



**Excel Industries Ltd.**



IS/ISO9001:2015  
IS/ISO14001:2015  
IS18001:2007  
Certified by BIS.

22<sup>nd</sup> August, 2023

BSE Ltd.  
Listing Department,  
Pheeroze Jeejeebhoy Towers,  
Dalal Street,  
Fort,  
Mumbai-400 001

National Stock Exchange of India Ltd.  
Listing Department,  
Exchange Plaza,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai-400 051

**Sub: Submission of Annual Report.**

**Ref:** BSE Scrip Code: 500650; NSE Scrip Code: EXCELINDUS

Dear Sir/Madam,

Pursuant to Regulations 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith Annual Report of financial year 2022-23 including notice of the 62<sup>nd</sup> Annual General Meeting of the Company for your record.

The Annual Report including Notice of the 62<sup>nd</sup> Annual General Meeting is also available on the Website of the Company at [www.excelind.co.in](http://www.excelind.co.in)

Kindly take the information on record.

Thanking you,  
Yours faithfully,

**For Excel Industries Limited**

S K Singhvi  
**Company Secretary**  
Encl: As above



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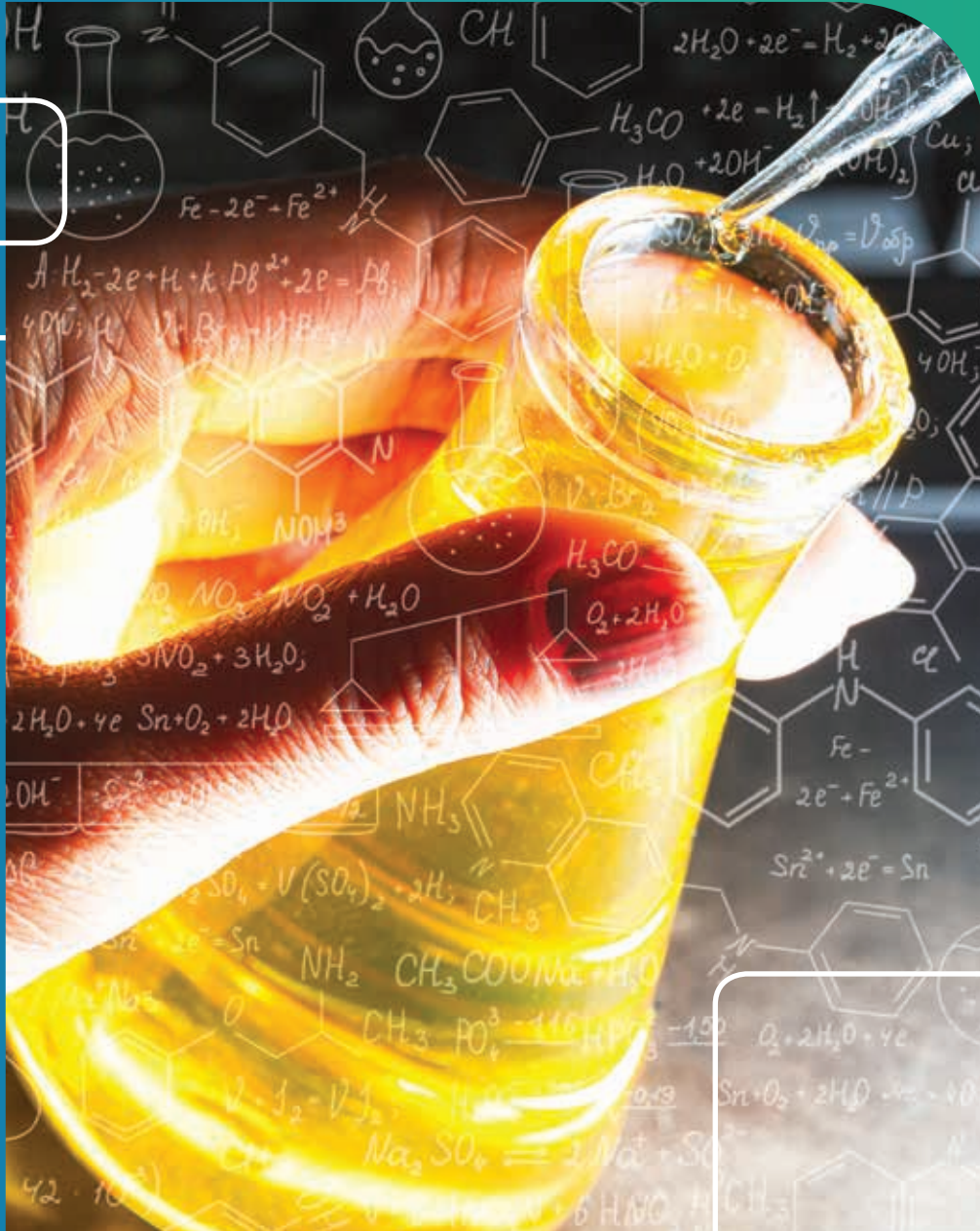
## Investor Information

Market Capitalization as on March 31, 2023	₹ 999.43 Crores
CIN	L24200MH1960PLC011807
BSE Code	500650
NSE Symbol	EXCELINDUS
Bloomberg Code	EXL:IN
Dividend Recommended	₹ 11.25
AGM Date	September 14, 2023
AGM Mode	Video conferencing/other audio-visual means

For more investor related information please visit:  
<https://www.excelind.co.in/annualReports.html>

Scan this QR code to navigate to investor-related information

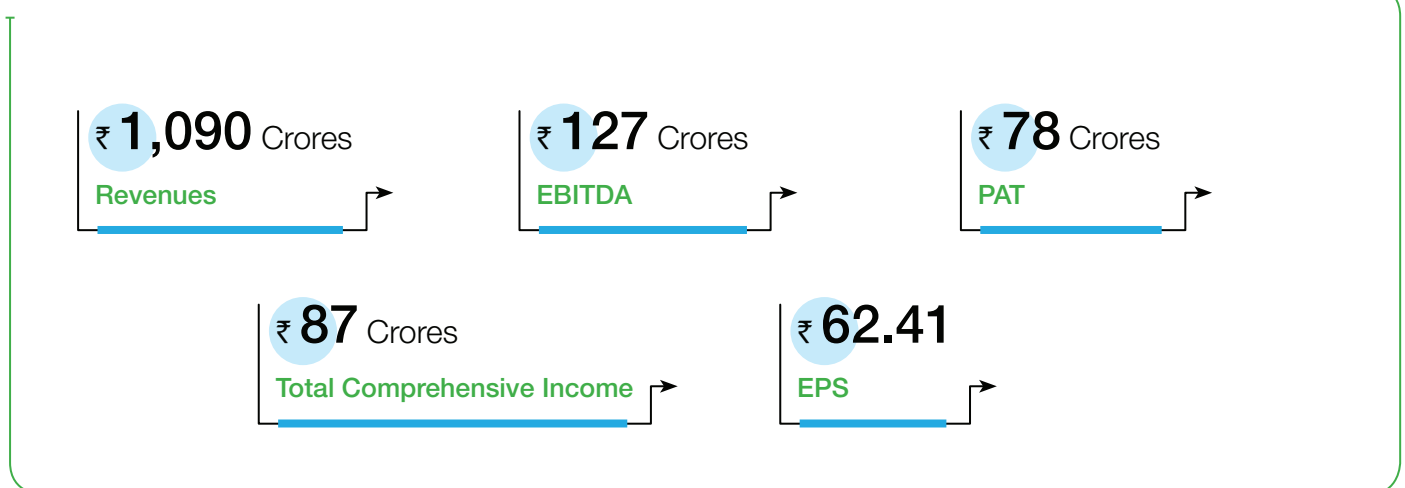




In a global environment where the chemical industry is constantly met with unprecedented challenges and rapid changes, our this year's annual report theme, 'Navigating Change. Empowering Opportunities.' takes on profound significance.

As an agile and forward-thinking organization, we have skilfully turned these challenges into stepping stones, using them as opportunities to enhance our global standing and invest in tech-driven innovative solutions. The theme captures our unwavering commitment and strategic approach to transforming industry upheavals into catalysts for growth and advancement.

### KPIs of FY 2022-23





# Excel Industries Limited: Pioneer in Chemical and Environment Management business

Excel Industries Limited has been ‘Making in India’ since 1941. We have established a strong presence in India’s chemical space through indigenous chemical technology. Over the years, we have developed several complex products and achieved numerous breakthroughs in chemical processes, through the best-in-class technological setup.

We specialize in manufacturing of Agrochemical intermediates and Specialty Chemicals, polymer inputs, pharmaceutical intermediates and APIs (Active Pharma Ingredients). Besides, we have also pioneered in Organic Waste Management and Municipal Solid waste management in India, emphasizing our commitment to sustainable practices.

Our manufacturing facilities located at Roha, Lote, and Vishakhapatnam, are equipped with state-of-the-art technology and infrastructure to ensure high-quality production and efficient operations.

**1941**

Year of Establishment

**3**

Manufacturing Units

**31**

R&D Scientists

**19**

Unit Processes and Reactions

**2** Million Litres

Process Volume

**No. 1**

Producer of DETC in the World

**No. 5**

Phosphonates Manufacturer in the World

## OUR EDGE

We manufacture complex products through our best-in-class technological setup.

## OUR RESPONSIBILITIES

Our responsibilities towards the community and environment is further evidenced by being a part of the select league of 'Responsible Care' companies.

## OUR VALUES

We firmly believe that long term corporate success has its roots in strong value-based growth. Our values are the ideas that define and drive us, convey our vision for the future and the means with which we will realize this vision.

## DYNAMISM

Agility and adaptability are essential qualities for a modern corporation. In a world where technology and market conditions are constantly in a state of flux, it is our ability to change that helps us emerge stronger.

## COMPASSION

To balance the needs of others with our growth it is essential that we first understand their concerns. From the senior management to the workers on the factory floor, everyone at the Excel Family is committed to making a difference to our larger goals and it all begins with a sympathetic ear and an open mind.

## EXPERTISE

From research to manufacturing, from factory floor to shipped goods, we strive for excellence in every facet of our operations.

## TRADITION

We are proud of our heritage and the ideals that have enabled our growth. As we poise for our next phase of growth, our Company traditions and values, suitably adapted to the changing environment over the time, will be our guiding lights.

## EMPLOYEES' LOYALTY

Average service years of the employees is 20 years which reflects their trust and loyalty towards the Company.



# Our Journey Since Inception

**1941**

Year of Inception for Excel industries and Jogeshwari Site established

**1960**

Established Amboli (Mumbai) Site

**1971**

Went public, with our first public issue of ₹ 50 lakhs. Established Bhavnagar Site

**1972**

Commissioned India's first indigenous phosphorus plant

**1975**

Inaugurated Roha plant and commenced manufacturing of Phosphorus Trichloride

**1983**

Commenced manufacturing of DETC at Roha Site

**1984**

Entered into the Environmental Biotechnology field and established Lote site

**1991**

Celebrated golden jubilee year

**1995**

Received ISO 9002 certification from BIS, a major achievement

**1998**

Established Silvassa Site

**1999**

Commenced manufacturing of P2S5 at Roha Site

**1940  
to 1972**

**1975  
to 1984**

**1991  
to 1999**



2000

Developed a cocatalyst for a major polymer producer

2003

Agri inputs division spun off as Excel Crop Care Limited

2004

Received ISO 14001 Certification

2005

Received ISO 18001 Certification

2012

Inaugurated Pharma facility at Lote for production

2013

Certified with Responsible Care

2018

Established multipurpose plant at Lote site

2019

Acquired Visakhapatnam Site

2020

Received Environmental Clearance for expansion at Lote

2021

Received Environmental Clearance for expansion at Roha

2023

Set up PCL3 plant at Lote

2000 to 2005

2012 to 2018

2019 to 2023

# Our Business Diversity Makes us Ready for Emerging Opportunities



## CHEMICALS

### Agrochem Intermediates

Manufactures P2S5, PCI3, PCI5, PSCI3, DETC, DMTC, DMPAT, NaTCP

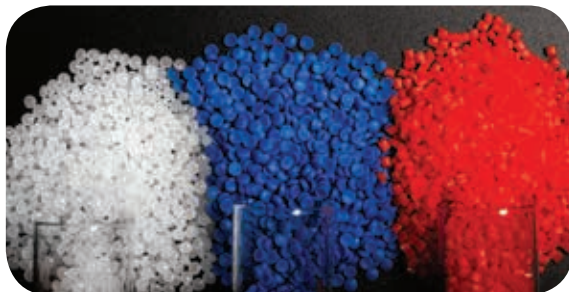


**Application areas:**

- Organophosphorus insecticides and herbicides
- Hospital and industrial & institutional cleaning

### Polymer Additives

Manufactures property modifiers and functional additives



**Application areas:**

- Polymer product manufacturing or as property modifiers

### Speciality Chemicals

Manufactures HEDP, ATMP, DTPMP, Acetyl Chloride, Specialty mining additives, Phenolic & Non-Phenolic Biocides, Phenyl Hydrazine



**Application areas:**

- Water Treatment
- Textiles, Soaps & Detergents, Industrial & Institutional cleaning, Mining additives Oilfield chemicals.

### Pharmaceuticals Intermediates & API

Manufactures Febuxostat, Teneligliptin API and Butaphosphan



**Application areas:**

- API for gout, diabetics and veterinary nutritional supplements



## ENVIRONMENT AND BIOTECH

### Integrated MSW

Manufactures compost and Refuse Derived Fuel (RDF), recovery of metals and plastics recovery and recycling

### Sanitreat

A non-hazardous mixture of mineral and herbal components that control the putrefaction process of organic waste materials

### Bioculum

This is a ready-to-use composting culture. A fastest-acting culture that can decompose all kinds of agro waste in a matter of one month by way of aerobic composting

### Excel Organic Waste Converter

A decentralized organic waste treatment system that processes organic waste into rich compost and converts spoil to soil; it can handle waste quantities up to 2 MT per day

#### Uses:

- Residential societies
- Hotels/restaurants
- Educational institutes
- Office canteens
- Hospital kitchen/canteen
- Industrial canteens
- Agriculture markets
- Places of worship

### Excel Orco

A smart, robust and efficient solution that converts segregated organic waste to quality compost

#### Uses:

- Small residential societies
- Cafes/restaurants
- Corporate offices
- Places of worship
- Schools/colleges
- Clubs/resorts



## AGRI PRODUCTS

Excel Industries Limited has a tradition of working for agriculture and with farmers. It is continuing this tradition with a new range of (soft) products that can help agriculture and will provide a better economy for the farmers.

### 1 Celjal

Celjal is a water conditioner for water to be used for foliar applications. It enhances the performance of plant protection chemicals and soluble fertilizers. It also improves the pH of water and helps the spread of plant protection chemicals.



### 2 Varshacel

All the crops grow well in the monsoon season due to the availability of pure water from the rains. After the rains, the groundwater needs to be used for cultivation. This groundwater (from wells, canals or other sources) has dissolved solids and cannot transport nutrients, as done by monsoon water. Varshacel helps here. One can observe improved vigour in crops even in the post-monsoon season, by regularly using Varshacel for irrigation.



### 3 Epicel

Epicel is a Biostimulant. It enhances crop productivity significantly by mobilizing the nutrients fixed in the soil. It is a black gel and is completely soluble in water. Additionally, it can be supplied through drip systems as well as drenching or flood irrigation. Epicel can be mixed with powder/granule fertilizers for delivery near the root zone of the crops. Depending on the plant life cycle, Epicel can be dosed one time or multiple times to enhance productivity.

After application of Epicel, one can observe the growth of white roots, shoots and greener leaves. Moreover, the leaves become thicker and flat. It enhances crop resistance to biotic and abiotic stress. Epicel affects the vegetative as well as reproductive growth of plants and guarantees good returns to farmers.



4

### Richcel

Richcel is a compost manufactured by the aerobic decomposition of organic waste.

It enhances organic carbon in the soil and improves the porosity of the soil for better water holding. Additionally Richcel delivers nutrients in bioavailable form; hence, it is much more effective than synthetic fertilizers.



5

### Xscalent

Xscalent is a safe way to clean choked up drip systems at a low cost of operation.

It is safe for humans, crops, soil and drip systems.

Farmers' do not need to remove the lateral pipe for cleaning purposes. It gets cleaned in the field. Additionally, Xscalent can do the job with standing crops without hurting white roots.



6

### Bioculum-AW

This is a ready-to-use composting culture. A fastest-acting culture that can decompose all kinds of agro waste in a matter of one month by way of aerobic composting. Bioculum-AW creates compost that is free of weed seeds and insect larvae/eggs.



## SEMI-AUTOMATIC COMPOSTING SOLUTIONS

1

### Excel Biorapid

Excel Biorapid is a fully automatic rapid composter that enables aerobic composting of segregated organic waste. This dual-chamber composter has the ability to treat 75-450 kg of waste per day, converting it to usable compost.



2

### Excel BioTurn

A rotating drum composter, which is also a fully automatic, non-heating composter, which enables easy aerobic composting of organic waste.



# Awards and Accolades



Our Company has always developed its products for Import Substitution using indigenous technologies to serve our customers. Carrying on this legacy, the Company developed an agrochemical intermediate which is a 100% import substitute. For this achievement, our esteemed customer Rallis India Limited recognized us with the 'Make in India Partnering Award'. This award was presented to the Company during Rallis' Annual vendor meet 'Samagam' held on March 13, 2023. We thank Rallis India Limited for this honour.



FICCI Chemicals and Petrochemicals Awards 2022  
Category - Sustainability, 'Excellence in Safety'



'Make in India Partnering Award' at the Rallis' Annual vendor meet



FICCI Chemicals and Petrochemicals Awards 2022: Award for 'Sustainability: Excellence in Safety' in chemicals

# Chairman's Message



In an increasingly VUCA world, it is paramount to not just adapt, but to transform and find opportunities within the challenges. ”

## Dear Friends,

It fills me with immense pride and gratitude to once again pen this message for this year's report. Our journey over eight decades has been steered by a staunch

commitment to ethical and responsible business practices, coupled with an unwavering dedication to environmental conservation and societal well-being.



