated and periodically reviewed by the management. Refer note 42 of Restated Financial Statement to the restated financial information.

- **Inventory obsolescence**

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.





- **Taxes**

Deferred tax assets are recognized for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### Principal Components of Income and Expenditure

#### Income

Our total income comprises of (i) revenue from operations; and (ii) other income.

#### Revenue from Operations

Revenue from operations comprises of (i) sale of goods; and (ii) sale of scraps.

#### Other Income

Other income comprises of (i) income from fixed deposits; (ii) other interest income; (iii) other non-operating income.

#### Expenses

Our expenses comprise of (i) cost of raw materials and packing materials consumed; (ii) purchase of stock-in-trade; (iii) changes in inventories of stock-in-trade and finished goods; (iv) power, fuel and water; (v) employee benefit expenses; (vi) finance costs; (vii) depreciation and amortisation expenses; and (viii) other expenses.

### Results of Operations

(₹, in lakh)

Particular	For the nine month period ended December 31, 2023	% of Total Income	For the year ended March 31, 2023	% of Total Income
<b>Income</b>				
Revenue from operations	24,495.40	98.11%	37,587.44	97.70%
Other income	473.13	1.89%	885.42	2.30%
<b>Total income</b>	<b>24,968.53</b>	<b>100.00%</b>	<b>38,472.86</b>	<b>100.00%</b>
<b>Expenses</b>				
Cost of raw materials and packing materials consumed	12,108.47	48.49%	19,126.02	49.71%
Purchase of stock in trade	-	-	131.39	0.34%
Changes in inventories of stock-in-trade and finished goods	(760.14)	-3.04%	(1,149.14)	-2.99%
Power, fuel and water	4,198.01	16.81%	5,376.45	13.97%
Employee benefit expenses	2,121.85	8.50%	2,645.08	6.88%
Finance costs	150.85	0.60%	701.99	1.82%
Depreciation and amortisation expense	1,440.17	5.77%	1,979.95	5.15%
Other expenses	3,970.65	15.90%	5,606.15	14.57%
<b>Total expenses</b>	<b>23,229.86</b>	<b>93.04%</b>	<b>34,417.89</b>	<b>89.46%</b>
<b>Profit before exceptional items and tax</b>	<b>1,738.67</b>	<b>6.96%</b>	<b>4,054.97</b>	<b>10.54%</b>
Exceptional income	-	-	1,295.16	3.37%
<b>Profit before tax</b>	<b>1,738.67</b>	<b>6.96%</b>	<b>5,350.13</b>	<b>13.91%</b>
<b>Tax expense:</b>				
Current tax	296.60	1.19%	991.78	2.58%
Tax adjustments relating to previous year	(70.58)	-0.28%	-	-
Deferred tax	140.80	0.56%	408.19	1.06%
<b>Total tax expense</b>	<b>366.82</b>	<b>1.47%</b>	<b>1,399.97</b>	<b>3.64%</b>
<b>Profit for the period/year</b>	<b>1,371.85</b>	<b>5.49%</b>	<b>3,950.16</b>	<b>10.27%</b>
<b>Other comprehensive income</b>				
Items that will not be reclassified to profit or loss				
Re-measurements of the net defined benefit obligations	23.74	0.10%	35.02	0.09%
Income tax relating to above item	(5.97)	-0.02%	(9.45)	-0.02%



Particular	For the nine month period ended December 31, 2023	% of Total Income	For the year ended March 31, 2023	% of Total Income
Items that will be reclassified to profit or loss				
Effective portion of gain on cash flow hedge	-	-	41.24	0.11%
Income tax relating to above item	-	-	(10.38)	-0.03%
<b>Other comprehensive income for the period/year, net of tax</b>	<b>17.77</b>	<b>0.07%</b>	<b>56.43</b>	<b>0.15%</b>
<b>Total comprehensive income/ (loss) for the period/year</b>	<b>1,389.62</b>	<b>5.57%</b>	<b>4,006.59</b>	<b>10.41%</b>

Note: The transactions pertaining to the demerged undertaking of the Demerged Company from the Appointed Date up to the Effective Date of the Scheme have been deemed to be made by the Company. Accordingly, no comparative figures for the previous period are available.

## Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs for our operations. We have met these requirements through cash flows from operations, equity infusions from shareholders and borrowings. As of December 31, 2023, we had ₹84.51 million in cash and cash equivalents, ₹ 177.16 million as bank balances and ₹ 78.73 million in non-current borrowings. We believe that, after taking into account the expected cash to be generated from operations and our borrowings, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for 12 months following the date of this Information Memorandum.

## Cash Flows

The following table sets forth certain information relating to our cash flows:

(₹, in lakh)

Particulars	For the nine month period ended December 31, 2023	For the year ended March 31, 2023
Net cash generated from (used in) operating activities	2,897.90	6,711.01
Net cash (used in) /generated from investing activities	(2,168.60)	2,478.51
Net cash (used in) /generated from financing activities	(526.86)	(8,596.04)
Net Increase/ (decrease) in cash & Cash equivalents	202.44	593.49
Cash and cash equivalents at the beginning of the period/year	642.67	0.21
Cash and cash equivalents received pursuant to the scheme of arrangement	-	<b>48.98</b>
Cash and cash equivalents at the end of the period/year	845.11	642.67

## Operating Activities

For the Fiscal 2023, net cash used in operating activities was ₹ 6,711.01 lakhs. For the Fiscal 2023, profit before tax was ₹ 5,350.13 lakhs. Adjustments primarily consisted of depreciation and amortisation expenses of ₹ 1,979.95 lakhs, finance cost of ₹ 701.99 lakhs, fair value gain on investments of ₹ (339.06) lakhs, interest income of ₹ (1.81) lakhs, (gain)/loss on sale of property, plant & equipment of ₹ (24.65) lakhs, loss allowances of ₹ (22.07) lakhs and net unrealised foreign exchange loss of ₹ 5.79 lakhs.

For the nine- month period ended December 31, 2023, net cash generated from operating activities was ₹ 2,897.90 lakhs. For the nine- month period ended December 31, 2023, profit before tax was ₹ 1,738.67 lakhs. Adjustments primarily consisted of depreciation and amortisation expenses of ₹ 1,440.17 lakhs, finance cost of ₹ 150.85 lakhs, fair value gain on investments of ₹ (195.43) lakhs, interest income of ₹ (34.98) lakhs, (gain)/loss on sale of property, plant & equipment of ₹ 0.90 lakhs and net unrealised foreign exchange loss of ₹ 4.61 lakhs.

For the Fiscal 2023, operating cashflow before working capital changes was ₹ 7,650.27 lakhs. The main working capital adjustments during Fiscal 2023 were increase in inventories of ₹ (690.43) lakhs, increase in trade receivables of ₹ (522.78) lakhs, decrease in non-current financial assets of ₹ 272.24 lakhs, decrease in other non-current assets of ₹ 29.44 lakhs, increase in current financial asset of ₹ (12.50) lakhs, increase in other current assets of ₹ (51.54) lakhs, increase in trade payables of ₹ 911.68 lakhs, increase in provisions of ₹ 59.19 lakhs, decrease in other current financial liabilities of ₹ (30.36) lakhs, increase in other current liabilities of ₹ 86.07 lakhs



and decrease in contract liability of ₹ (217.80) lakhs. The Net cash generated from operating activities in Fiscal 2023 was ₹ 6,711.01 lakhs.

