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BASF India Coatings Private Limited

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 1st Director's Report of the Company for the period commencing from its date of incorporation i.e 11th December, 2023 to 31st March 2024.

Financial Highlights

(Rs.)

	11 th December, 2023 to 31 st March, 2024
Net Sales	0.00
Other Income	0.00
Total Sales and Income	0.00
Loss before Depreciation	(775)
Depreciation	0.00
Loss before Tax & Exceptional items	(775)
Exceptional item- expenses	0.00
Net Loss before Tax	(775)
Tax Expense	0.00
Net Loss after Tax	(775)
Add: Balance brought forward from previous year	0.00
Less: Dividend Paid	0.00
Profit available for appropriation	0.00
Balance carried to balance sheet	(775)

Financial Performance

Your Company is newly incorporated Company on 11th December, 2023 and it has been only 3 months since its incorporation. The Company is yet to commence its business activities and is in its initial stage, hence, there were no operations during the period under review commencing from 11th December, 2023 till 31st March, 2024.

During the period under review, the preliminary expenses amounting to Rs. 2,06,500 (including GST) were incurred in connection with the incorporation of the Company.

Fixed Deposits

Your Company has not accepted any deposits and accordingly, the provisions of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 are not applicable.

Directors' Responsibility Statement

In pursuance of section 134 (5) of the Companies Act, 2013, your Directors hereby confirm that:



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- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of period under review and of the profit and loss of the Company for that period.
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis; and
- (e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

- A) Conservation of Energy: Nil
- B) Technology Absorption: Nil
- C) Foreign Exchange earnings and outgo: Nil

As there are no manufacturing operations carried out by the Company, hence, has no foreign exchange earnings and no outgo transactions during the period under review.

Directors

The Company was incorporated on 11th December, 2023 and at the time of incorporation, following Directors were appointed as the First Directors of the Company.

Name of the Director and DIN	Designation
Mr. Sunil Sarangi (10422451)	Managing Director
Mr. Anil Choudhary (07733817)	Director
Mr. Manohar Kamath (05126825)	Director
Ms. Yvonne Yum (10422450)	Director

Statutory Auditors

M/s Deloitte Haskins and Sells LLP, Chartered Accountants, having registration number 117366W/W-100018, was appointed as the First Auditors of the Company at the Board meeting held on 11th January, 2024 to hold the office from the date of incorporation (i.e 11th December, 2023) until the conclusion of the first Annual General Meeting of the Company and to conduct the Statutory Audit for the period ended 31st March, 2024 at a remuneration determined by the Board of Directors of the Company.

The appointment of First Auditors of the Company has been approved by the Shareholders of the Company at the Extra Ordinary General Meeting held on 5th February, 2024 through audio-visual means.



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At the ensuing Annual General Meeting, M/s Deloitte Haskins and Sells LLP, Chartered Accountants is proposed to be appointed as the Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of this Annual General Meeting held until the conclusion of 6th consecutive Annual General Meeting of the Shareholders of the Company.

The Company has received confirmation from M/s Deloitte Haskins & Sells LLP that their appointment, if made at the ensuing Annual General Meeting would be within the limits as provided under the Companies Act, 2013 and that they were eligible for appointment as Statutory Auditors of the Company.

There are no qualifications/ reservations/ emphasis of matter placed by the Statutory Auditors in their report for the period under review.

Secretarial Audit

In terms of the provision of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit is not applicable to the Company and hence the Company is not required to annex the Secretarial Audit Report to the Board's Report.

Compliance with Secretarial Standards

As mandated by the section 118(10) of the Companies Act, 2013, your Company complies with the Secretarial Standards with respect to general and Board meetings (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.

Cost Auditors

As there are no products manufactured by the Company and the business of the Company is to undertake research and developmental activities and render engineering services, the provisions of Section 148 of the Companies Act, 2013 and the Rules framed thereunder are not applicable to the Company.

Related Party Transactions

Your Company has not entered into related parties' transactions, as per the provisions of the Section 188 of the Act.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

The Company has not provided any loans pursuant to the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder .

Particulars of Employees

There were no employees who were drawing salary more than the limits prescribed under Section 197(12) of the Companies Act, 2013 read with sub-rules 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no disclosure is required.



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Prevention of Sexual Harassment at Workplace

Your Company gives prime importance to the dignity and respect of its employees irrespective of their gender or hierarchy and expects responsible conduct and behavior on the part of employees at all levels. Providing for a safe and congenial work environment to all employees is an integral part of the Company's Code of Conduct.

Your Directors further state that during the period under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Risk Management

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Internal Financial Control Systems and their Adequacy

Your Company has policies and procedures for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

Reporting of frauds by the Auditors

During the period under review, there were no instances of fraud committed against the Company by its officer or employees, the details of which is needed to be mentioned in the Board's Report.

Change in the nature of business, if any

Your Company has not changed its nature of business during the period under review.

Details of Subsidiary/Joint Ventures/Associate Companies

Your Company does not have any subsidiary/joint venture/associate company at the end of period. Hence the details pursuant to the provision of section 129(3) need not to be given.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern of the Company and its future operations.

Material changes and commitments affecting the financial position of the Company

There were no significant material changes and commitments that have occurred between the date of the balance sheet and the date of the audit report.

Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy.



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Two Board Meetings were held during the period under review on the following dates: -

- 1) 28th December, 2023
- 2) 11th January, 2024
- 3) 12th February 2024

Corporate Social Responsibility

Since the Company do not fall under any criteria specified in sub-section (1) of section 135 of the Companies Act, 2013, it is not required to constitute a Corporate Social Responsibility ("CSR") Committee.

Disclosure of Composition of Audit Committee and Vigil Mechanism

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

Details of Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

Your Company neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year.

Acknowledgments

Your company takes this opportunity to thank all the Shareholders and investors of the company for their continued support. Your directors wish to place on record their appreciation for the co-operation and support received from employees, staff and other people associated with the company and look forward for their continued support.

On Behalf of the Board of Directors
For BASF India Coatings Private Limited

Sunil Sarangi
Managing Director
(DIN: 10422451)

Anil Choudhary
Director
(DIN: 07733817)

Mumbai
Dated: 13th May, 2024