In an increasingly VUCA (Volatile, Uncertain, Complex, and Ambiguous) world, it is paramount to not just adapt, but to transform and find opportunities within the challenges. At Excel Industries Ltd., we have ceaselessly strived to perceive these turbulent times through a lens of innovation and resilience. Over the years, we have fostered enduring relationships with our stakeholders, cultivating an environment of trust and collaboration. Our unwavering commitment to excellence permeates every aspect of our operations, from our meticulously maintained production lines to the consistent delivery of high-quality chemicals.

We are also fortunate to have built a dedicated workforce that have strongly embodied the values of our organization. Their loyalty and ownership have been the bedrock of our consistent success. It's a testament to our shared vision and resilient corporate culture that we see second and third generations of families choosing to contribute their skills and passions to Excel Industries Ltd.

As a conscientious corporate citizen, we hold a deep understanding of our role in stimulating local employment and nurturing an environment conducive to growth. Our commitment extends beyond business, towards the communities that we are privileged to serve. Guided by a profound sense of responsibility towards the environment and society, we uphold the maxim of 'learn, grow, and give back.' This philosophy is ingrained in our corporate DNA, enabling us to foster an ecosystem of continuous learning, nurture growth opportunities, and actively contribute to society's progress.

**The climate change issue is becoming more and more urgent every day as we have been witnessing disastrous impact of climate change so frequently. Its main cause is carbon dioxide. While, on one hand, there is need to sequester the CO<sub>2</sub> in the atmosphere (eg. growing seaweeds on large scale), on the other hand, it is equally important to ensure that further generation of CO<sub>2</sub> is minimized. Electricity which is mainly fossil fuel derived, plays an**

**important role in CO<sub>2</sub> generation. If we are able to consume 30% lesser electricity by changing our lifestyle habits and responsible consumption, by 2030, we will be able to minimize CO<sub>2</sub> generation to a significant level. Corporates can play an important role to adopt sustainable business model where both financial stability and environmental sustainability are balanced. We, at Excel and also through our associated organizations, are making efforts through our products and services like soft agri input products, solid waste management, growing of seaweed, lithium battery recycling etc. We are also taking our resolve to minimize electricity consumption by 30% by 2030, if not earlier.**

We remain vigilant and receptive to the pulse of the industry, constantly attuned to emerging trends in demand, technology, and other significant market dynamics. This proactive mindset empowers us to stay ahead, to anticipate and adapt rather than merely react. By tapping into our accumulated knowledge and harnessing our inherent ingenuity, we have been successful in generating creative solutions that address real-world problems. This fusion of innovation and practicality not only enhances our product portfolio, but also contributes towards building a sustainable and viable future for all.

In conclusion, I want to express my gratitude to all our stakeholders who have been instrumental in our journey thus far. Together, let us embrace the future with optimism, resilience, and a commitment to innovation.

Best Wishes  
**Ashwin C. Shroff**  
 Executive Chairman

# Managing Director's Message



“

The past year was dynamic, showcasing our resilience and adaptability. We successfully navigated it by focusing on strategic priorities and making swift decisions. ”

## Dear Shareholders,

Reflecting on the past year, we witnessed significant changes in our industry landscape, which brought a unique blend of opportunities and challenges. Notably, we have navigated the upheaval of the COVID crisis, which, despite being largely behind

us, has left a lasting impact on the chemical industry. Its effects are visible in the form of opportunities, but also in challenges like inflationary pressures and a recessionary environment.

On a positive side, I am proud to state that India remains a preferred destination for chemical manufacturing, offering extensive prospects for growth. To effectively capitalize on these opportunities, we are actively investing in technology and embracing innovative solutions. Our goal is to strengthen our existing capabilities and expand our product offerings, thus fortifying our market reach/market share. Leveraging technology as a differentiator allows us to enhance our value proposition, even amidst challenging circumstances.

The past year was dynamic, showcasing our resilience and adaptability. We successfully navigated it by focusing on strategic priorities and making swift decisions. Our emphasis was on cost management and to imbibe financial discipline. This approach allowed us to retrieve an equitable balance sheet and provided us the flexibility to invest in growth opportunities. Besides, we continued to focus on getting closer to our customers, adopting new technologies, and enhancing our global market position. By investing in these areas and increasing our outreach programs, we continued to strengthen our global visibility.

The volatile pricing scenarios may persist for a while, but we will continue to remain vigilant and adaptable. Capital management and allocation also remain central to our priorities. In the past, we've executed significant capital expenditure, including the acquisition of the Visakhapatnam site and expansion of our existing production capabilities. We have also introduced new

products, including in areas of water treatment chemicals, which enhance our capabilities in line with increased volumes. Technological advancements and asset maintenance at our Lote and Roha sites support our growth trajectory, and our Vizag facility has seen expanded volume capabilities for existing and new products.

Looking ahead, we anticipate the industry scenario to continue evolving over the next six to twelve months. Volatility in raw material prices and global macroeconomic environment is likely to put pressure on margins. Agility in response and efficient cost management will be even more important going forward. We will persist in utilizing our capital for technology investment to strengthen our industry leadership position.

I am sincerely thankful to all our stakeholders for their resilience and dedication during these testing times. Together, we have overcome many obstacles and are set on a promising path for the future. Let us remain focused, adaptable, and united as we navigate the ever-changing landscape and seize the opportunities that await us.

Warm regards

**Ravi A. Shroff**

Managing Director

# Executive Director's Message



We are committed to integrating sustainable strategies and promoting circularity in all our processes, ensuring that we contribute positively to the well-being of the planet while driving growth and innovation in our space. ”

## Dear Shareholders,

As we step into the new financial year, there is a profound sense of optimism for our environment and biotech business, with a strong emphasis on the increasing prominence of sustainability, circular economy principles, and eco-friendly practices.

India, and the rest of the world, is transitioning decidedly from a linear economy to a circular economy. Dynamic changes in several regulations will pave the way for downstream demand for circular resources. Additionally, there are several voluntary initiatives in the corporate sector that will enhance the speed of transition. After a complete recovery post-pandemic, waste management activities have shown renewed growth across India. Urban local bodies, the real estate sector, corporate sector, hotels, and restaurants have all experienced significant progress under SBM 2.0 & Swachh Survekshan monitoring. The regulations under the Extended Producer Responsibility (EPR) are also getting comprehensive, in width and depth, and will create a favourable framework for offtake of recycled products.

We are committed to integrating sustainable strategies and driving circularity in all our processes, working with suppliers, customers and partners. In doing so, we are ensuring our positive contribution towards the well-being of the planet, while driving transition of circular resources in the larger ecosystem. The introduction of EPR in plastic waste, e-waste and battery waste management has further increased the effectiveness and coverage of the Waste Management Rules. Going ahead, the EPR will continue to extend its coverage to other waste management streams like vehicle scrappage and C&D, as well. This has paved the way for a more sustainable approach to waste management, as it ensures that the responsibility for managing waste lies not just with local authorities but also with producers and manufacturers.

At Excel, we take pride in being at the forefront of the ongoing regulatory changes, as they form the foundation for our growth and innovation. Despite the challenges posed by the COVID-19 pandemic, our continuous engagement with clients allowed us to

recover and achieve an impressive 200% growth in Decentralized Waste Management during the year. Some of our other significant achievements during the year include:

- Established market for our two new in-vessel Semi-Automatic Composting Solutions, Bioturn, and Biorapid
- Received good traction of orders from the B2G segment, particularly from Zonal Level Projects of various Urban Local Bodies (ULBs) into the interior hilly regions of North India
- Achieved a significant breakthrough in establishing a 5 TPD Biogas Project in Maharashtra, which not only helped in acquiring the much-needed pre-qualification but also enabled us to align with our strategy of comprehensive waste management solutions; besides it is one of the fastest growing streams in waste management with strong impetus from the Government through favorable schemes
- Ventured into several ambitious strategic areas by setting up C&D waste recycling project at Rajkot, plastic recycling unit in Ahmedabad and by commissioning material recovery facilities in Pune

We also made progress in our exports. We achieved timely execution of three end-to-end solution projects in the Philippines. Besides, we have received letter of award from Maldives Clean Environment Project (MCEP) tender for supply of Organic waste solutions to four islands.

As we move forward, we remain committed to driving progress, sustainability, and environmental responsibility. Our determination to tackle waste management challenges and contribute to a cleaner world continues to guide our actions and initiatives.

We are using these times filled with excitement and change to build strong systems processes, build relationships and partnerships, nurture talent and collaborate across industry value chains.

Best Wishes  
**Hrishit A. Shroff**  
Executive Director

# CEO's Message



In order to tide over the tough situation anticipated during the year, the Company focussed on efficient cost management, productivity improvements and supply agility. ”

## Dear Shareholders,

At the start of the FY 2022-23, certain macro developments further complicated the then prevailing VUCA (Volatility, Uncertainty, Complexity & Ambiguity) environment. Ripples due to Russia-Ukraine war and the inventory surplus in the entire value chain across the Chemical Industry dampened the mood and momentum of growth for the Company.

In order to tide over the tough situation anticipated during the year, the Company focussed on efficient cost management, productivity improvements and supply agility.

The Operations Team focussed on further improving the consumption efficiencies, jointly collaborating with the R&D Team. Improvements in solvent recoveries, improving process yield in some of the products were implemented to keep the costs down.

Another area was to reduce inventory across entire value chain, from raw materials to products. This was required to be done without compromising reliability of finished goods delivery to customers. Supply chain teams revisited the lead times required for procurement and where possible, reduced them. Additionally, a flexible strategy on procurement was employed which helped us to remain competitive and thereby retain market share.

Sales & marketing teams coordinated very closely with customers in order to improve demand forecasting and ensure that their orders are fulfilled in time. As a measure of monitoring performance, the team tracked delivery OTIF (On Time In Full) on a monthly basis and implemented improvement actions for the same.

Manufacturing sites focussed on productivity improvements by reviewing capacity utilization, reducing batch cycle times and by increasing batch size where possible. These parameters were tracked on a periodic basis and the improvements implemented.

Overall the uncertain situation continues and the company need to progress on these actions until the growth momentum revives.

Best Wishes

**N. R. Kannan**

Chief Executive Officer

# Sustainability Overview



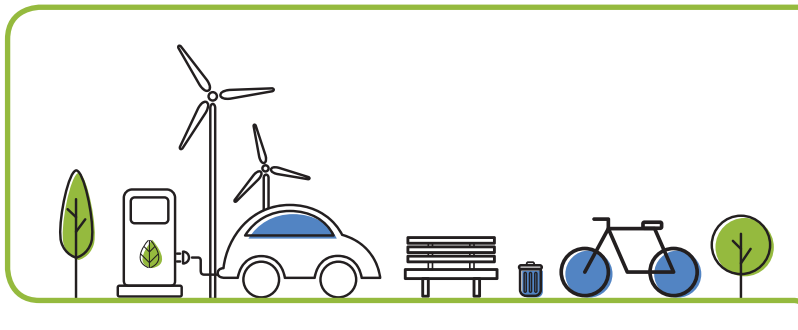
At Excel Industries, we firmly believe in the harmonious balance of People, Profit, and Planet to achieve long-term sustainability and create value for our stakeholders. Our commitment to being a responsible corporate citizen guides our actions and drives our success. We prioritize the planet by implementing environmentally sustainable practices and continually strive to go above and beyond expectations to safeguard and enhance the natural environment. At the same time, we prioritize people by providing a work environment where employees find value in their daily tasks, ensuring safety, health, and fostering opportunities for personal and professional development through education and active participation. By protecting the interests of all our stakeholders, we are committed to achieving sustainable growth and making a positive impact on society.

₹ **10** Crores+

Amount spent on CSR activities in last 5 years



# Corporate Social Responsibility



Since inception, Excel Industries has actively engaged in corporate social responsibility (CSR). We fulfill this duty through direct involvement as well as partnerships with registered voluntary organizations. Our CSR policy encompasses a wide range of activities aimed at making meaningful contributions to society. Our dedication to creating a positive impact on the environment and local communities has not only reinforced our business value but also reflects our steadfast commitment to prioritizing the overall well-being of society. As an industry player, we firmly believe in our responsibility to go beyond profit-making and actively contribute to the betterment of society.



# NATURAL RESOURCE MANAGEMENT



## Watershed Management

- Desilting & rejuvenation of ponds, river, check dams
- Construction of check dam
- Spring shed development
- Construction of ferro cement tanks
- Other watershed management projects – drinking water facility, wetland development and surveys

Coverage	Roha	Lote	Grand Total
<p>Villages</p>	18	16	34
<p>Beneficiaries</p>	3,730	4,332	8,062



Drinking water facility sand filter at Pale khurd Village, Roha, Raigad



Rejuvenation of natural resource Asgani, Khed, Ratnagiri



New water tank construction at Pale Khurd Adivasiwadi Village, Raigad



Repairs of water wells at Talaghar, Roha, Raigad



Rejuvenation of natural resource, Ghanekhunt, Ratnagiri



Desilting of River at Kudali, Atone

# AGRICULTURE



- Training of farmers
- Land development
- Market support
- Material support

Coverage	Roha	Lote	Grand Total
Villages	62	67	129
Beneficiaries	480	474	954



Groundnut Seeds Distribution Sukivali, Khed Taluka, Ratnagiri



Krushi Pradarshan-Kulvandi, Khed, Ratnagiri



Kartule cultivation plants Distribution, Karivane, Roha Taluka, Raigad



Turmeric Cultivation, Roha Taluka, Raigad

# ANIMAL HUSBANDRY



- Training and awareness meetings
- Distribution of poultry & goats
- Infrastructure and material support

Coverage	Roha	Lote	Grand Total
Villages	52	12	64
Beneficiaries	389	499	888



Cattle Diseases Awareness and Training, Dhamnand, Khed, Ratnagiri



Goat farming – Bhise Taluka Roha Raigad



Poultry farming, Kaveri variety – Shenvai, Farmers, Roha Taluka, Raigad



Safety jacket distribution to fishermen – VRTI Campus, Taluka Roha, Raigad

## ECONOMIC EMPOWERMENT OF WOMEN



### Women Empowerment

- Skill development training
- Entrepreneurship development support

Coverage	Roha	Lote	Grand Total
Villages	77	14	91
Beneficiaries	1,220	351	1,571



Wellness center, VRTI Training Hall, Roha, Raigad



Milk Value Addition Training Dhamnand, Khed, Ratnagiri



Tahasildar Madam Visit, sewing machine distribution, VRTI Training Hall, Roha Taluka, Raigad



Two Wheeler Training Lote, Khed, Ratnagiri

## PROMOTION OF EDUCATION



### Education

- Academic support
- Career guidance
- Development of school infrastructure
- Co-curricular & extracurricular activities

Coverage	Roha	Lote	Grand Total
Villages	20	27	47
Beneficiaries	1,875	3,073	4,948



Digital Support to ITI Government College, Pimpali, Khed, Ratnagiri



Safety week training, High School Roha Taluka, Raigad



Special guidance program to SSC students, Roha Aashram School Sanegaon, Roha, Raigad



Infrastructure Support to Zilla Parishad School, Kasai, Khed, Ratnagiri

# HEALTHCARE



## Healthcare

- Health check-ups camps and eye camps
- Nutrition support
- Material support

Coverage	Roha	Lote	Grand Total
Villages	36	16	52
Beneficiaries	199	918	1,117



Batch 1 nursing training class material support, VRTI Training Hall, Roha Taluka, Raigad



Health Check-up Camp Katakari Community Dhamnand, Khed, Ratnagiri



Batch 3 nursing training class material support, VRTI Training Hall, Roha Taluka, Raigad

# ENVIRONMENT SUSTAINABILITY



## Environment Sustainability

- Tree plantations
- Waste to manure training
- Cleanliness drives

Coverage	Roha	Lote	Grand Total
Villages	21	19	40
Beneficiaries	2,950	2,275	5,225



Tree Plantation Lote, Khed Taluka, Ratnagiri.



Bio Gas Unit – Amdoshi, Taluka Roha, Raigad

## COMMUNITY INFRASTRUCTURE DEVELOPMENT



### Community Infrastructure Development

- Approach roads
- Construction & repair works – common property resources
- Sanitation Facility
- Awareness Programs



Disaster Management Awareness Program Choravane, Khed, Ratnagiri



Sanitation facility- Tumbad, Tal. Khed, Ratnagiri

Coverage	Roha	Lote	Grand Total
Villages	15	18	33
Beneficiaries	5,310	8,781	14,091



Mr. Rajendra Chirwalkar ,Mr. Ulhas Thakur  
Mr. Perumal Manoharan BSI, Auditors, Raigad



Entrepreneurship development, Roha Taluka, Raigad

## AWARDS & RECOGNITION



Special Appreciation Certificate from Shri. Bhagatsingh Ji Koshyari in Raj Bhavan



District Level Award from Agriculture Department for Marketing Support and Innovative Experiments in Farming Field



# Board of Directors

## **Mr. Ashwin C. Shroff**

### **Executive Chairman**

Mr. Ashwin C. Shroff, as an Executive Chairman, has always led a formidable leadership. Affectionately called Ashwin bhai in the organization, he always leads by example and is the bearer of all the values that make life at Excel so special. He is firmly committed to the Excel way of working, building consensus and democratic processes.

He has been serving the Company since 1965 and his leadership continues to inspire the entire group to march ahead. Mr. Ashwin C. Shroff is on the Board of several companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited and Kamaljiyot Investments Limited.

He has been widely recognized for his contributions to the growth of the Indian chemical industry and has also received the Indian Chemical Council (ICC) Lifetime Achievement Award in 2012.

## **Mr. Ravi A. Shroff,**

### **Managing Director**

Mr. Ravi A. Shroff is a young and dynamic Managing Director of the Company. He is the third generation industrialist in the A. C. Shroff group of companies. He was an Executive Director of the Company w-e-f September 03, 2014 and was elevated to Managing Director w-e-f September 03, 2019. Before joining the Company, he served as an Executive Director for 7 years with Anshul Specialty Molecules Private Limited and spearheaded Anshul to the path of growth and diversification.

At Excel, he has been steering the chemical division including strategic new business of Pharmaceutical and Veterinary APIs and has launched several new pharmaceutical molecules / products under his stewardship. He is also a Director on the Board of reputed companies including Transpek Industry Limited, Anshul Specialty Molecules Private Limited, Kamaljiyot Investments Limited. He is an Engineering Graduate (BE Chemical) from Mumbai University and a Post Graduate in Chemistry from Boston University, USA.