For the nine- month period ended December 31, 2023, operating cashflow before working capital changes was ₹ 3,104.79 lakhs. The main working capital adjustments during nine month period ended December 31, 2023 were increase in inventories of ₹ (1,503.28) lakhs, increase in trade receivables of ₹ (23.55) lakhs, decrease in non-current financial asset of ₹ 25.60 Lakhs, decrease in other non current assets of ₹ 7.69 Lakhs, increase in current financial asset of ₹ (13.18) and decrease in other current assets of ₹ 11.94 lakhs, increase in trade payables of ₹ 39.77 lakhs, decrease in provisions of ₹ (37.64) lakhs, decrease in other current financial liabilities of ₹ 48.76 lakhs, increase in other current liabilities of ₹ 113.83 lakhs and increase in contract liability of ₹ 1,656.51 lakhs. The Net cash generated from operating activities in nine- month period ended December 31, 2023, was ₹ 2,897.90 lakhs.

### **Investing Activities**

Net cash used in investing activity during Fiscal 2023 was ₹ 2,478.51 lakhs which consisted of proceeds from sale of investments of ₹ 24,402.22 lakhs and proceeds from sale of property, plant and equipment of ₹ 32.52 lakhs, payment for purchase of investments of ₹ (21,322.06) lakhs, payments for property, plant and equipment (including capital work-in-progress and advances) of ₹ (599.04) lakhs, and fixed deposit (placed)/matured (net) of ₹ (36.64) lakhs.

Net cash used in investing activity during nine month period ended December 31, 2023 was ₹ (2,168.60) lakhs which consisted of payment for purchase of investments of ₹ (5,185.01) lakhs, proceeds from sale of investments of ₹ 5,650.00 lakhs, interest received of ₹ 34.98 lakhs, payments for property, plant and equipment (including capital work-in-progress and advances) of ₹ (960.37) lakhs, proceeds from sale of property, plant and equipment of ₹ 0.13 lakhs, fixed deposit (placed)/matured (net) of ₹ (781.91) lakhs and changes in balances in unpaid dividend bank accounts of ₹ (926.42) lakhs.

### **Financing Activities**

Net cash used in financing activity during Fiscal 2023 was ₹ (8,596.04) lakhs which consisted of repayment of long- term borrowings of ₹ (7,965.87) lakhs, interest paid of ₹ (633.17) lakhs and proceeds from intercorporate deposit of ₹ 3 lakhs.

Net cash used in financing activity during nine month period ended December 31, 2023 was ₹ (526.86) lakhs which consisted of repayment of long term borrowings of ₹ (264.71) lakhs, proceeds from intercorporate deposit of ₹ 15.76 lakhs, payment of intercorporate deposit of ₹ (18.76) lakhs, principal elements of lease payments of ₹ (36.38) lakhs, interest on lease rent of ₹ (138.62) lakhs and interest paid of ₹ (84.15) lakhs.

### **Indebtedness**

As of December 31, 2023, and March 31, 2023, the Company's borrowing is as follows:

<b>Non-current borrowing</b>	<b>As at December 31, 2023 (₹, in lakh)</b>	<b>As at March 31, 2023 (₹, in lakh)</b>
Term loan from bank	787.33	1,036.42
Current borrowings		
Current maturities of long-term borrowings	345.12	352.94
Loan from related parties	-	3.00
<b>Total Borrowings</b>	<b>1,132.45</b>	<b>1,392.36</b>

### **Contingent Liabilities and Off-Balance Sheet Arrangements**

Our Company does not have any contingent liability as on December 31, 2023.

### **Contractual Obligations and Commitments**

#### **Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided (net of advances, self-assessment and tax deducted at source) for ₹ 98.68 lakhs.



### ***Other Commitments:***

The Company has entered into a long term agreement with GAIL (India) Limited (“GAIL”) for purchase of natural gas, valid till December 31, 2025. As per the said agreement, the Company under ‘take or pay obligation’ clause has to make payment for a fixed quantity of gas on an annual basis, whether used or not. GAIL has the discretion to waive off the take or pay charges. Additionally, the Company may request makeup gas to compensate for any outstanding ‘take or pay’ deficiencies, for which payment would be made to GAIL during the annual program.

### **Capital Expenditures**

Our Company’s capital expenditure towards additions to fixed assets (property, plant and equipment’s and intangible assets) were ₹ 123.05 lakhs and ₹ 204.17 lakhs for the nine- month period ended December 31, 2023, and the Fiscal 2023, respectively.

### **Related Party Transactions**

The Company has engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see “*Information Memorandum Summary – Summary of Related Party Transactions*” on page 12.

### **Auditor’s Observations**

Our auditors have not made any observations with respect to the Restated Financial Information.

### **Quantitative and Qualitative Disclosures about Market Risk**

We have face market risk, credit risk and liquidity risk that may arise as a consequence of its business operations as well as its investing and financing activities. Our Board has overall responsibility for the establishment and oversight of our risk management framework.

#### ***Credit risk***

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost as well as credit exposures to trade customers including outstanding receivables. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### ***Liquidity risk***

Liquidity risk is the risk that the Company will fail in meeting its obligations to pay its financial liabilities. The Company’s approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. In respect of its operations, the Company funds its activities primarily through cash generated in operations and working capital borrowings.

#### ***Market risk***

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated as: a) foreign currency risk, b) interest rates risk and c) other price risk.

##### ***(i) Foreign currency risk***

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risks arise from recognised assets and liabilities



when they are denominated in a currency other than functional currency of the Company. The Company imports certain raw materials and spare parts used in manufacturing and exports finished goods. Therefore, it is exposed to foreign exchange risks arising from various currency exposures, primarily with respect to the US-dollar. Company's exposure to foreign currency risk due to operation is very limited and it always ensures that such exposure is within the approved limit for which the Company does not require to hedge through derivatives.

**(ii) Other price risks**

The Company is exposed to price risks arising from equity investments and mutual funds. Further, equity investments are subject to changes in the market price of securities. Equity investments are held for strategic purpose rather than for trading purposes. The Company does not actively trade in these investments. However, for foreign currency variable interest rate denominated borrowings the Company's risk management policy is to hedge 100% of the exposure using cross currency interest rate swaps. Under the Company's policy, the critical term of the cross currency interest rate swaps must align the hedged item.

**(iii) Interest rate risks**

The Company's interest risk arises from long term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. The Company's policy is to maintain most of its borrowings at fixed rates, where the Company enters into long term borrowings at floating rates, it swaps into fixed rates that are lower than those available if the Company borrowed at fixed rates directly.

**Changes in Accounting Policies**

There have been no changes in our accounting policies since incorporation of the Company.

**Unusual or Infrequent Events or Transactions**

Except as described in this Information Memorandum, to our knowledge, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses that have in the past or may in the future affect our business operations or future financial performance.

**Significant Economic Changes**

Other than as described above under “ – *Significant factors affecting our results of operations and financial condition*” to our knowledge, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

**Known Trends or Uncertainties**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “ – *Significant factors affecting our results of operations and financial condition*” and the uncertainties described in “*Risk Factors*” on page 176 and 15, respectively. To our knowledge, except as discussed in this Information Memorandum, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of the Company from continuing operations.

**Future Relationship Between Cost and Revenue**

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” on pages 15, 68 and 174, respectively, to our knowledge, there are no known factors that may adversely affect the future relationship between our costs and revenue.

**New Products or Business Segments**

Other than as described in “*Our Business*” on page 68, wherein the Company operates in a single business segment, there are no new products or business segments in which we operate.



## Competitive Conditions

We operate in a competitive environment. See “*Business*” and “*Risk Factors*” on pages 68 and 15, respectively on competitive conditions that we in respect of our business.

### **Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices**

As on the date of this Information Memorandum, there are no new products or services or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

### **Seasonality and Cyclicity of Business**

Our business is not seasonal in nature.