## **Mr. Hrishit A. Shroff,**

### **Executive Director**

Mr. Hrishit A. Shroff was appointed as an Executive Director with effect from June 27, 2019. He is a Commerce graduate and a Chartered Accountant. He has also successfully completed an executive management course from the Harvard Business School. Before becoming the Executive Director of the Company, Mr. Hrishit A. Shroff was working with the Company since February 01, 2017 as the President (Environment & Biotech Business and Corporate Services). He has been heading and steering the Environment and Biotech Division and has successfully launched several Solid Waste Management solutions under his leadership. Before joining the Company he was an Executive Director at Excel Crop Care Limited and had over 10 years of experience in agro chemicals industry and Business Management. Amongst other positions, he holds Directorship in Excel Bio Resources Limited, a wholly-owned subsidiary of the Company, MobiTrash Recycle Ventures Private Limited, Associate of the Company and Agrocel Industries Private Limited.

## **Mr. Dipesh K. Shroff**

### **Non-Executive Director**

An industrialist with vast experience in the Chemicals and Agrochemicals Industries, Mr. Dipesh K Shroff holds diploma in civil Engineering and Owners'/ Presidents' Management Programme at Harvard Business School to his credit. He serves on the Board of a number of companies including Agrocel Industries Private Limited, Transpek Industry Limited and TML Industries Limited.

## **Mr. Atul G. Shroff**

### **Non-Executive Director**

A highly experienced Industrialist, Mr. Atul Shroff is the Promoter Director of Transpek Industry Limited. He is actively involved with the Excel Group. He is part of the Board of Transchem Agritech Private Limited and Madison Investments Private Limited. Mr. Atul Shroff is also very active in CSR and NGO activities specially skilled development, agriculture, tribal area, health care etc.

## **Mr. Harish N. Motiwalla**

### **Independent Director**

Mr. Motiwalla is a Chartered Accountant by profession and a highly respected professional in corporate India. He is a senior partner of H. N. Motiwalla & Co. and Chajjed & Doshi. Mr. Motiwalla has vast experience in the field of Accounting, Audit, Finance, Taxation, Corporate Governance and Company Law. He serves as a Board member in several companies including Hitech Corporation Limited, Multibase India Limited, Ashapura Minechem Limited. He is also Chairman of the Audit Committee of several listed companies. Mr. Motiwalla has been serving the Board since 2002.

## **Mr. Priyam S. Jhaveri**

### **Independent Director**

Mr. Jhaveri is an industrialist with vast experience in chemicals and textile auxiliary industry. He has been a Director of Excel Industries Limited since October 20, 2002. Apart from serving as the Chairman and Managing Director of Phthalo Colours & Chemicals (I) Limited and he also holds directorship in quite a few companies including Sadhana Nitro Chem Limited. Mr. Jhaveri holds a B.Com degree from the Mumbai University and a Diploma in Business Management. Mr. Jhaveri is also connected with health care institutions.

## **Mr. Ramchandra N. Bhogale**

### **Independent Director**

Mr. Bhogale holds a Bachelor's degree in Mechanical Engineering and has a vast experience in auto components and kitchenware industries. He is an eminent industrialist and possesses versatile skills, experience and knowledge in the field of management and administration. Amongst other positions, he serves on the Board of Umasons Auto Compo Private Limited. He has served as Chairman/Director of various Institutes, NGOs like Mumbai Port Trust, Charitable Hospitals. He has also promoted an Innovation Centre.

### Mr. Rajeev M. Pandia Independent Director

Mr. Rajeev M. Pandia is a highly respected corporate professional in the chemical industry and is well known for his contribution to the industry through various forums.

He headed Herdillia Chemicals Limited (later Schenectady Herdillia Limited and SI Group, India) as the Vice Chairman and Managing Director from 1992 until December 2008. He was, thereafter, the Group Adviser and Director of SI Group (Global Markets), USA. During 2013, he was appointed on a Committee to draft the National Chemical Policy for India by the Ministry of Chemicals and Fertilizers, Government of India. He has been associated with high level audits for many years in respect of EHS, Sustainability and Technology functions.

He was appointed on the Jury of World Chemistry Awards 2015, a global recognition program for the international chemical industry, being the only member from Asia. As a consultant, he now advises several Indian and international companies in the areas of Strategy, Project Execution and Operational Excellence.

He is a graduate in Chemical Engineering from Indian Institute of Technology (IIT), Mumbai and holds the Master's degree in the same field from Stanford University, California. Among others, he is a director in Thirumalai Chemicals Ltd, Ultramarine & Pigments Ltd, GRP Limited and Supreme Industries Limited.

### Mr. Shailesh S. Vaidya Independent Director

Mr. S. S. Vaidya is a practicing advocate and solicitor. He is a partner in Messrs. Kanga and Company, a 125-year old and reputed law firm of advocates and solicitors.

He was the President of Indian Merchants' Chamber (Premier Chamber of Commerce in the Western India) for the year 2013-14. He is a Managing Committee Member of the India Merchants' Chamber and Bombay Incorporated Law Society. He is also a director in several public limited companies, including Apcotex Industries Limited.

### Mr. Madhukar B. Parekh Independent Director

Mr. M. B. Parekh holds a Post Graduate degree in Chemical Engineering from University of Wisconsin, USA, and he is an industrialist with rich experience in the chemical industry and consumer products. He is the Executive Chairman of Pidilite Industries Limited and Chairman and Managing Director of Vinyl Chemicals (India) Limited and also holds directorship in several other companies including Fevicol Company Limited. Pidilite Industries is very active in many CSR and social and charitable activities.

### Dr. Meena A. Galliara Independent Director

Dr. Meena Galliara, is currently appointed as Director, Jasani Center for Social Entrepreneurship & Sustainability Management, Narsee Monjee Institute of Management Studies (NMIMS). She has been a Fellow of the Business in Community, the Indian arm of Prince of Wales Business Forum, UK. For little over a decade she worked as Faculty Member in the Department of Social Welfare Administration at TISS. In the duration

of her work at TISS, she actively contributed to research in the area of political empowerment of women, impact assessment of social welfare schemes, labour welfare schemes and management of NGOs. She was deputed by TISS to set up Tata Council of Community Initiatives and was part of the Maharashtra State's research team on 73rd Amendment to the Constitution of India.

Dr. Galliara has handled international teaching assignments with Reitaku University, Japan, University of Athens, Greece, Euromed Management School and NEOMA Business School, Management School, France. In July 2022, she was recipient of "Prof. Indira Parikh 50 Women in Education Leaders" citation at the World Education Congress. The Certificate was endorsed by the World Federation of Academic & Educational Institutions.

Apart from academics, Dr. Galliara serves as a Trustee on the Board of International Resources for Fairer Trade. She is Co-Chairman of the CSR committee and appointed as Special Invitee to the Board of Bombay Chambers of Commerce and Industry.

### Mr. Dinesh Kumar Bhagat Nominee Director

Mr. Dinesh Kumar Bhagat holds the office of Director with effect from March 24, 2023. Mr. Bhagat is a nominee of LIC of India.

Mr. Dinesh Bhagat is an Honors Graduate in the field of Finance/ Commerce from the University of Delhi. He joined LIC in 1985 as a Direct Recruit Officer and lately worked as Zonal Manager, Northern Zone. During his illustrious stint in LIC, he extensively contributed in the area of Marketing for almost 29 Years. He is richly recognized for his contributions for the growth of Pension & Group Schemes in the LIC.

He has served the Corporation in very prominent positions which includes Zonal Manager Eastern Zone, Kolkota, Chief (Pension & Group Schemes), Central Office, Mumbai, Sr. Divisional Manager and Marketing Manager of different Divisions.

## KEY GOVERNANCE KPIS

### Diversity of Tenure

Length of Service	No of Directors
0-2 years	1
2-5 years	2
5 years and above	10

### Diversity of Age

Age group	No of Directors	Average Age
41-50 years	2	66
50 years and above	11	

## NOTICE

NOTICE is hereby given that the **62<sup>nd</sup> ANNUAL GENERAL MEETING** of the members of **EXCEL INDUSTRIES LIMITED** will be held on **Thursday, 14<sup>th</sup> September, 2023 at 03.00 p.m.** through two-way Video Conferencing or Other Audio Visual Means ("VC/OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, together with the reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 11.25/- per equity share for the financial year ended 31<sup>st</sup> March, 2023.
3. To appoint a Director in place of Mr. Dipesh K Shroff (DIN: 00030792), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

4. To ratify the remuneration of the Cost Auditors and in this regard to consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Cost Auditors M/s. Kishore Bhatia & Associates (Firm Registration Number: 00294) for the financial year 2023-24, fixed at ₹ 5,50,000/- (plus applicable taxes and out-of-pocket expenses) by the Board of Directors at its meeting held on 16<sup>th</sup> May, 2023, be and is hereby ratified."

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to special business to be transacted at the meeting is annexed hereto as Annexure I.
2. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Director being reappointed has been provided in the Annexure II to this Notice.
3. The Ministry of Corporate Affairs ("MCA") vide its Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 read together with Circular No. 02 dated May 5, 2022, Circular No. 14 dated April 8, 2020, Circular No. 17 dated April 13, 2020 and Circular No. 20 dated May 5, 2020 (hereinafter collectively referred to as "MCA Circulars") and Circular Number SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular Number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (the e-AGM Circulars) have permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations"), the Annual General Meeting of the Members of the Company is being held through VC/OAVM. For the purpose of recording the proceedings, the AGM will be deemed to be held at the registered office of the Company at 184-87, S V Road, Jogeshwari (West), Mumbai 400102. The Members are requested to attend this AGM from their respective locations by VC and not to visit the registered office to attend the AGM.
4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.



5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [pddiwan@yahoo.co.in](mailto:pddiwan@yahoo.co.in) with copies marked to the Company at [investors@excelind.com](mailto:investors@excelind.com) and to its Registrar & Transfer Agent (RTA) at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
6. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. In compliance with the MCA Circulars and the e-AGM Circulars, Notice of the AGM along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2022-23 will also be available on the Company's website [www.excelind.co.in](http://www.excelind.co.in) and websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
8. The Company has engaged the services of Link Intime India Private Limited, the authorized agency, for conducting the AGM electronically and for providing e-voting facility.
9. The cut-off date to determine shareholders eligible to exercise remote e-voting and voting at the AGM shall be Thursday, 07<sup>th</sup> September, 2023.
10. The Company has fixed Thursday, the 07<sup>th</sup> September, 2023 as the 'Record Date' for determining members entitled to receive dividend for the financial year 2022-23. Payment of dividend is subject to approval by the members in the AGM.

#### 11. **Payment of Dividend:**

Payment of dividend, as recommended by the Board of Directors, if declared at the AGM, will be made on or before 13<sup>th</sup> October, 2023, to those Members whose names are recorded on the Company's Register of Members and to the Beneficial Owner(s) as per the Beneficiary List provided by the National Securities and Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Thursday, the 07<sup>th</sup> September, 2023 (Record Date).

12. Dividend is paid to Shareholders electronically and by physical instruments such as dividend warrants and demand drafts. Dividend is paid electronically to those shareholders whose bank details are available with the Company or the Depositories. Those shareholders whose bank details are not available are paid dividend through physical instruments. Members holding shares in physical form and who wish to receive dividend electronically from the Company may furnish their bank details to Link Intime India Private Limited, the Registrars and Transfer Agents of the Company. Members holding shares in electronic form may furnish their bank details to their Depository Participants in order to receive dividend electronically.
13. **Registration of email ID and Bank Account details:**

In case the shareholder(s) has/ have not registered his/her/their email addresses with the Company/its RTA/ Depositories and/or not updated the Bank Account mandate for receipt of dividend, the shareholders can do so by following the below instructions:

#### A. **Process for registration of email id**

<b>Physical Holding</b>	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: <a href="https://linkintime.co.in/emailreg/email_register.html">https://linkintime.co.in/emailreg/email_register.html</a> and by following the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number, e-mail ID, and also upload the image of share certificate and a duly signed request letter (upto 1 MB) in PDF or JPEG format.
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<b>For Permanent Registration for Demat shareholders</b>	Members are requested to register their e-mail address with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
<b>For Temporary Registration for Demat shareholders</b>	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: <a href="https://linkintime.co.in/emailreg/email_register.html">https://linkintime.co.in/emailreg/email_register.html</a> and follow the registration process as guided therein. Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail ID, and also to upload a duly signed request letter (upto 1 MB) in PDF or JPEG format.

#### B. Process for registration of Bank Account Details

<b>Physical Holding</b>	Members are requested to register their e-mail address with Link Intime India Private Limited, by clicking the link: <a href="https://linkintime.co.in/emailreg/email_register.html">https://linkintime.co.in/emailreg/email_register.html</a> and follow the registration process as guided therein. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named members name imprinted on the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code and a duly signed request letter in PDF or JPEG format.
<b>Demat Holding</b>	Members are requested to register their bank details with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

On submission of the details for registration of e-mail id/ bank account an OTP will be received by the Members on their e-mail id and their mobile number, which needs to be entered in the link for verification. In case of any query, a Member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

14. Pursuant to the provisions of Sections 124(5) of the Companies Act, 2013, the amounts of dividends remaining unpaid / unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the company in pursuance of this section shall be transferred to the Investor Education and Protection Fund (IEPF). The details of dividend paid for the financial year 2015-16 onwards are given below:

Date of Declaration	Dividend for the year	Dividend / Per Share	Due date of transfer of dividend to the Investor Education & Protection Fund
26.07.2016	2015-16	4.50	31.08.2023
03.08.2017	2016-17	6.00	08.09.2024
09.08.2018	2017-18	12.50	14.09.2025
13.08.2019	2018-19	18.75	18.09.2026
09.03.2020	2019-20 (Interim Div)	10.00	14.04.2027
24.09.2021	2020-21	11.25	30.10.2028
23.09.2022	2021-22	22.50	29.10.2029

15. Members who have not encashed the dividend warrants for the year 2015-2016 and/or any subsequent year(s) are requested to write to our RTA, Link Intime India Private Limited for revalidation of dividend warrants before such unclaimed dividend is transferred to the Investor Education and Protection Fund.

16. The Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF 5 available on [www.iepf.gov.in](http://www.iepf.gov.in)
17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in their address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA i.e. Link Intime India Pvt. Ltd.
19. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1<sup>st</sup> April 2019. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.
20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <https://www.excelind.co.in/forms.html> and on the website of the Company's RTA <https://web.linkintime.co.in/client-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC compliant.
21. Norms for furnishing of PAN, KYC, Bank details and Nomination  
SEBI vide circular dated March 16, 2023 read with circular dated November 3, 2021, has mandated listed companies to have updated PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details/ documents (i.e. PAN, KYC, Bank details and Nomination) are not available with us, on or after October 1, 2023, shall be frozen as per the aforesaid SEBI circular. The forms for updating PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circulars are available on the website of Link Intime India Pvt Ltd. at <https://web.linkintime.co.in/client-downloads.html> and on the website of the Company at <https://www.excelind.co.in>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has sent a letter to the Members holding shares in physical form in relation to the aforesaid on 19<sup>th</sup> May, 2023. In respect of Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination are requested to contact their respective Depository Participants.
22. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for electronic inspection by the members during the AGM upon log-in to InstaMeet URL: <https://instameet.linkintime.co.in> and will also be available for electronic inspection by the Members on the website of the Company at <https://www.excelind.co.in>.
23. In case the shareholders/members have any queries or issues regarding e-voting or e-AGM, they can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or [investors@excelind.com](mailto:investors@excelind.com) or Call us: - Tel : 022-49186175.
24. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and the e-AGM circulars, the Company is pleased to provide to the Members facility to attend the Annual General Meeting (AGM) through video conferencing (VC) /other audio visual means(OAVM) and to exercise their right to vote at the AGM by electronic means and also through remote e-voting prior to the AGM. The business at AGM will be transacted through e-voting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

## 25. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

The remote e-voting period begins on Monday, the 11<sup>th</sup> September, 2023 at 9.00 a.m. and ends on Wednesday, the 13<sup>th</sup> September, 2023 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 07<sup>th</sup> September, 2023 may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime for voting thereafter.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various E-Voting Service Provider (ESP) portals directly from their demat accounts.

### I. LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:

#### A. Individual Shareholders holding securities in demat mode with NSDL:

- i. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under ‘login’ which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name “**EXCEL INDUSTRIES LIMITED**” or e-voting service provider name i.e. **LINKINTIME** and you will be re-directed to “**InstaVote**” website for casting your vote during the remote e-voting period.
- ii. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select “Register Online for IDeAS Portal” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- iii. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://evoting.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon ‘login’ which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name “**EXCEL INDUSTRIES LIMITED**” or e-voting service provider name i.e. **LINKINTIME** and you will be redirected to “**InstaVote**” website for casting your vote during the remote e-voting period.

#### B. Individual Shareholders holding securities in demat mode with CDSL:

- i. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
- ii. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider i.e. **LINKINTIME** for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers’ website directly.
- iii. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.

- iv. Alternatively, the user can directly access the e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.

### C. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name "**EXCEL INDUSTRIES LIMITED**" or e-voting service provider name i.e. **LINKINTIME** and you will be redirected to "**InstaVote**" website for casting your vote during the remote e-voting period.

## II. LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL FORM / NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
  - **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company.  
 Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID;  
 Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
  - **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

*\* Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*  
*\* Shareholders holding shares in NSDL form, shall provide 'D' above*

  - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%& \*), at least one numeral, at least one alphabet and at least one capital letter).
  - Click "**confirm**" (Your password is now generated).
3. Click on '**Login**' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

### Cast your vote electronically:

- After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
- E-Voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'**  
(If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
- After selecting the desired option i.e. Favour/ Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on **'No'** and accordingly modify your vote.

### Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

### Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

### Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

### Individual Shareholders holding securities in Physical mode who has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-voting website of Link Intime: <https://instavote.linkintime.co.in>.

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on **"SUBMIT"**.

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL who has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participant's website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**26. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

- i. Shareholders/Members are entitled to attend the Annual General Meeting through InstaMeet VC/OAVM facility provided by Link Intime India Private Limited by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 30 minutes before the time scheduled for the Annual General Meeting.
- ii. Shareholders/Members are requested to participate on first come first serve basis as the maximum number of shareholders allowed to participate through the virtual AGM is restricted to 1000 members only. Shareholders/ Members with > 2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. will be allowed to the meeting without restrictions of first-come-first serve basis.
- iii. Shareholders/ Member shall register their details on InstaMeet facility and attend the Annual General Meeting as under:

**Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>**

- Select the "Company" and 'Event Date' and register with your following details: -
  - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
    - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
    - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
    - Shareholders/ members holding shares in **physical form shall provide Folio Number registered with the Company**
  - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
  - C. Mobile No.:** Enter your mobile number.
  - D. Email ID:** Enter your email id, as recorded with your DP/Company.

- **Click “Go to Meeting”** (You are now registered for InstaMeet and your attendance is marked for the meeting).

On successful registration with the Registrar, the invitation to join the AGM will be sent to the Members on their registered email IDs. Members may attend the AGM, by following the invitation link sent to their registered email ID. Members are encouraged to join the Meeting through Laptops/Desktops for better experience.

Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**27. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO REGISTER AS SPEAKERS DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

- a. Members who would like to express their views/ask questions as a speaker at the Meeting are requested to pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investors@excelind.com](mailto:investors@excelind.com) at least 7 days prior to the date of AGM i.e. on or before 6.00 p.m. on Thursday, September 07<sup>th</sup>, 2023. Members who have pre-registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM on first come first serve basis. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The speaker shall ensure being connected to a device with a video/camera with good internet speed. Speakers whose names are called out by the Chairman/Moderator and are not available will not be allowed to speak later to ensure proper proceedings flow.
- b. Speaker shareholder will receive “serial number” once they mark attendance for the meeting.
- c. Shareholders are requested to speak only when Chairman /Moderator of the meeting announce the name and serial number of the Speaker.
- d. Other shareholders may ask questions to the panelist, via active chat-bot during the meeting.
- e. Speakers please remember your speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

**28. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:**

Once the electronic voting is announced by the Chairman it will be activated by the Scrutinizer/ Moderator of the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-voting “Cast your vote”
- b. Enter your 16 digit Demat Account No. / Folio No. and OTP (received during registration for InstaMeet on the registered mobile number/registered email Id.) and click on ‘Submit’.
- c. After successful login, you will see “Resolution Description” and against the same the option of “Favour/ Against” for voting.
- d. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- e. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
- f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.



**Note:**

Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the meeting. Shareholders/ Members who have voted through Remote e-voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of previously mentioned glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**OTHER INSTRUCTIONS FOR MEMBERS**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
2. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. 07<sup>th</sup> September, 2023.
3. A person, whose name is recorded in the Register of Members /List of Beneficiaries as on the cut-off date only, shall be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the meeting.
4. Members seeking any information with regard to any items provided in the AGM Notice including the Annual Accounts and any queries relating to the business /operations of the Company, are requested to write to the Company mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach at least seven days prior to the AGM i.e. on or before September 07, 2023 at [investors@excelind.com](mailto:investors@excelind.com) and the same will be replied by the Chairman at the meeting at his discretion. Only questions in the English language will be taken into account.
5. Mr. Prashant Diwan, Practicing Company Secretary, (Membership No. FCS 1403), has been appointed as the Scrutinizer to scrutinize the e-voting process to be conducted in a fair and transparent manner for the Annual General Meeting.
6. The Chairman after responding to the questions raised by the Members in advance or by a Speaker at the 62<sup>nd</sup> AGM, will formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 62<sup>nd</sup> AGM and announce the start of the casting of vote through the e-voting system. After the Members participating through VC/OAVM facility, eligible and interested to cast votes, have cast the votes, the e-voting will be closed with the formal announcement of closure of the 62<sup>nd</sup> AGM.
7. The Scrutinizer shall after the conclusion of voting at the AGM, shall first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman or person authorized by him in writing.
8. The Chairman or the person authorized by him in writing shall declare the result of the voting on or before 16<sup>th</sup> September, 2023. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.excelind.co.in](http://www.excelind.co.in) immediately after the result is declared and the same shall also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

9. Pursuant to the MCA Circulars and SEBI Circular, the Notice of the 62<sup>nd</sup> AGM and the Annual Report for the year 2022-23 including therein the Audited Financial Statements for year ended 31<sup>st</sup> March, 2023, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participants, and who wish to receive the Notice of the 62<sup>nd</sup> AGM and the Annual Report for the year 2022-23 and all other communication sent by the Company, from time to time, can get their email address registered online by following the steps mentioned at note no. 13 herein above or by sending email at [investors@excelind.com](mailto:investors@excelind.com).

For the Members holding shares in demat form, please update your email address through your respective Depository Participant.

10. Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company's Registrar and Transfer Agent (in case of shares held in physical mode) and with relevant depository participant (in case of shares held in demat mode). A Resident individual shareholder holding PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending email at [exceldivtax@linkintime.co.in](mailto:exceldivtax@linkintime.co.in). Further no tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received from the Company during the Financial Year does not exceed 5,000/-. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by submitting these declarations / documents on email at [exceldivtax@linkintime.co.in](mailto:exceldivtax@linkintime.co.in)

The forms for tax exemption can be downloaded from M/s. LinkIntime's website. The URL for the same is as under:

<https://web.linkintime.co.in/client-downloads.html> - On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below:

<https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection (Dropdown)
6. Document attachment - 1 (PAN)
7. Document attachment - 2 (Forms)
8. Document attachment - 3 (Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before 07<sup>th</sup> September, 2023 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after 07<sup>th</sup> September, 2023, 6:00 PM.

Shareholders may note that in case the tax on said final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

11. This AGM is being held through VC, therefore, the route map is not annexed to this Notice.

### **REQUEST TO THE MEMBERS**

Members who have multiple folios in identical names in the same order are requested to send all the Share Certificates to the Company Secretary or to the Registrar and Transfer Agent, M/s Link Intime India Private Limited for consolidation of such folios into one to facilitate better services.

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Registered Office:  
184-87, Swami Vivekanand Road,  
Jogeshwari (West),  
Mumbai-400 102.

Mumbai, 11<sup>th</sup> August, 2023.

**ANNEXURE I TO THE NOTICE:**

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Agenda No. 4**

The Board of Directors at its meeting held on 16<sup>th</sup> May, 2023 appointed M/s Kishore Bhatia & Associates (FRN: 00294), practicing cost accountants, as Cost Auditors of the Company, in terms of section 148 of the Companies Act, 2013 and fixed a sum of ₹ 5,50,000/- plus out of pocket expenses and taxes, as applicable, as the remuneration payable for the financial year 2023-24.

The remuneration, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the members of the Company, as per the requirements of the Companies (Audit and Auditors) Rules, 2014, read with the Section 148(3) of the Companies Act, 2013.

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

The Board recommends the ordinary resolution set out at item no. 4 of the Notice for approval of the members.

**ANNEXURE II TO THE NOTICE:**

**Disclosure under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:**

**Agenda No. 3**

Name of Director	Mr Dipesh K Shroff
Date of Birth	03.02.1960
Academic Qualifications	Diploma in Civil Engineering, Owners'/Presidents' Management program from Harvard Business School, Boston, USA.
Experience and Expertise	Industrialist with vast experience in Chemicals and Agrochemicals and also has expertise in the field of business management
Terms & Conditions of Appointment	He shall be liable to retire by rotation. He is entitled to sitting fees for attending Board meetings and other Committee meetings and profit related commission, as approved by the Board of Directors.
Date of appointment on the Board	03.09.2003
Directorship in other public companies	Transpek Industry Limited. TML Industries Limited. ECCL Investments and Finance Limited.
No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies	Member of Audit Committee and CSR Committee, in Transpek Ind. Ltd. and Chairman of CSR Committee, in Agrocel Industries Pvt. Ltd.
No. of Shares held in the Company	3619
DIN	00030792
Relation with other Directors or Key Managerial Personnel	Mr. Ashwin Shroff and Mr. Atul Shroff are cousin brothers of Mr. Dipesh Shroff. Mr. Ravi Shroff and Mr. Hrishit Shroff are nephew of Mr. Dipesh Shroff
Number of Board Meetings attended during the financial year	5

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Registered Office:  
184-87, Swami Vivekanand Road,  
Jogeshwari (West),  
Mumbai-400 102.

Mumbai, 11<sup>th</sup> August, 2023.

## DIRECTORS' REPORT

To,  
The Members,  
Excel Industries Limited

Your Directors are pleased to present the 62<sup>nd</sup> Annual Report on the business affairs of your Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023 including the Auditors Report thereon.

## FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31<sup>st</sup> March, 2023 is summarized below:

	2022-23		2021-22	
Revenue from Operations	<b>1089.82</b>		1178.02	
Profit before Tax and exceptional item		<b>103.95</b>		212.10
<b>Provision for Taxation:</b>				
– Current Tax	<b>25.64</b>		50.72	
– Deferred Tax	<b>1.02</b>		1.22	
– Tax in respect of earlier years	<b>(1.16)</b>		–	
<b>Profit After Tax</b>		<b>78.45</b>		160.16
Other Comprehensive Income		<b>8.83</b>		70.85
<b>Total Comprehensive Income</b>		<b>87.28</b>		231.01

₹/Crores

## DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

Your Directors have recommended a dividend of ₹ 11.25 (225%) per equity share of Face Value of ₹ 5 each as against the dividend of ₹ 22.50 (450%) paid for the previous financial year 2021-22. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting.

The Board has formulated a dividend distribution policy in pursuance to amendment to regulation 43A of the SEBI Listing Regulations vide its notification no. SEBI/LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021. The dividend distribution policy of the Company lays down the parameters that the Board will consider for recommendation of dividend from time to time. The policy is available on the website of the Company and can be accessed at <https://www.excelind.co.in/corporate-governance.html>.

## AMOUNT TRANSFERRED TO GENERAL RESERVE

Your Company has transferred ₹ 50 crores to the General Reserve for the financial year 2022-23.

## PERFORMANCE REVIEW

During the year under review, the net revenue from operations slipped by 7.49% from ₹ 1178.02 Crores in FY 2021-22 to ₹ 1089.82 Crores, largely due to various international business constraints and reduction in sales prices. Company's profit before tax declined by 51% from ₹ 212.10 Crores to ₹ 103.95 Crores largely due to reduction in sales realization, sluggishness in exports volumes and also due to temporary mismatch in the sales prices and input material cost. Consequently, net profit after tax for the year decreased by 51% from ₹ 160.16 Crores to ₹ 78.45 Crores.

The revenue from operations of the Chemicals Division for the year 2022-23 was ₹ 1,067.10 crores (₹ 1,152.54 crores for FY 2021-22) and that of the Environment and Biotech Division was ₹ 22.72 crores (₹ 25.48 crores for FY 2021-22).

The Reserves excluding revaluation reserves as on 31.03.2023 are at ₹ 985.43 Crores.

CRISIL Limited reviewed and revised its rating outlook on the long term bank facilities of the Company to 'Stable' from 'Positive' while reaffirming the rating on long term bank facilities at 'CRISIL A+' and on short-term bank facilities at 'CRISIL A1'.

## MODERNIZATION / EXPANSION

In Lote, we expanded the capacity of the Polymer additive plant in order to cater to the increased market demand. The capacity of our major pharma API was also increased to cater to the market requirement. In Roha, automation was executed in our major agrochemical plant for time cycle reduction and better environmental impact. Similarly, our boiler and steam transmission lines have been audited by external experts to minimise steam transmission losses and additional equipment have been provided in the boiler to increase the fuel combustion efficiency resulting into good fuel economy. This has resulted in reduction of coal consumption thereby reducing Carbon footprint. In Vizag, chlorine usage and handling capability was successfully introduced. We were able to start in-house manufacture of the chlorinated intermediate required for production of the end product.

## ENVIRONMENT, HEALTH AND SAFETY

Non-reportable / first aid cases are showing a declining trend. This is due to increased employee interactions, greater near miss reporting, counselling with employees and proactive classroom and on the job trainings.

This year the company took the Security Vulnerability Assessment (SVA) from experts of Indian Chemical Council to improve our score on Chemical Security.

The Company underwent the fourth Responsible Care audit which was conducted by Indian Chemical Council and our Responsible Care Logo has been renewed for next three years.

## TECHNOLOGICAL UPGRADATION AND R & D

Company is keeping a conscious focus on developmental studies at R&D for new and existing molecules, with reference to application of Green Chemistry principles, waste water treatability, Energy Conservation and Sustainability.

Our Quality Control laboratories were further upgraded with induction of new instruments like High Pressure Liquid Chromatography, Colorimeter, UV Spectrophotometer and Gas Chromatography to meet the increasing analytical demand, stringent regulatory and customer requirements.

Similarly, another Stability chamber was introduced for shelf life studies of new products to be developed at R&D, pilot plant and existing products undergoing process improvements.

We developed two formulations for cooling water chemicals as antiscalant and corrosion inhibitor while another formulation was developed for inhouse use to remove choking of Multiple effect Evaporators, thereby improving their efficiency enormously.

Our application laboratory developed two chelates, as a part of Green Chemistry initiative, to reduce heavy metals from our specialty products.

The laboratory chemical storage facility at Visakhapatnam site has been newly constructed enabling class-wise storage of Chemical reagents with better control, safety and visibility, to meet the Responsible Care Security Code requirements.

Similarly, our water treatment chemicals were audited and approved as per NSF/ANSI 60 standards, Halal and Kosher Certification ensuring their continuity.

## **AWARDS**

During the year, the Company was conferred with the following awards:

1. “Make in India Partnering Award” by Rallis India for a new Agrochemical intermediate, a 100% import substitute.
2. ICC CERTIFICATE OF MERIT for Excellence in Management of Safety in Group A Companies with turnover of more than ₹ 1000 Crores; and
3. FICCI Chemicals and Petrochemicals Awards 2022: Award for “Sustainability: Excellence in Safety”.
4. “ICC – EPSILON CARBON” CERTIFICATE OF MERIT for Best Compliant Company for the Codes under Responsible Care for the year 2022 in “Pollution Prevention Code”.

## **INSURANCE**

The Company continues to carry adequate insurance cover for all its assets against unforeseeable perils like fire, flood, earthquake, etc. The Company continues to maintain consequential Loss (Fire) Policy and the Public Liability Insurance Policy as per the provisions of Public Liability Insurance Act. The Company has also taken a Directors and Officers’ Responsibility Policy. All the employees of the Company are insured.

## **HUMAN RESOURCES**

Post Covid, the focus area for HR was on building capabilities within the organization for the next growth phase. It was decided to build skills internally and supplement knowledge and skills in certain identified technologies and areas.

The Company continued to focus on opportunities to grow and all round development in its people. As part of the development process and succession planning, “Leaders of Tomorrow” programme which was launched in May 2021 continued to invest in its future leaders by coaching and mentoring to be future-ready. These future leaders have completed their learning journey and will soon be leading some exciting projects.

We continued to attract talent from the industry. The new employees go through process of induction. They are mentored and supported to align themselves with the culture and values of the Company.

Sustained excellence is possible only when employees are greatly motivated to deliver strong performance and positive outcomes. To deliver these, the internal performance management system is being continuously improved to further enhance the quality and delivery orientation in the organization.

As a process, we continued to follow vertical approach and focused on deliverables for the year, as shared by top management. These deliverables were discussed and agreed by each function / business / site. There was a sense of ownership of these company level goals by respective business/ function owners. This helped in setting up KRAs for the year.

All the three sites operated in a smooth manner due to our employee friendly policies and proactive industrial relationship approach. We also signed the Bonus agreement for Lote and Mumbai.

Post Covid, the Company reinstated engagement with employees vigorously and in-person. Many activities were conducted at sites and offices like the long service award ceremony, the annual Pooja etc. Facilities of canteen resumed.

Employee strength of the Company as on 31<sup>st</sup> March, 2023 was 1020.



## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. Also, there has been no change in the nature of business of the Company.

## PUBLIC DEPOSITS

Details of deposits, covered under Chapter V of the Act are as under:

- (a) The Company stopped accepting and renewing fixed deposits with effect from 1<sup>st</sup> April, 2014.
- (b) There are no existing deposits from the public and the shareholders of the Company at the end of the FY 2022-23.  
Total 6 Deposit holders did not claim their deposits after the date on which the deposits became due for payment. The amount due on such deposits and remaining unclaimed as on 31<sup>st</sup> March, 2023, was ₹ 57,600.
- (c) There has been no default in repayment of deposits or payment of interest thereon during the year under review.
- (d) All unclaimed deposits of the Company are in compliance with the requirements of Chapter V of the Act.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The loans, guarantees or investments made by the Company during the financial year 2022-23 are provided in Notes to Standalone Financial Statements.

## SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has three subsidiaries, namely, Kamaljiyot Investments Limited, Excel Bio Resources Limited and Excel Rajkot C&D Waste Recycling Pvt. Ltd. The Company also has two Associate companies, namely, MobiTrash Recycle Ventures Private Limited and ClimaCrew Private Limited. The Subsidiary Company; Excel Rajkot C&D Waste Recycling Pvt. Ltd. was added after the end of the financial year 2022-23. The Company was incorporated on 13<sup>th</sup> June, 2023.

The salient features of the financial statements of the subsidiaries and the associate company as required under section 129 (3) of the Companies Act, 2013 are furnished in Form AOC-1, forming part of the financial statements.

The financial statements of the subsidiary companies are not attached with this Annual Report. However, the Company will make available the annual accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same in accordance with section 136 of the Companies Act, 2013. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and are also available on the Company's website: <http://excelind.co.in/annualReports.html>. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

Kamaljiyot Investments Limited is an Investment Company registered under the provisions of RBI Act as a NBFC. The total income for the year 2022-23 is ₹ 461.50 lakhs and profit after tax is ₹ 376.01 lakhs.

Excel Bio-Resources Ltd. is a Company formed for carrying on the business of processing all kinds of waste including but not limited to municipal solid waste, urban waste, domestic waste, industrial waste, food processing waste etc. The total income for the year 2022-23 is ₹ 8.57 lakhs and profit after tax is ₹ 2.38 lakhs.