### **Supplier or Client Concentration**

*Supplier concentration:* We are dependent on a few suppliers. See risk factor “*We do not have long-term agreements with most of our suppliers of our raw materials (except natural gas) or customers and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows*” on page 17.

*Client concentration:* We are dependent on a few customers. See risk factor “*We derive a significant portion of our revenue from certain customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, financial condition, results of operations and future prospects*” on page 17.

### **Significant developments after December 31, 2023, that may affect our future results of operations**

These are no other significant developments after December 31, 2023, that may affect our future results of operations.

### **Certain disclosures in relation to the Composite Scheme of Arrangement**

The National Company Law Tribunal, Mumbai bench, *vide* its order dated May 4, 2023, approved the Scheme of Arrangement amongst National Peroxide Limited (*currently known as Naperol Investments Limited*) (the “**Demerged Company**”) and Naperol Investments Limited (*which is amalgamated with erstwhile National Peroxide Limited*) (the “**Transferor Company**”) and NPL Chemicals Limited (*currently known as National Peroxide Limited*) (the “**Resulting Company**” or “**our Company**”) and their respective shareholders and creditors, in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 *inter alia* provides, for:

- (i) the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis and the consequent issue of Equity Shares by the Resulting Company in the manner set out in the Scheme;
- (ii) the amalgamation of the Transferor Company with the Transferee Company in the manner set out in the Scheme; and
- (iii) the reduction of the share capital of the Resulting Company in the manner set out in the Scheme.

The Scheme is divided into following parts: (i) Part I deals with the definitions, share capital and date of taking effect and implementation of the Scheme; (ii) Part II deals with the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company and the consideration thereof; (iii) Part III deals with the amalgamation of the Transferor Company with the Transferee Company; (iv) Part IV deals with the reduction and cancellation of the existing equity share capital of the Resulting Company held by the Demerged Company; and (v) Part V deals with general terms and conditions that would be applicable to the Scheme.

*Appointed date and Effective date for the Scheme*





In terms of the Scheme, opening business hours of April 1, 2022 is the Appointed Date for the Scheme. Further, Effective Date is defined to mean the day on which the last of the approvals/ conditions specified in Clause 31 of the Scheme (Conditions Precedent) are obtained or complied with.

The Scheme was sanctioned by the National Company Law Tribunal, Mumbai bench by an order dated May 4, 2023. Further all the condition precedents in connection with the Composite Scheme of Arrangement were obtained/ complied by September 11, 2023, and accordingly, the Composite Scheme of Arrangement has become effective from April 1, 2022 (“**Appointed Date**”) and operative from September 11, 2023 (“**Effective Date**”). Also, with effect from the Effective Date and upon allotment of the Resulting Company New Equity Shares in terms of Clause 9 (consideration) of the Composite Scheme of Arrangement i.e. September 27, 2023, the reduction and cancellation of existing equity shares of the Resulting Company held by the Demerged Company shall become effective.



## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

Except as disclosed in this section, there are no pending: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; and (iv) any other pending litigation (other than proceedings covered under (i) to (iii) above) which has been determined to be material pursuant to the Materiality Policy (as disclosed herein below), each involving our Company, Directors or Promoter (collectively, the “**Relevant Parties**”). Further, except as disclosed in this section, there are (a) no disciplinary actions (including penalties imposed) initiated by SEBI or a recognized stock exchange against our Promoter in the last five Fiscals immediately preceding the date of this Information Memorandum, including any outstanding action; or (b) pending litigation involving our Group Companies which may have a material impact on our Company.

For the purpose of (iv) above, our Company has defined the criteria under the Materiality Policy for the identification of material outstanding litigation involving Relevant Parties. In accordance with the Materiality Policy, all pending litigations (other than litigations mentioned in points (i) to (iii) above) involving the Relevant Parties would be considered ‘material’: (a) if the aggregate monetary claim made by or against the Relevant Parties, in any such pending litigation is equal to or in excess of 10% of the profit after tax of our Company for the most recent completed quarter as per the Restated Financial Information, being ₹ 137.19 lakhs; or (b) if the monetary liability involved in the litigation is not quantifiable or does not fulfil the threshold specified in (a) above but the outcome of such litigation, could have a material adverse effect on the financial position, business, operations, performance, prospects or reputation of our Company, in the opinion of our Company; or (c) if the decision in one litigation is likely to affect the decision in similar litigations such that the cumulative amount involved in such litigations exceeds the materiality threshold as specified in (a) above, even though the amount involved in an individual litigation may not exceed the materiality threshold as specified in (a) above.

For the purposes of the above, pre-litigation notices received by the Relevant Parties or Group Companies from third parties (excluding those notices issued by statutory or regulatory or governmental or taxation authorities or notices threatening criminal action to the Relevant Parties) shall, unless otherwise decided by our Board, not be considered as material until such time the Relevant Party or Group Company is impleaded as a party in litigation before any judicial or arbitral forum.

Further, in accordance with the criteria defined under the Materiality Policy, our Company has considered such creditors ‘material’ to whom the amount due is equal to or in excess of 10% of the consolidated trade payables of our Company as at the end of the most recent period covered in the Restated Financial Information. The consolidated trade payables of our Company as on December 31, 2023, was ₹ 2,245.52 lakhs. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 224.55 lakhs (being 10% of the consolidated trade payables) as on December 31, 2023.

Unless stated to the contrary, the information provided below is as of the date of this Information Memorandum. All terms defined in a particular litigation disclosure below are for that particular litigation only.

All terms defined herein in a particular litigation disclosure pertain to that litigation only.

#### **Litigations involving our Company**

##### ***Criminal proceedings against our Company***

There are no outstanding criminal proceedings against our Company as on the date of this Information Memorandum.

##### ***Criminal proceedings by our Company***

Our Company in November 2017 filed a complaint before the Economic Offence Wing of Mumbai Police (“**EOW**”) and an FIR (“**FIR**”) was registered u/s. 120 (b), 420, 409, 465, 467 468, 471 and 472 of the Indian Penal Code against ex-employees of our Company (“**Accused**”) for an amount aggregating to ₹ 36 crores and a first information report dated March 27, 2018 (“**FIR**”) was registered under sections 120 (b), 420, 409, 465, 467 468, 471 and 472 of the Indian Penal Code against ex-employees of our Company including Suhas Lohokare, Arun Naik, Sushil Kumar Jain, Rakesh Goyal and Nipul Surendra Trivedi (“**Accused**”). The EOW completed its investigation and then filed a charge sheet before 47<sup>th</sup> Metropolitan Magistrate Court at Esplanade. One of the



Accused, Suhas Lohokare has preferred criminal writ petition for quashing the FIR (arising out of the criminal case filed by the Company with EOW) before Bombay High Court. Suhas Lohokare has also filed a discharge application before Additional Chief Metropolitan Magistrate, 47th Court, Esplanade, Mumbai. The investigation officer has filed a reply and opposed the discharge application. This matter is pending for hearing.

#### ***Material civil proceedings against our Company***

An ex-employee of our Company, Suhas R Lohokare has filed a suit in September 2020 against our Company seeking reliefs of releasing the due amount/s and to disclose the full particulars of the pending amount/s payable towards provident fund, gratuity, superannuation, leave encashment and salary arrears amounting to Rs. 6.35 crores before Bombay High Court (“**HC**”). HC *vide* order dated December 2, 2020 directed our Company to disclose the particulars of the amounts standing to the credit of Suhas R Lohokare towards gratuity, provident fund, leave encashment, unpaid salary etc. The same has been complied with, due amount towards the same is around ₹ 8.50 crores. This matter is currently pending.