Mobitrash Recycle Ventures Pvt Ltd is a Company involved in recycling of all kinds of waste and scrap. The total income of the Company for the year 2022-23 is ₹ 659.17 lakhs and profit after tax is ₹ 95.74 lakhs.

ClimaCrew Private Limited (CCPL) was incorporated on 7<sup>th</sup> January, 2022. Kamaljyot Investments Limited, the wholly owned subsidiary of the Company, holds 33.33% equity share capital in CCPL. CCPL aims to be a full-stack seaweed platform company for harnessing the economic, social, commercial, nutritional and environmental benefits offered by seaweeds through the development of enabling platforms allowing to create and foster strategic business partnerships seeking national and international scientific collaborations. CCPL commenced its operations on 5<sup>th</sup> April, 2022. CCPL suffered a loss of ₹ 105.19 lakhs for the year 2022-23.

Excel Rajkot C&D Waste Recycling Pvt. Ltd. is a special purpose vehicle formed for the execution of Project awarded by Rajkot Municipal Corporation for erection of a Construction and Demolition (C&D) Waste management plant and processing of C&D waste of Rajkot city. Excel Rajkot C&D Waste Recycling Pvt. Ltd. commenced its operations on 24<sup>th</sup> July, 2023.

The contribution of the aforesaid subsidiaries and associate companies to the overall performance of the Company is to the extent as provided in the consolidated financial statements of the Company.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link <https://www.excelind.co.in/corporate-governance.html>.

## **NUMBER OF MEETINGS OF THE BOARD**

During the FY 2022-23, six meetings of the Board of Directors were held; details of the meetings held are provided in the Corporate Governance Report forming part of this Annual Report.

## **DIRECTORS**

### **APPOINTMENTS AND RESIGNATIONS OF DIRECTORS**

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Dipesh K. Shroff, Non-Executive Director of the Company, will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment.

Mr. Collu Vikas Rao, Nominee Director of the Company stepped down from the Board of the Company with effect from 26<sup>th</sup> September, 2022, in compliance with the LIC directives.

Mr. Collu Vikas Rao was appointed as Nominee Director on 25<sup>th</sup> March, 2022 and served the Board for a short period of about six months. The Board of Directors place on record its appreciation for the valuable contribution made by him in the decision making of the Company.

Mr. Dinesh Bhagat was appointed as Nominee Director on the Board with effect from 24<sup>th</sup> March, 2023 as a nominee of LIC. The members have approved the appointment of Mr. Dinesh Bhagat vide ordinary resolution passed through postal ballot dated 20<sup>th</sup> May, 2023.

## **KEY MANAGERIAL PERSONNEL**

Mr. Ashwin C. Shroff, Executive Chairman, Mr. Ravi A. Shroff, Managing Director, Mr. Hrishit A. Shroff, Executive Director, Mr. N. R. Kannan, Chief Executive Officer, Mr. Devendra Dosi, Chief Financial Officer and Mr. Surendra Singhvi, Company Secretary are the key managerial personnel of the Company.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in **Annexure I**, forming part of this Report.

## INDEPENDENT DIRECTOR

### (i) Declaration from Independent Directors

The Board has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (ii) Criteria for Performance Evaluation

Nomination and Remuneration Committee has laid down various criteria for performance evaluation of Independent Directors which, *inter-alia*, includes preparedness for and attendance at the meetings, understanding of Company's operations and business, and contribution at Board Meetings.

### (iii) Details of Familiarization Programme

The Directors are apprised of their roles and responsibilities and business of the Company at the time of joining. Further, they are regularly updated with the regulatory changes and business development at the Board Meetings. The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <https://www.excelind.co.in/corporate-governance.html>.

## EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee has formulated a Nomination and Remuneration Policy which lays down the criteria and manner of Performance Evaluation of the Board as a whole, its Committees and individual Directors. The Nomination and Remuneration Policy of the Company as approved by the Board may be accessed on the Company's website at the link <https://www.excelind.co.in/corporate-governance.html>.

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal annual evaluation of the performance of the Board, its Committees and of individual directors.

The Board as a whole is evaluated *inter-alia* on its ability to effectively guide and advise the management in the business affairs, to help management in formulating operational and strategic plans and to take decisions in the best interest of the organization. The Committees of the Board are evaluated on their ability to address effectively the matters delegated to them in the charter and the quality of the recommendations they make to the Board for taking appropriate decisions.

The evaluation of each of the director was done, *inter-alia*, on the basis of his advisory role and contribution in the decision making, understanding of Company's business and risks and on the basis of the overall directions and guidance provided to the senior executives.

## RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the year were at arm's length basis and in the ordinary course of business. There was no material related party transaction during the year, therefore Form AOC-2 is not provided.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval is obtained on a yearly basis for transactions which are of repetitive nature and are anticipated to be entered during the year. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee for review on a quarterly basis. All related party transactions during the year are mentioned in the Notes to the Financial Statements. Anshul Specialty Molecules Pvt. Ltd. is a part of the Promoter group and holds 42.63% of the share capital of the Company. In pursuance to regulation 2A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transactions with Anshul Specialty Molecules Pvt Ltd are provided in Notes to Financial Statements. The Related Party Transaction Policy of the Company as approved by the Board may be accessed on the Company's website at the link <https://www.excelind.co.in/corporate-governance.html>.

Non-Executive Directors including Independent Directors are not considered as Key Managerial Personnel (KMP) of the Company in view of the definition of KMP under Section 203 of the Companies Act, 2013. However, under Indian Accounting Standard (Ind AS) 24, Non-Executive Directors including Independent Directors of the Company are considered as KMP, hence it is accordingly mentioned in Note no. 45 of the Notes to the Standalone Financial Statements.

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR THE DIRECTORS AND EMPLOYEES**

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has framed "Whistle Blower Policy" for Directors and employees of the Company for reporting their genuine concerns or grievances or cases of actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. The Whistle Blower Policy of the Company is available on the Company's website at <https://www.excelind.co.in/corporate-governance.html>.

### **NOMINATION AND REMUNERATION POLICY**

The Company has a Nomination and Remuneration Policy for appointment and remuneration of the directors, key managerial personnel (KMP) and other employees, approved by the Board on the recommendation of Nomination and Remuneration Committee.

The key objectives of the Policy are to lay down the criteria for appointment and remuneration of Directors, Key Managerial Personnel and Executives at Senior Management level and formulate the criteria and manner of effective evaluation of performance of the Board, its Committees and individual directors and review its implementation and compliance.

The Policy, *inter-alia*, includes criteria for determining qualifications, positive attributes, independence of a director, and expertise and experience required for appointment of Directors, KMP and Senior Management.

As per the Policy, the remuneration/ compensation to whole time Directors and senior management shall be recommended by the Nomination and Remuneration Committee to the Board for its approval. However, the remuneration / compensation to whole-time Directors shall be subject to the approval of the shareholders of the Company and will be in accordance with Section 197 of the Companies Act, 2013 read with Schedule V to the Act. Further, the Non-Executive Directors shall be entitled to fees for attending meetings of Board and Committees, and also to commission within the overall limit prescribed in the Companies Act, 2013 and as approved by the shareholders of the Company. Commission to the Non-Executive Directors is approved by the Board.

The Nomination and Remuneration Policy is available on the Company's website at <https://www.excelind.co.in/corporate-governance.html>.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company firmly believes that the industry owes duty of welfare to the society at large and it shall pursue the commitment of Social Responsibility and carry out the social work directly and/ or through other registered voluntary organizations.

The Company's policy on Corporate Social Responsibility states various CSR activities that the Company could undertake to discharge its responsibilities towards the society. The Company's Policy on Corporate Social Responsibility can be accessed at <https://www.excelind.co.in/corporate-governance.html>

In the FY 2022-23, the Company has undertaken various CSR activities at Roha, Lote, Vizag and Mumbai. The CSR activities include Conservation of Natural Resources, Rural Development, Agriculture support, community development, animal welfare, women empowerment, Promotion of Education, Preventive Health Care, and ensuring Environmental Sustainability.

For the year ended 31<sup>st</sup> March, 2023, the Company has spent ₹ 289.10 lacs on aforesaid CSR activities directly or through other registered not-for-profit organizations like Vivekanand Research & Training Institute, etc.

Details on CSR spending as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in **Annexure II**, forming part of this Report.

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

SEBI vide its notification No. SEBI/LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021 has mandated submission of a BRSR in place of Business Responsibility Report (BRR) for top thousand listed companies based on market capitalisation.

Accordingly, the Company has provided BRSR in lieu of BRR. The BRSR is in the format as provided by SEBI in its notification no. SEBI/HO/CFD/CMD - 2/P/CIR/2021/562 dated 10<sup>th</sup> May, 2021. The BRSR envisages Company's endeavor to perform its operations in line with the principles as laid down in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' notified by Ministry of Corporate Affairs (MCA) in July 2011. As per Regulation 34 of the Listing Regulations, the BRSR forms part of this Annual Report.

### **RISK MANAGEMENT**

Constitution of a Risk Management Committee is mandatory for top 1000 listed companies vide SEBI notification no. SEBI/LAD-NRO/GN/2021/22 dated 5<sup>th</sup> May, 2021

The risk management committee of your company is composed of Four Members including two independent Directors, the Managing Director and the Chief Executive Officer of the Company.

On the recommendation of the Risk Management Committee, the Board has approved a Risk Management Policy. Your Company recognizes that risk is an integral part of business process and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses the current and future risks existing in the internal and external environment and initiate actions to mitigate them. The Company has formulated a detailed risk management policy. The policy is available on the website of the Company and can be accessed at <https://www.excelind.co.in/corporate-governance.html>.

Your Company, through its risk management process, strives to mitigate the impact and likelihood of the risks within the risk taking ability as agreed from time to time with the Board of Directors.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

### **AUDIT COMMITTEE**

The Audit Committee of Directors comprises of Mr. H. N. Motiwalla (Chairman of the Committee), Mr. P. S. Jhaveri, Mr. R. N. Bhogale, Mr. R. M. Pandia and Mr. Ravi A. Shroff. All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company. The terms of reference and other details of the Audit Committee are available in the Corporate Governance Report forming part of this Annual Report.

## **AUDITORS AND AUDITORS' REPORT**

### **STATUTORY AUDITORS**

At the 61<sup>st</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> September, 2022, the members of the Company re-appointed Price Water House, Chartered Accountants, LLP (Registration No. 012754N/N500016), as the Auditors of the Company for a second term of 5(five) consecutive years from the conclusion of the 61<sup>st</sup> annual general meeting until the conclusion of the 66<sup>th</sup> annual general meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report on the Financial Statements for the year ended 31<sup>st</sup> March, 2023 does not contain any qualification, reservation, adverse remark or disclaimer and notes thereto are self-explanatory and do not require any explanations.

### **SECRETARIAL AUDITOR**

The Board has appointed, Mr. Prashant Diwan, Practising Company Secretary as the Secretarial Auditor of the Company for the year 2022-23 to conduct Secretarial Audit of the Company. The Secretarial Audit Report of the Company issued by Mr. Prashant Diwan for the financial year ended 31<sup>st</sup> March 2023 is attached with this Report as **Annexure III**.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

### **COST AUDITORS**

As per the requirements of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records. Accordingly, the cost accounts and records have been prepared and maintained relating to applicable products.

The Board of Directors at its meeting held on 27<sup>th</sup> May, 2022 had appointed M/s Kishore Bhatia & Associates (Firm Registration No. 00294), Cost Accountants, as the Cost Auditors of the Company for the financial year 2022-23 to conduct cost audit of all the applicable products of the Company. The Cost Audit Report for the year ended 31<sup>st</sup> March, 2022, which was required to be filed with the Ministry of Corporate Affairs on or before 24.10.2022, was filed on 27.09.2022.

### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

### **CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. Your Company continues to follow the principles of good Corporate Governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis and Corporate Governance Report together with Auditors' Certificate thereon form part of this Report.

### **ANNUAL RETURN**

Pursuant to provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at <https://www.excelind.co.in/annual-return.html>.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

The information on conservation of energy and technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out in **Annexure IV**, forming part of this Report.

**MATERIAL ORDERS PASSED BY THE REGULATORY AUTHORITIES OR COURT**

There is no significant material order passed by the regulators / courts / tribunals which can impact the going concern status of the Company and its future operations.

**INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has adequate systems of internal financial controls to safeguard and protect its assets from unauthorized use or misappropriation. All the financial transactions are properly authorized, recorded and reported to the Management. The Company follows all the applicable Accounting Standards for proper maintenance of books of accounts for financial reporting.

**SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards have been duly followed by the Company. The Secretarial Auditor in his Secretarial Audit report confirms the same.

**DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2023, the Board of Directors hereby confirms that:

- (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 had 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 the financial year and of the profit and loss of the Company for that period;
- (c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they had prepared the annual accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE**

The reports of Statutory Auditors and Secretarial Auditors are free from any qualification, reservation or adverse remark or disclaimer.

### **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE**

The Company has formulated a Policy for Prevention of Sexual Harassment at Workplace. All individuals who are at the Company's premises, irrespective whether employees of the Company or outsiders are covered under this Policy. The Company has constituted an Internal Complaints committee to consider and resolve sexual harassment complaints lodged with the Committee. The constitution of the Committee is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was received from any employee during FY 2022-23 and hence no complaint is outstanding as on March 31, 2023 for redressal.

### **INSOLVENCY AND BANKRUPTCY CODE**

The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

### **ACKNOWLEDGEMENTS**

Your Directors acknowledge with gratitude the support and co-operation received from the Shareholders, Government Authorities, Bankers, Investors, Customers and Suppliers.

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Date: 11<sup>th</sup> August, 2023  
Place: Mumbai



## ANNEXURE I TO DIRECTORS' REPORT

### Disclosure required under Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each director to the median remuneration of the employees for the FY 2022-23 and percentage change in the remuneration of each director in the FY 2022-23:

Name of Directors	Designation	Ratio of remuneration of the Director to the median remuneration of the employees	% increase/ decrease in Remuneration (-) indicates decrease
Ashwin C. Shroff	Executive Chairman	53.03	-22.44
Ravi A. Shroff	Managing Director	64.04	-23.78
Hrishit A Shroff	Executive Director	40.28	-22.83
Dipesh K. Shroff	Non Executive Director	1.44	-21.85
Atul G. Shroff	Non Executive Director	1.31	-27.35
H. N. Motiwalla	Independent Director	2.64	-7.57
R. N. Bhogale	Independent Director	2.31	-15.25
M. B. Parekh	Independent Director	1.30	-25.66
P. S. Jhaveri	Independent Director	2.10	-19.05
S. S. Vaidya	Independent Director	1.47	-20.17
R. M. Pandia	Independent Director	2.75	3.49
Meena Galliarra	Independent Director	1.57	-16.39
C V Rao	Nominee Director	#	#
Dinesh Bhagat	Nominee Director	#	#

**Note:**

- # Mr. C. V. Rao was appointed as Nominee Director w-e-f 25<sup>th</sup> March, 2022 and he held the office up to 26<sup>th</sup> September, 2022. Mr. Dinesh Bhagat was appointed as Nominee Director w-e-f 24<sup>th</sup> March, 2023. Hence the remuneration of both the Directors for the year 2022-23 are not comparable with the median remuneration and the remuneration of the year 2021-22.

2. **Percentage increase in the remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2022-23:**

<b>Name</b>	<b>Designation</b>	<b>% increase in Remuneration</b>
N. R. Kannan	Chief Executive Officer	6
Devendra Dosi	Chief Financial Officer	6
S. K. Singhvi	Company Secretary	16

3. **The median remuneration of employees of the Company has been increased by 5.71% in the FY 2022-23 over the median remuneration of employees of the Company in FY 2021-22.**

4. **There were 1020 permanent employees on the rolls of the Company at the end of the FY 2022-23.**

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.**

The average increase in the salary of the employees other than the managerial personnel in FY 2022-23 is 8.60 % and for managerial personnel there is decrease of 23.09%.

The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per market trend.

**Note:**

Managerial Personnel includes Executive Chairman, Managing Director and the Executive Director.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company**

Remuneration paid to Directors, KMP and other employees is as per the remuneration policy of the Company.