#### ***Material civil proceedings by our Company***

Our Company has filed a civil suit dated September 24, 2020 (“**Suit**”) before Bombay High Court (“**HC**”) seeking damages and compensation on account of fraud by ex-employees of our Company and negligence by the auditors. Although HC has granted interim reliefs against all ex-auditors by directing them to maintain records/audit-working papers of relevant year till disposal of the Suit, the HC did not grant the interim reliefs claimed against ex-employees for disclosure and attachments of the assets and injunction from alienating such assets are concerned. Our Company has preferred an appeal dated March 6, 2021 (“**Appeal**”) before the Division Bench of Bombay High Court challenging the order passed by the single judge declining reliefs against ex-employees of our Company. After hearing all the parties in the Appeal and interim application filed on March 22, 2021 by our Company claiming disclosure by ex-employee of the assets and properties held by them (“**IA**”), the Division Bench of the Bombay High Court by order dated July 25, 2022, directed all ex-employees to disclose their income tax returns with computation, immovable and movable property details and any affiliation with any entity before the next date of hearing. All ex-employees have filed their respective affidavits disclosing their assets and investment. This matter is currently pending.

#### ***Actions by regulatory and statutory authorities against our Company***

There are no pending actions by statutory or regulatory authorities against our Company as on the date of this Information Memorandum.

#### ***Tax proceedings against our Company***

There are no outstanding tax proceedings against our Company as on the date of this Information Memorandum.

#### ***Litigations involving our Promoter, our Group Companies and our Directors which may have an adverse impact on our Company***

##### **Litigation involving our Directors**

##### ***Criminal litigations against our Directors***

##### **Ness Nusli Wadia**

1. Legal Metrology Inspector (“**Complainant**”) filed a complaint before the Metropolitan Magistrate Traffic Court, Bangalore (“**Court**”) against The Bombay Dyeing and Manufacturing Company Limited, and its directors, Nusli Wadia, Ness Wadia, Jehangir Nusli Wadia and others (“**Accused**”) alleging inter alia four of the Accused’s packages (“**Products**”), which were seized during an inspection of a trading premises by the Complainant, did not bear declaration required under law such as the name and address of the manufacturer. The matter is currently pending.
2. A summary trial case was filed by Inspector of Plantations, Udagamandalam against the Manager of the Dunsandle factory, Ness Wadia and Nusli Wadia, and other ex- Directors before the Judicial Magistrate Court, Udagamandalam for violations under the provisions of the Labour Plantation Act read with Tamil Nadu Labour Plantation Rules. A criminal revision petition was filed before the High Court of Madras to



quash the order passed by Magistrate taking cognizance of the proceedings and issuing summons dated August 24th, 2023, to dispense with appearance and to stay the prosecution. On November 23, 2023, a stay was granted and on March 13, 2024, this case was reserved for orders. The matter is currently pending.

### ***Criminal litigations by our Directors***

There are no outstanding criminal proceedings initiated by the Directors as on the date of this Information Memorandum.

### ***Actions by statutory or regulatory authorities against our Directors***

1. The Company, its promoter directors, ex managing director, ex. joint managing director and chief financial officer and SCAL Services Limited, its directors and Ex. Directors (“**Notices**”) received show cause notices dated June 11, 2021 from SEBI under Sections 11(1), 11(2)(e), 11(4), 11(4A) and 11B of the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and Regulation 11 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Regulations, 2003 (“**PFTUP Regulations, 2003**”) in the matter of The Bombay Dyeing and Manufacturing Company Limited (“**BDMCL**”) for the alleged violation of the provisions of the SEBI Act, 1992 and PFTUP Regulations, 2003. All Notices post inspection of documents on July 26, 2021, through their lawyers had filed interim and detailed replies with SEBI on July 27, 2021, and August 9, 2021, respectively wherein they denied all the allegations charged against them. The Notices received the SEBI order on October 21, 2022 (“**SEBI Order**”), wherein the monetary penalties and various directions were issued to the Notices. BDMCL and certain Notices filed an appeal against the SEBI Order in the Hon’ble Securities Appellate Tribunal (“**SAT**”) on November 4, 2022. The hearing for the said matter was conducted on November 10, 2022, by SAT. SAT *vide* order stayed the effect and operation of the SEBI Order which had imposed restrictions and issued directions to the Notices. Further, *vide* an order dated October 31, 2022, received by certain Notices, SEBI levied penalty on Mr. S. Ragothaman. An appeal has been filed against the order dated October 31, 2022, before the SAT (“**Appeal**”) and SAT has stayed such order. On October 30, 2023, this Appeal was reserved for orders. Further, as per order dated October 31, 2022, received by some of the Notices the Notices except one have been levied with penalty. The said Notices have also filed the appeal before the SAT and SAT has stayed the order dated October 31, 2022. . This matter is currently pending.

Further, as on the date of this Information Memorandum, there are no outstanding actions by statutory or regulatory authorities initiated against other Directors of our Company.

### ***Tax proceedings against our Directors***

There are no outstanding tax proceedings against our Directors as on the date of this Information Memorandum.

### **Litigation involving our Promoters**

#### ***Criminal proceedings involving our Promoters***

##### **Ness Nusli Wadia**

For litigation involving our Promoter, Ness Nusli Wadia, see “*Litigation involving our Directors – Actions by regulatory and statutory authorities against our Directors*” and “*-Litigation involving our Directors – Criminal litigation against our Directors*” on page 201 and 200, respectively.

##### **Nusli Neville Wadia**

1. The F.I.R No. 133/2017 dated 12.4.2017 under Sections 420/406/461/467/468//120-B of The Indian Penal Code, 1860 Registered with Police Station Mahamandir Area, Jodhpur- Rajasthan against Mr. Nusli Wadia and Mr. Nagesh Rajanna. A quashing petition has been filed on behalf of Mr. Nusli Wadia, for deletion of their names from the concerned FIR and a stay has been obtained in the criminal proceedings.

Except as disclosed above and in “*-Litigation involving our Directors – Criminal litigation against our Directors*” and “*-Actions by regulatory and statutory authorities against our Directors*” on page 200, and 201, respectively, Nusli Wadia is not involved in any outstanding litigation, as on the date of this Information Memorandum.



### Material civil litigations involving our Promoters

There are no pending material civil litigations involving our Promoters as on the date of this Information Memorandum.

### Tax proceedings against our Promoters

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in crores)
<b>Direct Tax (A)</b>		
Income Tax	4	55.87
<b>Indirect Tax (B)</b>		
Sales Tax and VAT (1)	Nil	Nil
Service Tax (2)	Nil	Nil
<b>Total (1+2)</b>	Nil	Nil
<b>Total (A+B)</b>	4	55.87

### Disciplinary actions against our Promoters

The shareholding of individuals and entities belonging to the Wadia group as mentioned below including the Bombay Burmah Trading Corporation, Limited (“**BBTCL**”), have been classified as “promoter and promoter group” in the shareholding pattern of Citurgia Biochemicals Limited (“**Citurgia**”), a BSE listed company. Owing to certain non-compliances with minimum public shareholding requirements, BSE, by way of a notification dated December 24, 2012, suspended the trading in equity shares of Citurgia. While Citurgia was in the process of taking the requisite steps to revoke such suspension, SEBI, by way of an interim order dated June 4, 2013 and a subsequent confirmatory order dated May 20, 2016 (together, “**SEBI Orders**”), classified Citurgia as non-compliant with minimum public shareholding requirements, and certain directions were issued by SEBI against *inter alia* the members of promoter and promoter group, which included the prohibition from buying, selling, or otherwise dealing in securities of their respective companies, except for complying with minimum public shareholding requirements and restrain from holding any new position as a director in any listed company (“**Directions**”).