## ANNEXURE I TO DIRECTOR'S REPORT

Disclosure required under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014. Top ten employees in terms of remuneration drawn

Sr. No.	Name	Designation	Actual Remuneration (₹ in Lacs)	Nature of employment (Contractual or otherwise)	Qualifications	Experience (Years)	Joining Date	DOB	Age (Years)	Last Employment	% of Equity shares held by the Employee along with spouse and children	Relative of any Director / Manager
1	Ashwin Champraj Shroff	Executive Chairman	343.66	Contractual	B. Sc	57	01.09.1965	22.01.1945	78	NA	1.03	Mr. Ashwin C. Shroff, Mr. Ravi A. Shroff and Mr. Hrishit A. Shroff are relatives
2	Ravi Ashwin Shroff	Managing Director	414.99	Contractual	BE-Chemical, PG in Chemistry, Boston University, USA	20	03.09.2014	05.02.1978	45	Anshul Specialty Molecules Pvt Ltd	0.38	
3	Hrishit Ashwin Shroff	Executive Director	261.02	Contractual	CA, Executive Management from Harvard Business School, Boston, USA	17	01.02.2017	21.02.1980	43	Excel Crop Care Limited	0.38	
4	N.R. Kannan	CEO	108.13	Permanent	B.Sc., B.Sc. (Tech)	35	17.07.2017	08.09.1963	59	Sanmar Specialty Ltd	0	—
5	Devendra Parasmas Dosi	CFO	86.82	Permanent	C.A.	26	01.11.2017	22.06.1972	50	H R Johnson (A division of Prism Johnson Ltd.)	0	—
6	Pradeep N Ghattu	COO	82.84	Permanent	MBA	30	03.11.2004	02.01.1970	53	ABB India Ltd.	0 <sup>\$</sup>	—
7	Sanjay Sapate	VP - Manufacturing	21.23 #	Permanent	BE - Chemicals	33	03.11.2022	30.10.1966	56	Rallis India Ltd.	0	—
8	Dr. Mahesh Patil	VP - R&D	60.94	Permanent	M.Sc, Ph.D	28	01.12.2020	01.05.1973	50	Anar Chemicals, LLP	0	—
9	Neha Yogesh Tiwari	VP - HR	55.05	Permanent	BA, MBA	29	01.02.2017	29.04.1965	58	Cheminova India Ltd	0	—
10	Shripad Dinkarrao Deshpande	GM - Operations	47.91	Permanent	BE( Chemical), MS (Pharmacy)	30	16.08.2021	10.02.1969	54	Lupin Ltd	0	—

Notes: # Remuneration drawn only for part of the year

\$ Mr. Pradeep Ghattu holds 50 shares of the Company

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Date: 11<sup>th</sup> August, 2023

Place: Mumbai

## ANNEXURE II TO DIRECTORS REPORT

### Details on CSR Activities of the Company for the financial year 2022-23

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy is available on the website of the Company <http://excelind.co.in/companyPolicies.html> It encompasses the Company's philosophy in pursuit of inclusive growth and equitable development and lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large. The Company's CSR approach focuses on development of communities around the vicinity of its plants and other offices for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ashwin C. Shroff, Chairman	Promoter, Executive Chairman	3	3
2	Mr. R. N. Bhogale, Member	Independent Director	3	3
3	Mr. M. B. Parekh, Member	Independent Director	3	2
4	Mr. R. M. Pandia, Member	Independent Director	3	3
5	Dr. Meena Galliara, Member	Independent Director	3	3

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.	:	<a href="https://www.excelind.co.in/csr.html">https://www.excelind.co.in/csr.html</a>
4.	Provide executive summary along with web link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	:	NA
5.	(a) Average net profit of the company as per section 135(5).	:	₹ 14226.17 Lakhs
	(b) Two percent of average net profit of the company as per section 135(5)	:	₹ 284.52 Lakhs
	(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years.	:	Nil
	(d) Amount required to be set off for the financial year, if any	:	Nil
	(e) Total CSR obligation for the financial year (b+c-d)	:	₹ 284.52 Lakhs
6.	a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	₹ 280.13 Lakhs
	b. Amount spent in Administrative Overheads	:	₹ 8.97 Lakhs
	c. Amount spent on Impact Assessment, if applicable	:	NA
	d. Total amount spent for the Financial Year (a+b+c)	:	₹ 289.10 Lakhs

## e. CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (₹ In Lakhs)	Amount Unspent (₹ In lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
289.10	NA	NA	NA	NA	NA

## f. Excess amount for set off, if any

Sr. No.	Particulars	Amount (₹ In Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	284.52
ii.	Total amount spent for the Financial Year	289.10
iii.	Excess amount spent for the financial year [(ii)-(i)]	4.58
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.58

7. Details of Unspent CSR amount for the preceding three financial years: **NIL**8. Whether any capital asset has been created or acquired through CSR amount spent in the financial year: **NO**9. Specify reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman and  
Chairman of CSR Committee  
DIN: 00019952

Ravi A Shroff  
Managing Director  
DIN: 00033505

Date: 11<sup>th</sup> August, 2023  
Place: Mumbai

## **ANNEXURE III TO DIRECTORS' REPORT**

### **SECRETARIAL AUDIT REPORT**

#### **FORM NO. MR-3**

#### **FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

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

To  
The Members  
**EXCEL INDUSTRIES LIMITED**  
184-187, Swami Vivekanand Road  
Jogeshwari (West)  
Mumbai - 400 102

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Excel Industries Limited** having CIN: L24200MH1960PLC011807 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through digital mode the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) Further, as representation made by the management and relied upon by me, during the period under review, provisions of the Drugs and Cosmetics Act, 1940 and The Drugs and Cosmetics Rules, 1945 to the extent of filing of returns, maintaining records and renewal of requisite license were complied by the Company.

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations/guidelines were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

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

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to this report.

I further report that:

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

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

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the explanations given to me in the representations made by the management and relied upon by me, I further report that, the following are the specific events/ actions took place, having a major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, etc.,

- (i) The Company and Reliable Infra (hereinafter jointly referred to as the "parties" ) have jointly received an Award from Rajkot Municipal Corporation to Design, Build, Own, Operate & Maintain the Construction & Demolition (C&D) waste management system for treatment of Construction & Demolition Waste in Rajkot on Public Private Partnership basis for a period of 20 Years (Project). The parties are required to incorporate a Special Purpose Vehicle (SPV) for execution of the Project.

For incorporation of the SPV in the form of a Company and operation thereof, a Joint Venture Agreement is to be entered between the parties.

**CS Prashant Diwan**  
**Practicing Company Secretary**  
**FCS: 1403 CP: 1979**

PR: 1683/2022

UDIN: F001403E000790323

Date: 11.08.2023

Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**Annexure "A"**

To  
The Members  
**EXCEL INDUSTRIES LIMITED**  
184-187, Swami Vivekanand Road  
Jogeshwari (West)  
Mumbai - 400 102

My report of even date is to be read along with this letter.

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

**CS Prashant Diwan**  
**Practicing Company Secretary**  
**FCS: 1403 CP: 1979**

PR: 1683/2022

UDIN: F001403E000790323

Date: 11.08.2023

Place: Mumbai



## ANNEXURE IV TO DIRECTORS' REPORT 2022-23

### (A) CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy:
1. Waste heat recovery from Agrochemical Intermediate process is utilized for melting Phosphorus.
  2. Steam condensate recovery and recycle entirely for boiler.
  3. At Plants, boiler and steam transmission lines have been audited by experts to minimize transmission losses and boiler fittings modified to improve fuel efficiency. This has resulted into good fuel economy.
- (ii) The steps taken by the company for utilizing alternate sources of energy:  
The Company sourced electricity generated from renewable resources for use in production sites upto one-third of total demand, which led to financial savings and reduction in carbon emission to the tune of approx. 8000 MT during the year.
- (iii) The capital investments on energy conservation equipment was ₹ 45 lacs.

### (B) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption and benefits derived thereof:
1. An ultramodern state of art production facility for Phosphorus Trichloride has been started to fully cater to the requirements of downstream products.
  2. Established a Multipurpose Plant with advanced equipment and instrumentation facilities for campaign products.
  3. We established a process of heat recovery from an Agrochemical intermediate plant, thus utilizing it to produce hot water for purpose of production related activities thereby saving on steam.
  4. A wastewater dashboard has been prepared to strengthen our water footprint for process water reuse and recycle at Roha site, thereby reducing fresh water drawals.
  5. Capacity enhancement of our Polymer additive chemical has been increased to cater market requirements.
  6. To provide better environmental impact and maintain quality of finished product, advanced instrumentation, engineering controls and safety interlocks has been provided in our Agrochemical intermediate plant.
- (ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil.
- (iii) The expenditure incurred on R& D for the FY 2022-23

(₹ in Lakhs)

Capital	56.45
Recurring	708.99
Total	765.44
Total R&D expenditure as a percentage of total turnover	0.70

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the FY 2022-23 is ₹ 27,289.71 lakhs and the foreign exchange outgo in terms of actual outflows during the FY 2022-23 is ₹ 34,271.91 lakhs.

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Date: 11<sup>th</sup> August, 2023  
Place: Mumbai

## MANAGEMENT DISCUSSION AND ANALYSIS

### CHEMICALS BUSINESS

The Company has two divisions viz the Chemicals Division and the Environment and Biotech Division. The total revenue from operations of the Company for the year 2022-23 was ₹ 1089.82 crores as against ₹ 1,178.02 crores for 2021-22. The revenue from operations of the Chemicals Division for the year 2022-23 was ₹ 1,067.10 crores (₹ 1,152.54 crores for FY 2021-22) and that of the Environment and Biotech Division was ₹ 22.72 crores (₹ 25.48 crores for FY 2021-22). The Chemicals Business is engaged in the manufacture of speciality chemicals, intermediates and actives catering to various end user segments like Agrochemicals, Water Treatment, Soaps & Detergents, Lube Oil Additives, Mining Chemicals, Polymer Additives and Pharmaceuticals.

#### Industry Structure and Developments:

- The Company is a leading manufacturer of speciality and performance chemicals.
- Speciality and Performance chemicals are knowledge chemicals which require specialized skills and knowledge in terms of chemistry and engineering capabilities, Environment, Health and Safety (EHS) management, material handling and effluent treatment.
- Speciality chemicals are required in a number of end use applications ranging from the Life Sciences (Agrochemicals and Pharmaceuticals) to Fast Moving Consumer Goods (FMCG). Production of speciality chemicals requires good knowledge of the requirements of the end user applications to whose needs they are meant to cater.
- All speciality chemicals are subject to varying degrees of regulatory requirements and the demand for these chemicals can be impacted by changes in regulations.
- The Size of the Indian chemicals industry is estimated at US \$ 220 billion. (Source: [www.investindia.gov.in](http://www.investindia.gov.in).) Even though there are varying estimates, the share of the speciality chemicals can be considered to be at 25% of the total chemicals industry.
- Given the specialized knowledge component involved, there are limited number of producers in India for the range of products manufactured by the Company. However, there is a stiff competition from China given the huge capacities of Chinese producers and their access to locally available feedstock.
- Some major key basic raw materials (feedstock) required for the products manufactured by the Company are imported because the domestic availability is either non-existent / limited.

#### Performance of the year (2022-23) and Outlook for (2023-24)

The year 2022-23 saw the normalisation of supply chains which had been disrupted post Covid 19. Anticipating continued supply chain problems, almost all the players had over ordered materials across the chemicals value chain. The easing of supply chain meant a sudden flow of material ordered over a period of time. This, coupled with the demand downturn due to recession in key markets like Europe meant accumulation of excess high priced inventory across the value chain.

Another key factor which played out in 2022-23 was the Chinese demand. China eased on its zero Covid policy. It was widely expected that there would be a strong consumption demand in China once the lockdown restrictions were lifted. However, contrary to these expectations, the recovery of the Chinese economy was very sluggish which led to low domestic demand. This resulted in a high exportable surplus from China.

Above factors led to a severe pressure on both the topline and bottomlines of Indian chemical companies. Agrochemical companies, in particular were severely impacted. This had an adverse bearing on the performance of the company for the year 2022-23.

The company responded quickly to this new situation. A prudent policy of managing cash and working capital was put in place.

The global economy continues to be challenging with very high uncertainty. The Company continues to be agile and resilient to face ever changing market situations.

- Due to the above factors, the Company expects the business environment in the current financial year 2023-24 to be very challenging.
- The Company will continue to keep a close watch on the situation and emerging trends and respond appropriately.

### Opportunities:

Even though the immediate outlook is not encouraging on account of the factors mentioned above, the long term prospects of the speciality chemicals sector is encouraging. Over the years, the company has established itself as a reliable supplier for its customers. This will stand the company in good stead when the demand revives.

Opportunities in Agrochemicals and Pharmaceutical sectors are also seen with products expected to go off patent during the coming years.

Efforts to work on product development which aligns with the current product chain is also being explored

- The Company is actively working on developing a line of new products to take advantage of the opportunities. The new product development strategy is focussed around integration and seamless supply chain making the Company self-reliant.
- The Company has enough capacities of key products to meet sudden revival of market demand and capitalise on dynamic situations.

### Risks and concerns

China continues to be a major competitor globally and enjoys advantage of better input prices due to its feedstock resources. Chinese producers continuously engage in intense competition leveraging the relatively low inputs costs leading to dent in market share. Focus on process improvements and better engagement with customers to offer a product basket and some forward integrated value added products are some of the areas where the Company is working to mitigate the risk to best possible extent.

The Company is into the Agrochemical and Pharmaceutical space, actively engaged in supplying intermediate chemicals. Any change in law or regulatory reviews of technical or formulations will affect the prospects of product demand. There could be abrupt stoppage and can have an adverse impact on the business and growth of the Company. The Company is monitoring the developments on real time basis to adapt dynamic situations.

## ENVIRONMENT & BIOTECH DIVISION

### Industry Structure & Development

The Indian Waste Management Market size\* is expected to reach \$ 32.09 billion in 2023 and grow at a CAGR of 2.25% to reach \$ 35.87 billion by 2028. Recycling & resource recovery, technological advancements & circular economy are the major focus areas.

Construction & Demolition (C&D) waste management is a leading focus area. Being among major source of city air pollution, it has found prominent focus both in Swachh Bharat Mission (SBM) 2.0 & National Clean Air Plan (NCAP). Scientific treatment of C&D waste is still in nascent stage. It is going to remain in Government's key focus area for next decade owing to Government's commitment of improving air quality across all cities.

The Government withdrew Market Development Assistance (MDA) scheme for City Compost during 2021. There is now a new scheme viz. PM Programme for Restoration, Awareness Generation, Nourishment and Amelioration of Mother–Earth (PMPANAM) for Organic fertilizers, which is yet to see impact on the ground.

Plastic waste management continued to remain a key growth area and has seen visible progress & improvement in terms of systematic & regulatory changes through Extended Producer Responsibility (EPR) regulations. It will help in bringing transparency, visibility & control in malpractices.

Despite multiple Regulations in place, lag in its implementation/ enforcement remained a key challenge for the industry. NGTs (National Green Tribunal) penal orders on most of the cities, states for poor waste management creates a strong push for sector growth.

Excel collaborated with CII ( Confederation of Indian Industry ) to advocate policy related industry issues including but not limited to reinstatement of discontinued MDA, decriminalization of Fertiliser (Control) Order (FCO) offences, consultations with the Office of the Principal Scientific Advisor etc.

\* - [https://www.mordorintelligence.com/industry-reports/india-waste-management-market/market-size#:~:text=India%20Waste%20Management%20Market%20Analysis,period%20\(2023%2D2028\).](https://www.mordorintelligence.com/industry-reports/india-waste-management-market/market-size#:~:text=India%20Waste%20Management%20Market%20Analysis,period%20(2023%2D2028).)

## **Segment Performance & Outlook**

Our Company being the pioneers in creating new waste management products & service solutions, owing to its strong in-house R&D capability & unique innovative service delivery approach has shifted focus towards integrated solution-oriented approach in waste management. Apart from Decentralized Waste Management, Division focused on Biogas segment, C&D waste, Material Recycling Facility (MRF) & Plastic Waste Management.

Continuous engagement with Clients helped Division recover & achieve 200% growth in Decentralized Waste Management during the year. Excel developed market for its two new in vessel Automatic & Non Heating Composting Solutions - Bioturn & Biorapid. Excel provided B2G, Zonal Level Wet Waste Composting solutions in hard to reach interior hilly regions of North India. Excel executed its first Decentralized 5 TPD (Tons per day) Biogas Project in Maharashtra and augmented its capability & pre-qualification to achieve future Biogas business.

Excel is progressing in the 50 TPD C&D Project with Rajkot Municipal Corporation. The plant's erection and commissioning will get completed during the year. Excel bagged its first 50 TPD, 10 years Public Private Partnership (PPP) Project for Material Recycling Facility (MRF) project from Pune Municipal Corporation. Project is to promote Dry Waste Segregation, Recovery & Recycling.

The Division worked on capability building for Exports Business and completed timely execution of three end-to-end solution projects in Philippines. Division successfully got letter of award from Maldives Clean Environment Project (MCEP) tender for supply of Organic waste solutions to four islands.

Excel decided to close operations of its first Centralized MSW Processing Plant at Pirana, Ahmedabad due to consistent financial losses since past few years due to operational issues for which we could not find solution with AMC. This decision will help to improve bottom line performance of Division in the coming year. Division is successfully creating new revenue streams viz. MRF at Pune. The Company handed back Varanasi MSW Processing Plant with full compliances to NTPC in November, 2022 after successful completion of the contract.

Division acquired ISO 9001 Certification to Standardize Internal Processes. Division is working on strengthening its internal business processes, build relationships and partnerships, nurture talent and collaborate across industry value chains.

## **Opportunities and Threats**

Excel aspires to become single point waste management solution provider in Municipal Solid Waste (MSW), C&D, Biogas, EPR and Process Waste Disposal (PWD).

Decentralized business is facing challenge of price driven market & low cost solutions under regulatory compliance pressure with little focus on waste processing.

Excel continues to focus on innovation, digital marketing and customer education. Positive customer experience is reflected in repeat sales and referrals.

Refused derived fuel (RDF), despite being a major problem area in MSW management remained neglected from policy perspective. Cement companies have set progressive industry standards for Thermal substitution rate (TSR). However, lack of policy support, access to large volume of feedstock remained much-needed missing links.

For required focus & growth, Government should expedite Ministry of Environment, Forests & Climate Change (MoEFCC's) proposal to give Waste Management Industry a Priority sector lending status.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which complies in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. These are in accordance with generally accepted accounting principles in India. During the year under review, there was no change in the accounting policies followed by the Company.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

The Company has proper and adequate system of internal audit and control which ensures that all the assets are safeguarded against loss from unauthorized use and that all transactions are authorized recorded and reported correctly.

The Company continuously improves upon the existing practices for each of its major functional areas with a view to strengthen the internal control systems.

The Company has assigned internal audit function to an independent firm of Chartered Accountants. Regular internal audit and checks are carried out to ensure that the responsibilities are discharged effectively. All major findings and suggestions arising out of internal audit are reported and reviewed by the Audit Committee. The management ensures implementation of the suggestions made by the internal auditors and reviews them periodically.

### FINANCIAL PERFORMANCE AND ANALYSIS

During the year under review, the net revenue from operations slipped by 7.49% from ₹ 1178.02 Crores in FY 2021-22 to ₹ 1089.82 Crores in FY 2022-23, largely due to various international business constraints and reduction in sales prices. Company's profit before tax declined by 51% from ₹ 212.10 Crores to ₹ 103.95 Crores, largely due to reduction in sales realization, sluggishness in exports volumes and also due to temporary mismatch in the sales prices and input material cost. Consequently, net profit after tax for the year decreased by 51% from ₹ 160.16 Crores to ₹ 78.45 Crores. The revenue from operations of the Chemicals Division for the year 2022-23 was ₹ 1067.10 crores (₹ 1152.54 crores for the FY 2021-22) and that of the Environment and Biotech Division was ₹ 22.72 crores (₹ 25.48 crores for FY 2021-22).

The Reserves excluding revaluation reserves as on 31.03.2023 are at ₹ 985.43 Crores.

CRISIL Limited reviewed and revised its rating outlook on the long term bank facilities of the Company to 'Stable' from 'Positive' while reaffirming the rating on long term bank facilities at 'CRISIL A+' and on short-term bank facilities at 'CRISIL A1'.

### KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof:

The Company has identified following ratios as key financial ratios:

Sr. No.	Particulars	FY 2022-23	FY 2021-22	%Change
1	Trade Receivable Turnover Ratio (in days)	59.57	57.60	3.41
2	Inventory Turnover Ratio ( in days)	49.68	36.28	36.93
3	Interest Coverage Ratio	58.57	119.80	-51.11
4	Current ratio	3.59	2.34	53.73
5	Debt Equity Ratio (%)	0.27	0.79	-66.06
6	Operating Profit Margin (%)	9.74	18.17	-46.40
7	Net Profit Margin (%)	7.20	13.60	-47.05
8	Return on Equity (%)	8.15	19.43	-58.04

Notes for those ratios where percentage change is in excess of 25%:

- Movement in inventory turnover ratio is due to increase in average inventory and reduction in sales.
- Movement in interest coverage ratio is mainly due to reduction in earnings.
- Movement in current ratio is mainly due to decrease in current liabilities during the year.
- Movement in debt equity ratio is mainly due to decrease in debt during the year.
- Movement in operating profit margin is mainly due to reduction in earnings.
- Movement in net profit margin is due to lower profits earned during the year.
- Movement in return on equity is due to lower profits earned during the year.

## **HUMAN RESOURCE DEVELOPMENT/ INDUSTRIAL RELATIONS**

Post Covid, the focus area for HR was on building capabilities within the organization for the next growth phase. It was decided to build skills internally and supplement knowledge and skills in certain identified technologies and areas.

The Company continued to focus on opportunities to grow and all round development in its people. As part of the development process and succession planning, “Leaders of Tomorrow” programme which was launched in May 2021 continued to invest in its future leaders by coaching and mentoring to be future-ready. These future leaders have completed their learning journey and will soon be leading some exciting projects.

We continued to attract talent from the industry. The new employees go through process of induction. They are mentored and supported to align themselves with the culture and values of the Company.

Sustained excellence is possible only when employees are greatly motivated to deliver strong performance and positive outcomes. To deliver these, the internal performance management system is being continuously improved to further enhance the quality and delivery orientation in the organization.

As a process, we continued to follow vertical approach and focussed on deliverables for the year, as shared by top management. These deliverables were discussed and agreed by each function / business / site. There was a sense of ownership of these company level goals by respective business/ function owners. This helped in setting up KRAs for the year.

All the three sites operated in a smooth manner due to our employee friendly policies and proactive industrial relationship approach. We also signed the Bonus agreement for Lote and Mumbai.

Post Covid, the Company reinstated engagement with employees vigorously and in-person. Many activities were conducted at sites and offices like the long service award ceremony, the annual Pooja etc. Facilities of canteen resumed.

Employee strength of the Company as on 31<sup>st</sup> March, 2023 was 1020.

## **CAUTIONARY STATEMENT**

Statements in this report on Management Discussion and Analysis relating to the Company’s objectives, projections, estimates, expectations or prediction may be forward looking within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, raw materials cost, availability and prices of finished goods, foreign exchange market movements, changes in Government regulations, tax structure, economic and political developments within India and the countries where the Company conducts its business and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

## CORPORATE GOVERNANCE REPORT:

**The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, in terms of Regulation 34(3) read with Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").**

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalization, widespread shareholders, changing ownership structure, greater expectations, etc. has made good Corporate Governance sin-qua-non of modern management. Your Company adheres to the principles of corporate governance and commits itself to accountability and fiduciary duty in the implementation of guidelines and mechanisms to ensure its corporate responsibility to the members and other stakeholders.

### 1. Company's Philosophy on the Code of Governance

Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders.

The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholder value. The Company has professionals as its Directors who get actively involved in the deliberations of the Board as well as Committees of Directors on all important policy matters.

The Company has formulated a number of policies and introduced several governance practices to comply with the applicable statutory and regulatory requirements.

### 2. Board of Directors

- a) As on March 31, 2023, the Company's Board consists of Thirteen (13) Directors out of which Three (3) are Whole-time Directors and Ten (10) are Non-Executive Directors. Out of the Ten (10) Non-Executive Directors, two (2) are Promoter Directors, Seven (7) are Independent Directors and One (1) is Nominee Director of LIC of India.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting and also number of directorships/memberships of committees of companies including this Listed Entity, are as under:

Name	Category of Directorship in Excel industries Limited	No. of Board Meetings Attended During 2022-23	Attendance At Last AGM (23/09/2022)	No. of Directorship Held In Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. Ashwin C. Shroff (Promoter) (DIN: 00019952)	Executive Chairman	6	Yes	2	Excel Industries Limited	Executive Chairman	Nil	Nil
					Transpek Industry Limited	Promoter Director		

Name	Category of Directorship in Excel industries Limited	No. of Board Meetings Attended During 2022-23	Attendance At Last AGM (23/09/2022)	No. of Directorship Held In Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. Ravi A. Shroff (Promoter) (DIN: 00033505)	Managing Director	6	Yes	2	Excel Industries Limited Transpek Industry Limited	Managing Director Promoter Director	2	Nil
Mr. Hrishit A. Shroff (Promoter) (DIN: 00033693)	Executive Director	6	Yes	1	Excel Industries Limited	Promoter Executive Director	Nil	Nil
Mr. Atul G. Shroff (Promoter) (DIN: 00019645)	Promoter – Non-Executive Director	5	Yes	2	Excel Industries Limited Transpek Industry Limited	Promoter Non-Executive Director Non-Executive– Non Independent Director	1	Nil
Mr. Dipesh K. Shroff (Promoter) (DIN: 00030792)	Promoter – Non-Executive Director	5	No	2	Excel Industries Limited Transpek Industry Limited	Promoter Non-Executive Director Promoter Non-Executive Director	2	1
Mr. R. N. Bhogale (DIN: 00292417)	Independent Director	6	No	1	Excel Industries Limited	Independent Director	1	Nil
Mr. H. N. Motiwala (DIN: 00029835)	Independent Director	6	Yes	5	Excel Industries Limited Multibase India Limited Ashapura Minechem Limited Orient Abrasives Limited Hitech Corporation Limited	Independent Director	7	5
Mr. P. S. Jhaveri (DIN: 00045038)	Independent Director	5	Yes	2	Excel Industries Limited Sadhana Nitro Chem Limited	Independent Director Independent Director	3	2



Name	Category of Directorship in Excel industries Limited	No. of Board Meetings Attended During 2022-23	Attendance At Last AGM (23/09/2022)	No. of Directorship Held In Listed Public Limited Companies	Name of listed companies where he/she is a Director		Membership of committees	Chairmanship of committees
					Company	Type of directorship		
Mr. M. B. Parekh (DIN: 00180955)	Independent Director	4	Yes	3	Excel Industries Limited Pidilite Industries Limited Vinyl Chemicals (India) Limited	Independent Director Executive Chairman Chairman & Managing Director	2	Nil
Mr. S. S. Vaidya (DIN: 00002273)	Independent Director	6	Yes	2	Excel Industries Limited Apcotex Industries Limited	Independent Director Independent Director	3	2
Mr. R. M. Pandia (DIN: 00021730)	Independent Director	6	Yes	6	Excel Industries Limited Thirumalai Chemicals Limited Ultramarine & Pigments Limited Supreme Petrochem Limited GRP Limited Supreme Industries Limited	Independent Director	5	3
Dr. Meena Galliard (DIN: 07118699)	Independent Director	6	Yes	1	Excel Industries Limited	Independent Director	Nil	Nil
Mr. Collu Vikas Rao (Din: 06900458)	Nominee Director (Equity Investor LIC of India) resigned w.e.f 26.09.2022	3	Yes	1	Excel Industries Limited	Nominee Director	Nil	Nil
Mr. Dinesh Kumar Bhagat (Din: 10039806)	Nominee Director (Equity Investor LIC of India) W.E.F 24.03.2023	1	NA	1	Excel Industries Limited	Nominee Director	Nil	Nil

**Notes:**

- 1) Directorships exclude Unlisted Public Companies, Private Limited Companies, Foreign Companies and Section 8 Companies.
- 2) Membership and Chairmanship of the Audit Committee and Stakeholders Relationship Committee of Public companies are only considered. Further Membership count includes the count in which the Director is Chairman.
- 3) Details of Director(s) retiring or being re-appointed are given in Annexure I to the Notice of Annual General Meeting.
- 4) Brief profiles of each of the above Directors are available on the Company's website: <http://www.excelind.co.in/>

- b) Six Board meetings of the Company were held during the year 2022-23. Dates of Board meetings held were:

27/05/2022	09/08/2022	23/09/2022
11/11/2022	10/02/2023	24/03/2023

- c) Mr. Ashwin C. Shroff, Mr. Atul G. Shroff and Mr. Dipesh K. Shroff are cousin brothers and Mr. Ravi A. Shroff and Mr. Hrishit A. Shroff are sons of Mr. Ashwin C. Shroff and Late Mrs. Usha A. Shroff.

- d) **No. of Shares held by Promoter Non-Executive Directors as on March 31, 2023**

Name of the Director(s)	Shares Held (No.)
Mr. Atul G. Shroff	59,784
Mr. Dipesh K. Shroff	8,619

- e) **Familiarization Program for Independent Directors:**

The Company has conducted familiarization Program during the year for Independent Directors so as to assist them in performing their role as Independent Directors. Details of the Program are available on Company's website at <http://www.excelind.co.in/corporate-governance.html>.

- f) **Skill, expertise and competence of the Board of Directors**

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Expertise in	Chemical Industry, Biotech and other allied industries	Business Management & Leadership	Finance	Legal Compliances	Corporate Governance	Global Business Development	Corporate Social Responsibility
Description	Knowledge and experience of Chemical and Biotech industry structure, manufacturing, operations and Research & Development.	Knowledge and experience in corporate strategy, planning, risk management and business sustainability. Leadership experience in advisory and supervising corporate management.	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control System.	Knowledge in the field of law and legal compliance management.	Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	Expertise in global business development, operation and strategy.	Experience and knowledge in the matters of Corporate Social Responsibility including environment protection and social development.

Expertise in	Chemical Industry, Biotech and other allied industries	Business Management & Leadership	Finance	Legal Compliances	Corporate Governance	Global Business Development	Corporate Social Responsibility
Ashwin C. Shroff	✓	✓			✓	✓	✓
Ravi A. Shroff	✓	✓	✓		✓	✓	✓
Hrishit A. Shroff	✓	✓	✓	✓	✓	✓	✓
Atul G. Shroff	✓	✓			✓	✓	✓
Dipesh K. Shroff	✓	✓			✓	✓	✓
H. N. Motiwalla			✓	✓	✓		
R. N. Bhogale	✓	✓	✓		✓	✓	✓
P. S. Jhaveri	✓	✓	✓		✓	✓	✓
Rajeev M. Pandia	✓	✓	✓		✓	✓	✓
S. S. Vaidya				✓	✓		
M. B. Parekh	✓	✓			✓	✓	✓
Meena Galliarda					✓		✓
Collu Vikas Rao (resigned on 26.09.22)		✓	✓	✓	✓		
Dinesh Kumar Bhagat (w.e.f 24.03.2023)		✓	✓	✓	✓		

g) **Confirmation of Independence**

There are seven Independent Directors on the Board of the Company. All the Independent Directors have provided a declaration of their independence for the year 2022-23 to the Board. The Board after undertaking due assessment of the veracity of the declaration is of the opinion that each Independent Director fulfills the conditions of independence as specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations and is independent of the management. No Independent Director has resigned during the year 2022-23 before the expiry of his/ her tenure.

3. **Audit Committee**

a) **Terms of reference and composition:**

The role of the Audit Committee is to supervise the Company's financial reporting process, internal control and disclosure of its financial information, to approve appointment of CFO, to recommend the appointment of Statutory Auditors, Cost Auditors and Internal Auditors and fixation of their remuneration, to review and discuss with the Auditors about adequacy of internal control systems, the scope of audit including observations of the Auditors, major accounting policies and practices, compliances with IND AS, Listing Regulations and other legal requirements concerning financial statements and related party transactions. The Committee also reviews the Company's risk management systems and the Quarterly, Half Yearly and Annual financial statements before they are submitted to the Board of Directors. The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

- b) The Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed in the Board meetings and taken on record.
- c) The Company has complied with the requirements of Regulation 18 and Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition and role of the Audit Committee.

- d) The Audit Committee of the Board of Directors of the Company comprised of five Members during the year 2022-23. Composition and attendance at the Committee Meetings during the financial year 2022-23 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Chairman	Independent Director	6	6
Mr. P. S. Jhaveri, Member	Independent Director	6	5
Mr. R. N. Bhogale, Member	Independent Director	6	5
Mr. R. M. Pandia, Member	Independent Director	6	6
Mr. Ravi A. Shroff, Member	Promoter, Managing Director	6	6

Audit Committee meetings are also attended by senior finance executives, Statutory Auditors, Advisors and Internal Auditors. The Cost Auditors are also invited to the meetings, whenever required.

The Secretary of the Company acts as the Secretary to the Committee.

- e) The Audit Committee meetings were held on the following dates during the financial year 2022-23.

27/05/2022	09/08/2022	23/09/2022
11/11/2022	10/02/2023	24/03/2023

#### 4. Nomination and Remuneration Committee

- a) **Terms of reference and composition:**

The broad terms of reference of the Company's Nomination and Remuneration Committee are to identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment/removal, to formulate the criteria for evaluation of Independent Directors and the Board, to determine and recommend to the Board the remuneration payable to Whole-time Directors and senior management, to determine and recommend to the Board the payment of annual increments and commission to the Whole-time Directors and to formulate and recommend policy for remuneration to directors, key managerial personnel and other employees.

- b) The Nomination and Remuneration Committee comprised of three Members during the year 2022-23. Composition and attendance at the Committee Meetings during the financial year 2022-23 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. H. N. Motiwalla, Chairman	Independent Director	2	2
Mr. R. N. Bhogale, Member	Independent Director	2	1
Mr. P. S. Jhaveri, Member	Independent Director	2	2

- c) The Nomination and Remuneration Committee meetings were held on 27/05/2022 and 10/02/2023 during the financial year 2022-23.

d) Performance evaluation criteria for Independent Director:

The Company has laid down evaluation criteria separately for Independent Directors. The criteria for evaluation of Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for formulating strategy of the company etc. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

5. **Stakeholders' Relationship Committee:**

a) The Stakeholders' Relationship Committee looks into the stakeholders' complaints and provide guidance for its expeditious redressal. The role of the committee inter-alia include the following:

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

b) The Stakeholders' Relationship Committee comprised of three members during the year 2022-23. Composition and attendance of Committee meetings during the financial year 2022-23 are as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Dipesh K. Shroff, Chairman	Promoter, Non-Executive Director	7	4
Mr. H. N. Motiwalla, Member	Independent Director	7	7
Mr. Ravi A. Shroff, Member	Promoter, Managing Director	7	7

c) Mr. S. K. Singhvi, Company Secretary, is also designated as the Compliance Officer of the Company.

d) The Stakeholders' Relationship Committee meetings were held on the following dates during the financial year 2022-23.

27/05/2022	22/07/2022	09/08/2022	28/09/2022
11/11/2022	17/01/2023	10/02/2023	

e) During the year, 8 complaints were received from the investors, all of which were resolved to the satisfactions of shareholders. There are no pending complaints as on March 31, 2023.

6. A. **Risk Management Committee:**

a) The Role of Committee is to review the risk management policy and plan of the Company from time to time and to guide and advise the executives in managing the business risks of the Company.

- b) The Committee comprised of four members during the year 2022-23. Composition and attendance of Committee meetings during the financial year 2022-23 was as follows:

NAME OF DIRECTOR AND EXECUTIVES	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Rajeev M. Pandia, Chairman	Independent Director	2	2
Mr. H. N. Motiwalla, Member	Independent Director	2	2
Mr. Ravi A. Shroff, Member	Managing Director	2	2
Mr. N.R. Kannan, Member	Chief Executive Officer	2	2

- c) The Risk Management Committee meetings were held on 01/08/2022 and 27/01/2023 during the financial year 2022-23

#### 6. B. Senior Management

Given below is the list of Senior Management of the Company as on 31<sup>st</sup> March, 2023.

Name of Senior Executives	Designation
N. R. Kannan	Chief Executive Officer
Pradeep Ghattu	Chief Operating Officer
Devendra P. Dosi	Chief Financial Officer
Neha Y. Tiwari	Vice President-Human Resource
Surendra H. Singhvi	Company Secretary
Dr. Susanta Kundu	Chief Operating Officer-Innovation Centre
Dr. Mahesh Patil	Vice-President-Research and Development
Mr. Neelesh Gupta	Vice-President-Business Development & Projects

#### 7. Corporate Social Responsibility Committee (CSR):

- a) The Role of the Committee is to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of annual plan for implementation of CSR. On recommendations of the Committee, based on the reasonable justifications to that effect, Board may alter such plan at any time during the financial year. The Committee shall review and recommend to the Board amendments to the CSR Policy.
- b) The Corporate Social Responsibility Committee comprised of five members during the year 2022-23. Composition and attendance of Committee meetings during the financial year 2022-23 was as follows:

NAME OF DIRECTOR	CATEGORY	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Ashwin C. Shroff, Chairman	Promoter, Executive Chairman	3	3
Mr. R. N. Bhogale, Member	Independent Director	3	3
Mr. M. B. Parekh, Member	Independent Director	3	2
Mr. R. M. Pandia, Member	Independent Director	3	3
Dr. Meena Galliara, Member	Independent Director	3	3

- c) The Corporate Social Responsibility Committee meetings were held on the following dates during financial year 2022-23.

23/05/2022	11/11/2022	24/03/2023
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## 8. Remuneration of Directors:

- a) The Non-Executive Directors are paid sitting fees for attending meetings of the Board and Committees of Directors and commission, if any. There is no other pecuniary relationship or transaction of the non-executive directors with the Company.
- b) The Company pays remuneration to its Executive Chairman, Managing Director and Executive Director by way of salary, commission, perquisites and allowances, as approved by the Shareholders. The Board, on the recommendations of the Nomination and Remuneration Committee, approves annual increments in salary to the Whole-time Directors within the scale as approved by the shareholders. Commission of Whole-time Directors is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceiling as stipulated in Section 197 of the Companies Act, 2013 and Listing Regulations.