Sr. No.	Name	No. of Shares	% of Shareholding in the Company
1	Nusli Neville Wadia	54,050	0.04
2	Late Dina Neville Wadia	1,880	0.00
3	Maureen Wadia	510	0.00
4	Jehangir N Wadia	5	0.00
5	Ness N Wadia	5	0.00
6	Nowrosjee Wadia and Sons Limited (“ <b>NWSL</b> ”)	78,265	0.06
7	The Bombay Dyeing and Manufacturing Company Ltd.	77,800	0.06
8	Lochness Investments Limited (now amalgamated with NWSL)	65,735	0.05
9	Jehreen Investments Limited (now amalgamated with NWSL)	65,735	0.05
10	The Bombay Burmah Trading Corporation, Limited	23,520	0.02
11	Nessville Trading Ltd.	20,560	0.02
12	N W Exports Limited (now amalgamated with NWSL)	17,495	0.01
13	Sunflower Investments & Textiles Pvt Ltd. (now amalgamated with NWSL)	5,850	0.00
14	Macrofil Investments Limited	3,835	0.00
<b>Total</b>		<b>4,15,245</b>	<b>0.31</b>

Nowrosjee Wadia and Sons Limited (“**NWSL**”), The Bombay Dyeing and Manufacturing Company Ltd., Lochness Investments Limited (now amalgamated with NWSL), Jehreen Investments Limited (now amalgamated with NWSL), The Bombay Burmah Trading Corporation, Limited, Nessville Trading Ltd., N W Exports Limited



(now amalgamated with NWSL), Sunflower Investments & Textiles Pvt Ltd. (now amalgamated with NWSL) and Macrofil Investments Limited (“Wadia Group Entities”) had requested Citurgia to remove their name from their promoter group and to reclassify them under public category as Wadia Group Entities were cumulatively holding only 0.31% in the Company and ceased to have any control since 2007. Thereafter, Citurgia had sent a letter to BSE on June 11, 2022 seeking reclassification of Wadia Group Entities under public category and BSE took the application on record. The application was subsequently withdrawn by Citurgia. Further, on September 26, 2023, the Wadia Group Entities received “Suspension for Debits” intimation from Depository Participants whereby the demat accounts of various Wadia Group Entities/individuals, including Nusli Neville Wadia, Late Dina Neville Wadia, Maureen Wadia, Jehangir N Wadia and Ness N Wadia, have been frozen. The Wadia Group Entities have requested BSE and SEBI to remove the current “suspension for debit” in demat/ trade accounts of the Wadia Group Entities and persons based on the facts that the Wadia Group Entities are not promoters of Citurgia. This matter is currently pending.

### Litigation involving our Group Companies

There is no pending litigation involving the Group Companies which has a material impact on our Company.

### Outstanding dues to small scale undertakings or any other creditors

As of December 31, 2023, the total trade payables of our Company, on a consolidated basis, were ₹ 2,245.54 lakhs. In terms of the Materiality Policy, our Board considers such creditors ‘material’ to whom the amount due exceeds 10 per cent of the consolidated trade payables of our Company, i.e., ₹ 224.55 lakhs, as of December 31, 2023.

The details of outstanding dues to creditors, as on December 31, 2023, are as follows:

<i>(in ₹ lakh)</i>		
Particulars	No. of creditors	Amount due
Micro, small or medium enterprises*	18	204.20
Material creditors	2	981.93
<b>Total creditors</b>	<b>20</b>	<b>1,186.12</b>

\*Based on available information regarding status of suppliers as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006.

There are no overdues to any of our material creditors.

For complete details about outstanding dues to creditors of our Company, see “Financial Statements” on page 110.

### Outstanding Dues to Creditors:

As on the date of this Information Memorandum, outstanding amounts due to creditors is approximately ₹ 2,245.54 lakhs only.

### Material Developments:

There have been no material developments since the date of the Restated Financial Information i.e., as on December 31, 2023.





## GOVERNMENT APPROVALS

The list below is a list of material approvals applicable to our Company. In view of these approvals, our Company can undertake their business activities. Unless stated otherwise, we have obtained necessary material approvals from the relevant governmental and regulatory authorities, and these are valid as on the date of this Information Memorandum.

The Company has obtained the following approvals:

(a) **Incorporation Details**

- (i) Certificate of incorporation dated July 29, 2020, issued to our Company by the RoC.

(b) **Approvals from Tax Authorities**

- (i) The permanent account number of our Company is AAHCN0737D
- (ii) The tax deduction account number of our Company is MUMN28425F
- (iii) The Goods and Services Tax (GST) registration number is 27AAHCN0737D1ZO.
- (iv) Importer-Exporter Code (IEC) of our Company is AAHCN0737D.
- (v) Professional Tax (PTRC) registration number is 27751788264P.
- (vi) Professional Tax (PTEC) registration number is 99723912314P.

(c) **Approvals from Labour Authorities**

- (i) Certificate of registration issued by the Assistant Provident Fund Commissioner of Employees' Provident Fund Organisation under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act"). Our Company has been allotted EPF establishment code number MHBAN2152578000.
- (ii) Certificate of registration issued by the Additional Commissioner and Regional Director of Employees State Insurance Corporation ("ESIC") under the Employees' State Insurance Act, 1948 ("ESI Act"). Under the ESI Act. Our Company has been allotted ESIC code no. 35000474000000304.

(d) **Approvals in relation to our general business activities:**

Regulator	Business Activity	Registration No.	Date of Registration	Date of Expiry (where applicable)
PWD Electrical inspector, I E & L Department, Inspection Div No. 1, Thane (West)	Diesel Generator registration	E-TH/95(ii) E-TH/95(i) E-TH/571 E-TH/2391(i)	31.03.1976 07.05.1975 09.07.1996 25/08/2014	NA
Department of Legal Metrology, Maharashtra Government	Certificate of Verification (40 to 60 tons of weigh bridge)	220942326	09.12.2022	08.12.2023
Maharashtra Pollution Control Board, Mumbai	Bio Medical Waste Authorization for Generation	MPCB-BMW_AUTH-0000035663	14.07.2021	30.06.2024
Chief Fire Officer, Kalyan Dombivali Municipal Corporation	Fire NOC	1746/2022-23	NA	2.01.2024
Maharashtra Pollution Control Board, Mumbai	Consent to Operate	Format1.0/CAC/UAN/NO.0000094515/CO - 2009000498	09.09.2020	20.07.2025



Regulator	Business Activity	Registration No.	Date of Registration	Date of Expiry (where applicable)
Jt. Chief Controller of Explosives, Mumbai (Now known as Petroleum & Explosives Safety Organization (PESO))	License to fill compressed gas in cylinders (H2 Filling)	G/HO/MH/05/564(G22119)	18.10.2021	30.09.2024
Jt. Chief Controller of Explosives, Mumbai (Now known as Petroleum & Explosives Safety Organization (PESO))	License to store compressed gas in cylinders (H2 storage)	G/HO/MH/06/565(G22119)	18.10.2021	30.09.2024
Jt. Chief Controller of Explosives, Mumbai (Now known as Petroleum & Explosives Safety Organization (PESO))	License to store and fill compressed gas in pressure vessel or vessels	S/HO/MH/03/545(S821)	07.10.2022	30.09.2025
Jt. Chief Controller of Explosives, Mumbai (Now known as Petroleum & Explosives Safety Organization (PESO))	License for storage of Petroleum Class A & B	P/HQ/MH/15/918(P6250)	-	31.12.2025
Jt. Chief Controller of Explosives, Mumbai (Now known as Petroleum & Explosives Safety Organization (PESO))	License for storage of Petroleum Class C	P/HQ/MH/15/392(P5749)	-	31.12.2025
Hazardous & Other Wastes (Management & Transboundary Movement) Rules 2016 Mumbai Waste Management Ltd (MWML), Taloja Navi Mumbai	Membership & agreement with MWML for Disposal of Hazardous Waste	2003000602	11.03.2020	28.02.2025
Government of India Food Safety and Standards Authority of India (License under FSS Act, 2006)	Manufacturer - Substances Added to Food	11522998001075	14.06.2022 / 16.06.2023	15.06.2024
Central Public works Department (CPWD)	Calibrations of storage tanks	Tank No. 113/21	01.2018	01.2024
Maharashtra Pollution Control Board, Mumbai	Consolidated consent and authorization under Air Act, Water Act and Hazardous Waste Management Rules	Format1.0/CAC/UAN/NO. 0000094515/CO - 2009000498	09.09.2020	20.07.2025
Government of Maharashtra Food, Civil Supply and Consumer Protection Department Legal Metrology Organisation	Verification of certificates under Legal Metrology	LCR NO: CLM08843634	21.04.2023	20.04.2024
Directorate of Steam Boilers	Approval for use of boilers	MR-11914 Nestler Boiler MR-15229 Viessman Boiler MR-E886 Economiser MR-18048 Waste Heat Boiler	24-04-2023 07-11-2022 04-09-2023 05-06-2023	23-04-2024 06-11-2023 03-09-2025 04-12-2023
Jt. Chief Controller of Explosives, Mumbai (Now known as Petroleum & Explosives Safety Organization (PESO))	License for use of solvents	(License No.): P/HQ/MH/15/918(P6250) (License No.) : P/HQ/MH/15/392(P5749)	-	31.12.2025
Directorate of Industrial Safety and Health, Maharashtra, Kalyan	Factory License	Registration No. 1117020117000N	21.12.2020	31.12.2023
Legal Entity Identifier (LEI)	For banking activities	3358002QHPS5PNVQYW72	September 7 2023	September 6, 2024



<b>Regulator</b>	<b>Business Activity</b>	<b>Registration No.</b>	<b>Date of Registration</b>	<b>Date of Expiry (where applicable)</b>
Maharashtra State Electricity Board 'Tejashree' Building, Kalyan (West)	Supply of Electricity	Consumer No. 020609004763	31/03/1977	NA
Regional Licensing office (WR) Wireless planning & co-ordination wing, Ministry of Communications, Charkop, Sector 05, Kandivali (W)	License to operate the walkie-talkies	USR-3116/WRLO-18/1-08	October 7, 2023	February, 2024

(e) **Pending applications for fresh approvals / renewals made by our Company**

Nil

(f) **Approvals for which applications are yet to be made**

Nil



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority of Listing

The Composite Scheme of Arrangement was approved by the Board of Directors of our Company, the Demerged Company and the Transferor Company, on March 9, 2021. Further, subsequent amendments to the Composite Scheme of Arrangement were approved by the Board of Directors of our Company the Demerged Company and the Transferor Company on September 21, 2022, September 20, 2022, and September 21, 2022, respectively.

The National Company Law Tribunal, Mumbai bench, *vide* its order dated May 4, 2023, approved the Composite Scheme of Arrangement amongst National Peroxide Limited (*currently known as Naperol Investments Limited*) and Naperol Investments Limited (*which is amalgamated with erstwhile National Peroxide Limited*) and NPL Chemicals Limited (*currently known as National Peroxide Limited*) and their respective shareholders and creditors, in accordance with Sections 230 to 232, and other applicable provisions of the Companies Act, 2013. The Effective Date of the Composite Scheme of Arrangement is September 11, 2023.

In accordance with the Composite Scheme of Arrangement, the Equity Shares of our Company, issued pursuant to the Composite Scheme of Arrangement, shall be listed and admitted to trading on the BSE. Such admission and listing is not automatic and will be subject to fulfilment by our Company of the respective listing criteria of the BSE and also subject to such other terms and conditions as may be prescribed by the BSE at the time of the application made by our Company seeking approval for listing.

### Eligibility Criteria

There being no initial public offering or rights issue, the eligibility criteria in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable. The SEBI Circular has subject to certain conditions permitted unlisted issuer companies to make an application for relaxing from the strict enforcement of Rule 19(2)(b) of SCRR thereof by making an application to SEBI under sub-rule (7) of Rule 19 of the SCRR as per the SEBI Circular. SEBI *vide* its letter no SEBI/HO/CFD/CFD-RAC-DCR-1 /P/OW /2024/18225/1 dated May 31, 2024 granted relaxation under sub-rule (7) of Rule 19 of the SCRR.

Our Company has submitted the Draft Information Memorandum and is submitting this Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable to BSE for making the Draft Information Memorandum and this Information Memorandum available to public through their website viz. [www.bseindia.com](http://www.bseindia.com).

Our Company has made the Draft Information Memorandum and this Information Memorandum available on its website viz. [www.naperol.com](http://www.naperol.com). Our Company has published an advertisement in the newspapers containing its details in line with the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 issued by SEBI dated June 20, 2023. The advertisement drew specific reference to the availability of this Information Memorandum on our Company's website.

### Prohibition by Securities and Exchange Board of India

Our Company, its Promoters, its Directors, Promoter Group, Group Companies and persons in control of our Company not prohibited from accessing the capital markets or debarred from buying, selling, or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Except as disclosed under section "*Outstanding Litigations and Material Developments – Disciplinary actions against our Promoters*" on page 202, there are no outstanding action initiated by SEBI against our Promoters as on the date of this Information Memorandum.

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.



### **Fugitive Economic Offences**

None of our Promoters or Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

### **Association with the Securities Market**

None of the Directors of our Company are associated with the securities market in any manner, Further, other than as disclosed in this Information Memorandum, SEBI has not initiated any action against any entity, with whom the Directors of the Company are associated in the past five years preceding the date of this Information Memorandum.

### **Identification as Wilful Defaulter or Fraudulent Borrower by Reserve Bank of India or any other governmental authority**

Our Company, Promoters, Group Companies and Directors have not been identified as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

### **Jurisdiction**

Any dispute arising out of this Information Memorandum will be subject to the jurisdiction of the appropriate court(s) of Mumbai only.

### **Disclaimer Clause of BSE**

BSE *vide* its letter bearing reference no. DCS/AMAL/TL/IP/3125/2023-24 dated March 28, 2024, approved the Composite Scheme of Arrangement under Regulation 37 of the SEBI Listing Regulations and by virtue of the said approval, BSE's name has been included in this Information Memorandum as a Stock Exchange on which our Company's Equity Shares are proposed to be listed. As required, a copy of the Draft Information Memorandum and this Information Memorandum has been submitted to BSE.

### **General Disclaimer from our Company**

Our Company accepts no responsibility for statements made otherwise than in this Information Memorandum or in the advertisement to be published in terms of the SEBI Circular or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

### **Filing**

The Draft Information Memorandum has been and this Information Memorandum is being filed with BSE pursuant to the provisions of SEBI Circular read with the SEBI Listing Regulations, and the requirements of BSE for listing of shares of a company pursuant to Composite Scheme of arrangement. The Draft Information Memorandum and this Information Memorandum is filed with SEBI through BSE.

### **Listing**

Application has been made to BSE for permission to deal in and for an official quotation of the Equity Shares of our Company. Our Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of Equity Shares. Our Company shall ensure that all steps for the completion of necessary formalities for listing and commencement of trading at BSE within such period as approved by SEBI.

### **Listing Approval from BSE**

Our Company has obtained in-principle listing approval from BSE on March 28, 2024. Our Company shall make the applications for final listing and trading approval from BSE.



### **Exemption under securities laws**

Our Company was granted an exemption from the application of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 by the SEBI *vide* the letter no. SEBI/HO/CFD/CFD-RAC-DCR-1 /P/OW /2024/18225/1 dated May 31, 2024.

### **Demat Credit**

Our Company has executed a Tripartite Agreements with the Depositories i.e., CDSL and NSDL on April 27, 2023, for admitting its securities in dematerialized form. The ISIN allotted to the Company's Equity Shares is INE0PO601011.

### **Expert Opinions**

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

### **Dispatch of share certificates**

In accordance with the Composite Scheme of Arrangement, Equity Shares have been issued and allotted to the eligible shareholders of the NPL on the Record Date i.e., September 25, 2023. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company to enable it to issue the resulting company new equity share(s) (as defined in the scheme) in dematerialized form. Our Company has credited such Equity Shares to the depository participant accounts of the eligible shareholders at different dates and accordingly, no share certificates have been dispatched by our Company.

### **Particulars regarding public or rights issues by our Company during the last five years**

Our Company has not made any public or rights issues during the five years preceding the date of this Information Memorandum.

### **Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares:**

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Information Memorandum.

### **Capital issue during the previous three years by our Company and listed Group Companies**

Neither our Company nor any listed Group Company have undertaken a capital issue to the public in the last three years preceding the date of this Information Memorandum.

### **Performance vis-à-vis objects**

This is the first time the Equity Shares of our Company will be listed on the Stock Exchanges.

### **Performance vis-à-vis objects - Public/rights issue of the listed subsidiary/promoter**

As on the date of this Information Memorandum, our Company does not have any subsidiary or corporate promoter.

### **Outstanding Debenture or Bonds and Redeemable Preference Shares and Other Instruments Issued by the Company**

As on the date of this Information Memorandum, there are no outstanding debentures or bonds and redeemable preference shares and other instruments issued by our Company.





### **Stock Market Data for Equity Shares of our Company**

Equity Shares of our Company are not listed on any stock exchange. The Company is seeking approval for listing of its Equity Shares through this Information Memorandum.

### **Redressal of Investor Grievances**

Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company to accept the documents/requests/complaints from the investors/shareholders of the Company. All documents are received at the inward department, where the same are classified based on the nature of the queries/actions to be taken and coded accordingly. The documents are then electronically captured before forwarding to the respective processing units. The documents are processed by professionally trained personnel. Our Company has designated e-mail address (i.e., investorrelations@naperol.com) for assistance and/or grievance redressal and is closely monitored by Company Secretary to ensure quick redressal of stakeholders' grievances. The Company is in the process of registering in the SCORES platform provided by SEBI to handle investor complaints electronically. The Company has also constituted a Stakeholders Relationship Committee to specifically look into various aspects of interest of shareholders, debenture holders and other security holders. The Committee's role shall, *inter alia*, include resolving the grievances of stakeholders. Further, our Company has not received any investor complaint during the three years preceding the date of this Information Memorandum.

Amish Shah is the Company Secretary and Compliance Officer of the Company and is vested with responsibility of addressing the Investor Grievance(s) in coordination with Registrar & Share Transfer Agent.

### **Company Secretary and Compliance Officer**

Amish Shah is the Company Secretary and Compliance Officer of the Company. His contact details are as under:

#### **Amish Shah**

Neville House, J. N. Heredia Marg,  
Ballard Estate,  
Mumbai 400 001,  
Maharashtra, India

**Telephone:** +91 22 6662 0000

**E-mail:** investorrelations@naperol.com

### **Capitalization of reserves / profits / revaluation of assets:**

The Company has not capitalized any reserves / profits / revaluation of assets since incorporation to the date of this Information Memorandum.



## SECTION VIII – OTHER INFORMATION

### MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

#### *ARTICLES OF ASSOCIATION OF NATIONAL PEROXIDE LIMITED (FORMERLY KNOWN AS NPL CHEMICALS LIMITED)*

Article No	Description Interpretation
I.	The Regulations contained in Table F of the first schedule of the Act (as defined below) shall not apply to the Company (as defined hereinbelow) except so far as the same are reproduced or contained in or expressly made applicable by these Articles or the Act. The regulations for the management of the Company and the observance of the shareholders thereof and their representatives shall, subject to any exercise of the Company's power to modify, alter, delete or add to its regulations, as prescribed by the Act, be such as are contained in these Articles and Table F of the first schedule of the Act.

Regulations 27, 48, 76 of Table F shall not apply to the Company (as defined herein below)

#### **I. INTERPRETATION**

In these regulations

- Act means the Companies Act, 2013, or any statutory modification or re-enactment thereof, for the time being in force.
- Articles means these Articles of Association or as altered from time to time.
- Board means the Board of Directors of the Company.
- Company means NPL Chemicals Limited, a company incorporated under the Act. Director means a director appointed to the Board.
- Memorandum of Association means the Memorandum of Association of the Company.

References to the plural shall include the singular and vice-versa, references to one gender shall include other genders; references to companies, corporations and registered bodies; and references to persons shall include registered and unincorporated bodies.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

#### **Share capital and variation of rights**

- |     |    |   |
|-----|----|---|
| II. | 1. | Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.   |
|     | 2. | (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:-<br><br>(a) one certificate for all his shares without payment of any charges; or<br><br>(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first. |
|     |    | (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.   |



- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3.
    - (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board (which fees shall not exceed the maximum amount permitted under the applicable law). Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.
    - (ii) Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
    - (iii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
  4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
  5.
    - (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
    - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
    - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
  6.
    - (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
    - (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
  7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
  8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.



### Further issue of shares

9. Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then:
- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
  - (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;
  - (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

Notwithstanding anything contained in clause (9) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in sub-clause (a) of clause (9) hereof) in any manner whatsoever.

- (a) If a special resolution to that effect is passed by the company in general meeting, or
- (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.

Nothing in sub-clause (c) of (9) hereof shall be deemed:

- (a) To extend the time within which the offer should be accepted; or
- (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:

- (a) To convert such debentures or loans into shares in the company; or
- (b) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and



- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government, or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

### **Lien**

10. (i) The company shall have a first and paramount lien-
- (a) on every shares or debentures (not being a fully paid share), registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares or debentures) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company; and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien if any, on such shares/debentures. Further, the Fully paid-up Shares shall be free from all Liens and in case of partly paid-up Shares, the Company's Lien shall be restricted to moneys called or payable at a fixed time in respect of such shares:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (iii) The company's lien, if any, on a debenture shall extend to the interest payable from time to time in respect of such debentures.
11. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
12. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
13. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **Calls on shares**



14. (i) The Board may, from time to time, by resolution passed at a meeting of the Board and not by a circular resolution, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) If by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his legal representatives.
- (iii) No call shall be made payable within two months after the last preceding call was payable. All calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.
- (iv) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (v) A call may be revoked or postponed at the discretion of the Board.
15. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
17. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
18. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
19. The Board-
- (a) may, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, all or any part of the monies due upon any shares held by him beyond the sums actually called for; and
- (b) upon all or any of the monies so paid or satisfied in advance, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

#### **Shares at disposal of the Directors**





20. Subject to the provisions of Section 62 of the Companies Act, 2013 (“Act”) and these Articles, the shares in the capital of the company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

#### **Limitation of time for issue of certificates**

21. Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine ) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission , sub-division, consolidation or renewal of any of its shares as the case may be.
22. Notwithstanding anything contained herein above, the Board may, in its absolute discretion, refuse applications for sub-division or consolidation of share certificates, debenture or bond certificates, into denomination of less than marketable lot except when such sub-division or consolidation is required to be made to comply with a statutory provision or on order of a competent court of law.

#### **Transfer of shares**

23. (i) The Company shall keep a Register of Transfer and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share, Debenture or other security held in material form.
- (ii) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
24. The Board may, subject to the right of appeal conferred by section 58 decline to register-
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

Subject to the provisions of Section 58, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company.

25. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.



26. The Board may decline to recognise any instrument of transfer unless –
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
  - (d) Subject to the provisions of Section 58 of the Act, and save and except in respect of any shares or debentures held by any Financial Institution in the Company, the Board may at its own absolute and uncontrolled discretion or in exceptional circumstance when it is felt that the transferee is not a desirable person from the larger point of view of the interest of the Company as a whole, decline to register or acknowledge any transfer of shares or debentures or any other scrip or security whether fully paid or not, (notwithstanding that the proposed transferee be already a member) and assigning reasons for such refusal, but in such cases it shall, within 30 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of refusal provided that the registration of a transfer shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has exercised its right of lien on the shares.
  - (e) Where, in the case of partly paid share, an application for registration is made by the transferor, the transfer shall not be registered unless the Company gives notice of the application to the Transferee in accordance with the provisions of Section 56 of the Act.
27. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
28. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

#### **Transmission of shares**

29. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares;
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
30. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.



31. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
32. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **Forfeiture of shares**

33. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
34. The notice aforesaid shall-
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
36. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
37. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
38. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;



- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share; and
  - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
39. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

40. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
41. Subject to the provisions of section 61, the company may, by ordinary resolution, --
- (i) increase its Share Capital by such amount as it thinks expedient;
  - (ii) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (iii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (iv) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (v) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
42. Where shares are converted into stock,-
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
 

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.
43. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.



### **Capitalisation of profits**

44. (i) The company in general meeting may, upon the recommendation of the Board, resolve-
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
45. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power-
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

### **Buy-back of shares**

46. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **General meetings**

47. All general meetings other than annual general meeting shall be called extraordinary general meeting.



48. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.  
(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **Term of issue of debentures**

49. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

#### **Proceedings at general meetings**

50. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.  
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
51. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
52. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
53. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

54. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.  
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.  
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.  
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **Voting rights**

55. Subject to any rights or restrictions for the time being attached to any class or classes of shares,-  
(a) on a show of hands, every member present in person shall have one vote; and  
(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
56. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
57. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.





- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
58. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
59. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
60. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
61. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **Proxy**

62. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
63. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
64. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **Board of Directors**

65. (a) The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
- (b) The First Directors of the Company shall be
1. Mr. Jairaj Champaklal Bham
  2. Mr. Rajesh Batra
  3. Mr. Girish Ranjit Advani
- (i) The number of Directors of the Company shall not be less than 3 (three) or more than 15 (fifteen), excluding Alternate Directors. However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting.
- (ii) Subject to the provisions of Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.
- (iii) The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.
- (c) The Board of the Company may appoint an alternate Director to act for a Director (hereinafter called 'the Original Director) during his absence for a period of not less than three months from India. An alternate Director appointed under this Article shall vacate office if and when



the Original Director returns to the India. If the term of office of the original Director is determined before he so returns to India, any provision in the said Act or in these Articles for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director but not to the alternate Director.

- (d) Subject to the provisions of Sections 161(4), 152 and 169 (5) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office until the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.
  - (e) Whenever the Board enter into a contract with any Central Government and /or State Special Director Government, any bank or financial institution or any person or persons (hereinafter referred to as the appointor) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Board shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointor shall have the right to appoint or nominate by a notice in writing addressed to the Company, one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Board may also agree that any such Director or Directors may be removed from time to time by the appointor entitled to appoint or nominate them and the appointor may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Board of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointor.
  - (f) A Director need not hold any qualification shares.
66. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
67. The Board may pay all expenses incurred in getting up and registering the company.
68. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
69. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
70. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
71. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.



- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

- 72. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 73. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 74. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 75. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 76. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 77. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 78. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 79. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 80. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

- 81. Subject to the provisions of the Act,-
  - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it



may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer
82. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **The Seal**

83. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **Dividends and Reserve**

84. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
85. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
  - (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
86. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
  - (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
87. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
88. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.



- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 89. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 90. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 91. No dividend shall bear interest against the company.
- 92. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "Company's Unpaid Dividend Account"
- 93. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.
- 94. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

#### **Accounts**

- 95. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

- 96. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
  - (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
  - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
  - (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Indemnity**

- 97. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.



## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of our Company on any working day (i.e., Monday to Friday and not being a bank holiday in Mumbai, Maharashtra) between 10:00 a.m. and 5:00 p.m. for a period of seven days from the date of filing of this Information Memorandum with the BSE and will also be available on our website at [www.naperol.com](http://www.naperol.com).

### *Documents for Inspection*

1. Composite Scheme of Arrangement amongst National Peroxide Limited (*currently known as Naperol Investments Limited*) and Naperol Investments Limited (*which is amalgamated with erstwhile National Peroxide Limited*) and NPL Chemicals Limited (*currently known as National Peroxide Limited*) and their respective shareholders and creditors, in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 as sanctioned by the NCLT *vide* order dated May 4, 2023;
2. Memorandum and Articles of Association of the Company, as amended till date;
3. Certificate of incorporation of our Company dated August 5, 2020;
4. Fresh certificate of incorporation of our Company dated January 31, 2024;
5. Resolutions of the Board of Directors of Company dated March 09, 2021, and September 21, 2022, approving the Composite Scheme of Arrangement and subsequent amendments to the Composite Scheme of Arrangement respectively;
6. Observation Letter issued by BSE under Regulation 37 of SEBI Listing Regulations, bearing reference no. DCS/AMAL/PB/R37/2144/2020-21 dated November 18, 2021, approving the Composite Scheme of Arrangement;
7. BSE letter no. DCS/AMAL/TL/IP/3125/2023-24 dated March 28, 2024 granting in-principle approval for listing;
8. Order of the National Company Law Tribunal, Mumbai bench, dated May 4, 2023, approving the Composite Scheme of Arrangement;
9. The report dated October 13, 2023 on the statement of tax benefit issued by the Statutory Auditors;
10. Tripartite Agreement dated April 27, 2023, with NSDL, Registrar and Share Transfer Agent and Company;
11. Tripartite Agreement dated April 27, 2023, with CDSL, Registrar and Share Transfer and Company;
12. Restated Financial Information of Company for the period of nine months ended December 31, 2023 and for last three financial years; and
13. SEBI's letter bearing reference number SEBI/HO/CFD/CFD-RAC-DCR-1 /P/OW /2024/18225/1 dated May 31, 2024 granting relaxation of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 as per the SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 issued by SEBI dated June 20, 2023 for the purpose of listing of the shares of National Peroxide Limited (*formerly known as NPL Chemicals Limited*).

Any of the contracts or documents mentioned in this Information Memorandum may be amended or modified at any time if so, required in the interest of Company or if required by other parties, without reference to the shareholders, subject to compliance with applicable law.

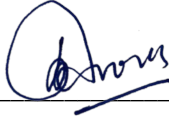




## DECLARATION

All relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines or circulars issued by SEBI, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities Contracts (Regulation) Rules, 1957, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines or circulars issued thereunder, as the case may be. It is further certified that all statements made in this Information Memorandum are true and correct.

**For and on behalf of the Board of Directors of National Peroxide Limited (formerly known as NPL Chemicals Limited)**



**Name:** Rajiv Arora  
**Date:** June 26, 2024  
**Place:** Mumbai