The criteria of making payments to the Non-Executive Directors are laid down in the Nomination & Remuneration Policy of the Company which is available on Company's website at <https://www.excelind.co.in/corporate-governance.html>

- c) Given below are the details of remuneration paid to the Directors during the financial year 2022-23:-

DIRECTORS	SITTING FEES FOR BOARD/ COMMITTEE MEETINGS (₹)	SALARIES, WAGES, BONUS AND OTHER PERQUISITES (₹)	COMMISSION (₹)	TOTAL (₹)
Mr. Ashwin C. Shroff (Executive Chairman)	N.A.	2,31,02,056	11,263,495	3,43,65,551
Mr. Ravi A. Shroff (Managing Director)	N.A.	2,46,04,228	16,895,243	4,14,99,471
Mr. Hrishit A Shroff (Executive Director)	N.A.	1,48,38,854	11,263,495	2,61,02,349
Mr. Atul G. Shroff (Non-Executive Director)	250,000	N.A.	6,00,000	8,50,000
Mr. Dipesh K. Shroff (Non-Executive Director)	330,000	N.A.	6,00,000	9,30,000
Mr. R. N. Bhogale (Independent Director)	700,000	N.A.	8,00,000	15,00,000
Mr. H. N. Motiwalla (Independent Director)	910,000	N.A.	8,00,000	17,10,000
Mr. P. S. Jhaveri (Independent Director)	560,000	N.A.	8,00,000	13,60,000
Mr. M. B. Parekh (Independent Director)	240,000	N.A.	6,00,000	8,40,000
Mr. S. S. Vaidya (Independent Director)	350,000	N.A.	6,00,000	9,50,000
Mr. R. M. Pandia (Independent Director)	780,000	N.A.	10,00,000	17,80,000
Dr. Meena Galliarra (Independent Director)	420,000	N.A.	6,00,000	10,20,000
Mr. Collu Vikas Rao (Nominee Director – LIC of India- resigned on 26.09.2022)	*150,000	N.A.	*6,00,000	*7,50,000
Mr. Dinesh Bhagat (Nominee Director – LIC of India w.e.f 24.03.2023)	*50,000	N.A.	Nil	*50,000

\*The sitting fees and Commission for the year 2022-23 is paid to LIC.

- d) The employment of the Executive Chairman, Managing Director and Executive Director is contractual. The employment is for a period of five years and terminable by either party giving 3 months' notice.

- e) Severance compensation is payable to the Whole-time Directors, if their employment is terminated before the contractual period, subject to the provisions and limitations specified in the Companies Act, 2013. There are no stock options or performance linked incentive to the Directors.
- f) The Company offers benefits to retired Whole-time Directors as per a scheme in force duly approved by the Shareholders. The quantum of benefits in each individual case is decided by the Board of Directors at its discretion.
- g) The Independent Directors were appointed for a period of five years pursuant to the provisions of sections 149, 150, 152 read with schedule IV and all other applicable provisions, and are not liable to retire by rotation.

**9. General Body Meetings:**

- a) Location and time of the last three Annual General Meetings:

AGM	YEAR	LOCATION	DAY/DATE	TIME	NO. OF SPECIAL RESOLUTIONS
59 <sup>th</sup>	2019-20	Two Way Video Conferencing	Friday, 25th September, 2020	3.00 P.M.	0
60 <sup>th</sup>	2020-21	Two Way Video Conferencing	Friday, 24th September, 2021	3.00 P.M.	0
61 <sup>st</sup>	2021-22	Two Way Video Conferencing	Friday, 23rd September, 2022	3.00 P.M.	1

- b) Postal Ballot

During the financial year 2022-23 no special resolution was passed through postal ballot.

On 20th May, 2023, the following ordinary resolution was passed through postal ballot:

Appointment of Mr. Dinesh Kumar Bhagat as Nominee Director of the Company.

The results of the Postal Ballot are as under:

	Votes cast in favour	Votes cast against	Total
Remote-Evoting	6337459	65782	6403241
% of votes in favour of the resolution			98.97
% of votes against the resolution			1.03

The above ordinary resolution was passed with requisite majority.

Mr. Prashant Diwan, Practicing Company Secretary was appointed as Scrutinizer to conduct the postal ballot process.

No special resolution is proposed to be passed through Postal Ballot.

The postal ballot, whenever conducted, will be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.

**10. Means of Communication:**

- a) The Un-audited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirements of the Listing Regulations.
- b) The financial results of the Company are published in the newspapers viz. Business Standard (English) (All Edition), Free Press Journal (English), and Navshakti (Marathi).
- c) The financial results, annual reports, investor presentations and other major events/ developments/information concerning the Company are posted on the Company's Website: <http://www.excelind.co.in>. These are also submitted to BSE Limited and National Stock Exchange of India Limited for disclosure on their websites at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).



- d) NEAPS and BSE Listing are web-based application designed by National Stock Exchange of India Limited and BSE respectively for corporate filing. All periodical compliance filings, *inter-alia*, shareholding pattern, corporate governance report, corporate announcements are filed electronically through their portal.
- e) Management Discussion and Analysis Report forms part of the Annual Report.

#### 11. General Shareholder Information:

##### (a) Annual General Meeting

- Date and Time : Thursday, 14<sup>th</sup> September, 2023 at 3.00 p.m.
- Venue : The Annual General Meeting will be held through Video-Conferencing.

- (b) **Financial Year** : April 01, 2022 to March 31, 2023

- (c) **Dividend payment date** : On or before 13<sup>th</sup> October, 2023.

- (d) **Listing on Stock Exchanges** : The Company's Equity shares are listed on the following Stock Exchanges:

- 1) BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001
- 2) National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra – Kurla Complex, Bandra (E),  
Mumbai - 400 051

The Company has paid the listing fees to these Stock Exchanges for the year 2022-23.

##### (e) Stock Codes (for shares):

- The Bombay Stock Exchange : 500650
- National Stock Exchange of India Limited : EXCELINDUS
- Demat ISIN Number in NSDL and CDSL : INE 369A01029

##### (f) Market Price Data:

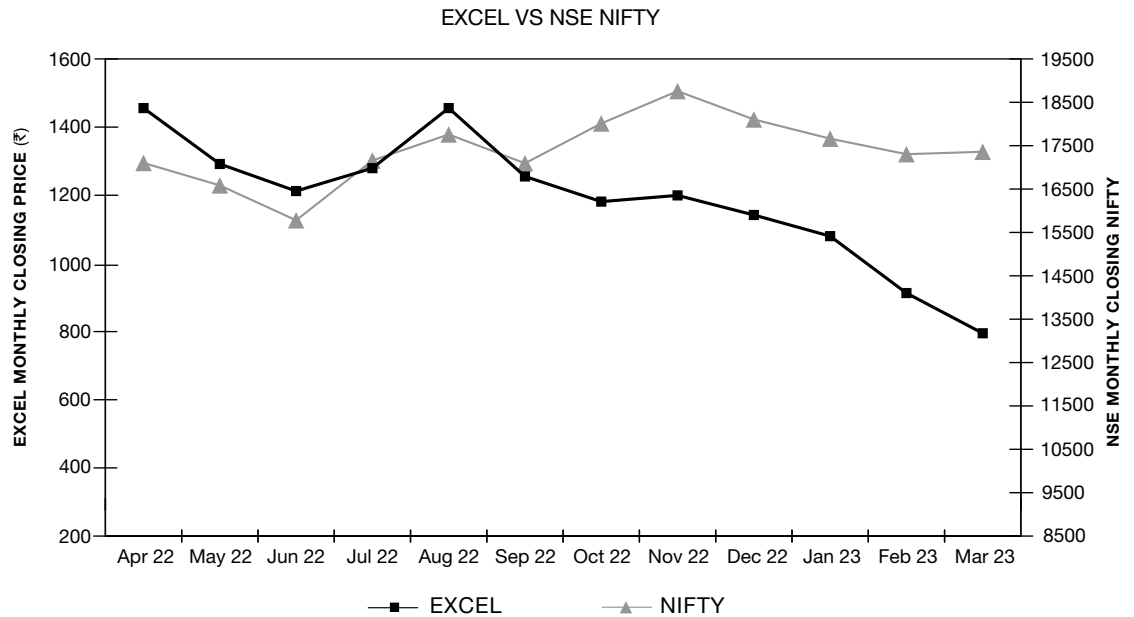
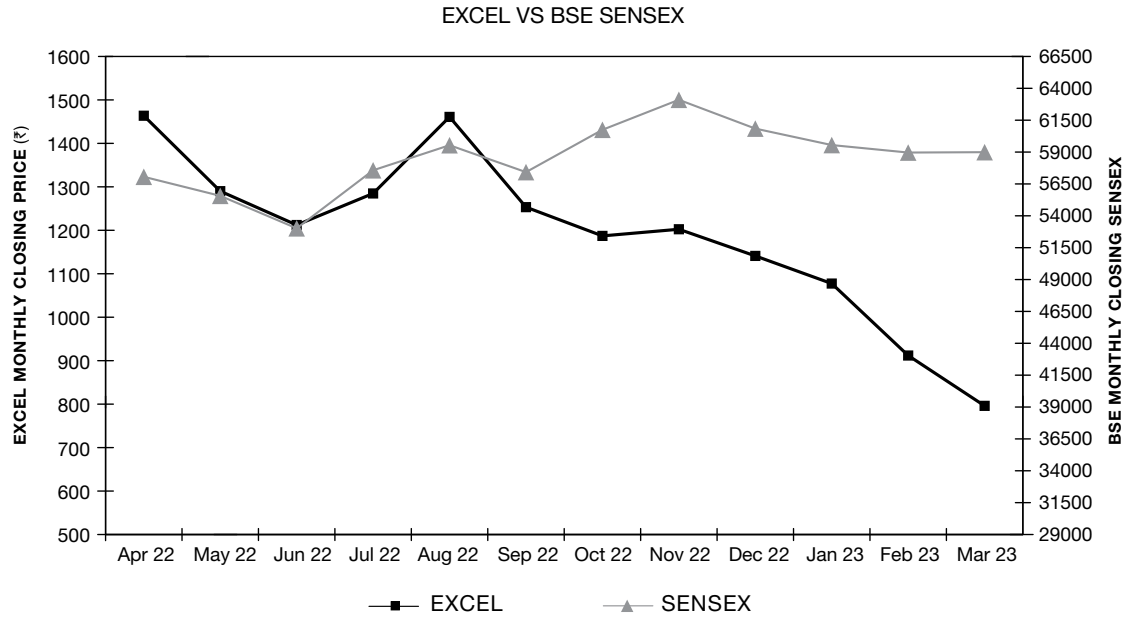
(₹)

MONTH	BOMBAY STOCK EXCHANGE		NATIONAL STOCK EXCHANGE	
	HIGH	LOW	HIGH	LOW
April-2022	1,693.90	1,401.85	1,698.00	1,390.00
May-2022	1,495.00	1,126.30	1,498.90	1,115.45
June-2022	1,458.55	1,047.60	1,460.00	1,060.15
July-2022	1,352.55	1,110.20	1,354.35	1,109.85
August-2022	1,488.55	1,255.10	1,487.55	1,256.00
September-2022	1,574.65	1,225.60	1,575.00	1,225.50
October-2022	1,350.00	1,163.00	1,324.55	1,160.00
November-2022	1,260.00	1,152.35	1,256.70	1,152.00
December-2022	1,238.80	1,047.55	1,240.35	1,045.05
January-2023	1,210.90	1,066.00	1,220.00	1,066.60
February-2023	1,123.85	872.00	1,115.00	906.05
March-2023	957.60	758.00	951.15	752.00

(Source: This information is compiled from the data available from the website of BSE and NSE)

(g) **Share Price Movements:**

Share Price Movement for the period from April 2022 to March 2023 Excel Industries Limited v/s BSE Sensex & NSE Nifty.



**(h) Share Transfer System:**

The share transfer function is carried out by the Registrar and Transfer Agent-Link Intime India Pvt. Ltd. SEBI vide its notification dated June 8, 2018, has amended the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from processing request for transfer of shares which are held in physical form, with effect from April 1, 2019. The shareholders, who continue to hold shares of the Company in physical form even after this date, will not be able to transfer their shares. Shareholders need to convert them to demat form compulsorily, if they wish to affect any transfer. Only the requests for transmission and transposition of shares in physical form will be accepted by the Company / RTA.

All the shareholders who are holding shares in physical form, should consider opening a demat account and submit request for dematerialization of their shares in order to protect the liquidity of the shares.

Requests for share transmission, transposition, duplicate share certificates etc. can be lodged at the office of Link Intime India Pvt. Ltd. at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 (Tel: +91 22 49186000 Fax: +91 22 49186060).

**(i) Distribution of Shareholdings as on March 31, 2023**

- **By Folio Wise:**

SHAREHOLDING OF NOMINAL VALUE (INR)	NO. OF SHAREHOLDERS	PERCENTAGE	NO. OF SHARES	PERCENTAGE
1-2,500	24,463	94.75	1,682,042	13.38
2,501-5,000	746	2.89	539,334	4.29
5,001-10,000	327	1.26	464,484	3.69
10,001-15,000	87	0.34	216,972	1.73
15,001-20,000	41	0.16	144,826	1.15
20,001-25,000	33	0.13	151,004	1.20
25,001-50,000	47	0.18	337,889	2.69
Above 50,000	75	0.29	9,034,141	71.87
<b>Total</b>	<b>25,819</b>	<b>100.00</b>	<b>12,570,692</b>	<b>100.00</b>

**PAN wise Categories of Shareholders as on March 31, 2023**

CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARES	VOTING STRENGTH %
Promoters	24	6,563,267	52.21
Body Corporates	189	304,733	2.42
Non-Resident Individuals	547	165,613	1.31
Indian Banks, Financial Institutions and Mutual Funds	12	871,576	6.93
Foreign Institutional Investors & Foreign Banks	39	106,352	0.85
Others	24,233	4,559,151	36.27
<b>Total</b>	<b>25,044</b>	<b>12,570,692</b>	<b>100.00</b>

**(j) Dematerialization of Shares and Liquidity:**

98.97% of the Company's share capital is held in dematerialized form as on March 31, 2023. The Company's shares are regularly traded on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

**(k) Outstanding GDRs, ADRs, Warrants or any convertible instruments – Not issued.**

(l) Commodity Price Risk and Commodity Hedging Activities: The Company is not exposed to any commodity price risk.

(m) **Unclaimed Shares**

In compliance with Regulation 39(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI to the Regulations, the Company has an Unclaimed Share Suspense Account. Currently, there are no shares in the Unclaimed Share Suspense Account. Shares were transferred from the Unclaimed Share Suspense Account to the concerned shareholders account, who approached the Company in this regard. Rest of the shares were transferred to IEPF Account, pursuant to the provisions of Section 124(6) of the Companies Act, 2013.

(n) **The details of unclaimed dividends and shares transferred to the IEPF during the year 2022-23 are as follows:**

Financial year	Amount of unclaimed dividend transferred	Number of shares transferred
2014-15	5,79,732	1746

The details of unclaimed dividend lying in the Unclaimed Dividend Accounts of the Company, details of shares transferred to IEPF and the shares due to be transferred to IEPF in the year 2023-24 are available on the website of the Company at [www.excelind.com](http://www.excelind.com).

(o) **Plant Locations:**

(a)	Plot No.112, M.I.D.C. Industrial Area, Dhataw, Roha, Dist. Raigad-402 116.	(c)	Plot No. 15, 15A, APSEZ, Atchutapuram, Visakhapatnam, Andhra Pradesh - 531011
(b)	D-9, M.I.D.C., Lote Parshuram, Tal: Khed, Dist. Ratnagiri-415 722.		

(p) **Address for correspondence:**

EXCEL INDUSTRIES LIMITED  
184-87, Swami Vivekanand Road, Jogeshwari (West)  
Mumbai-400102.  
Tel: 66464200  
Email- [Investors@excelind.com](mailto:Investors@excelind.com)

(q) **Address for correspondence for share related work:**

LINK INTIME INDIA PVT. LTD.  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (W),  
Mumbai 400 083  
Tel: +91 22 49186000 Fax: +91 22 49186060

**Help Desk contact**

E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**E-mail Address for Investor Grievances:**

[Investors@excelind.com](mailto:Investors@excelind.com)

(r) **Credit Ratings**

CRISIL ratings on the bank facilities to the Company

Total Bank Loan Facilities Rated	₹ 149.5 Crores
Rating on Long-Term bank loan facilities	CRISIL A+/Stable (Outlook revised from "Positive"; Rating Reaffirmed)
Rating on Short-Term bank loan facilities	CRISIL A1 (Reaffirmed)

### DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company is committed to provide all its employees an environment free of gender based discrimination. In furtherance of this commitment, the Company strives to provide all its employees with equal opportunity and conditions of employment, free from gender based coercion, intimidation or exploitation. The Company is dedicated to ensure enactment, observance and adherence to guidelines and best practices that prevent and prosecute commission of acts of sexual harassment.

- a. Number of complaints filed during the Financial year 2022-23- NIL
- b. Number of complaints disposed of during the Financial year 2022-23- NIL
- c. Number of complaints pending as on end of the Financial year 2022-23- NIL

### DISCLOSURE BY COMPANY AND ITS SUBSIDIARIES OF "LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT".

Kamaljyot Investments Limited and Excel Bio Resources Limited, subsidiaries of the Company have respectively placed Intercompany Deposits of ₹ 70 lakhs and ₹ 30 lakhs with TML Industries Limited during the year 2022-23.

### DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY

The Company does not have any Material Subsidiary.

### DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

No such contracts were entered during the year.

#### 12. Other Disclosures:

Particulars	Legal requirement	Details	Website link for details/policy
Materially significant Related party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There were no material significant related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. (Related Party Transaction Policy)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>
Details of Non - Compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ("SEBI") or any statutory authority on any matter related to capital markets, during the last three years	Schedule V(C) 10(b) to the SEBI Listing Regulations	There were no cases of non-compliance during the last three financial years, 2020-21, 2021-22 and 2022-23. There were no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any Statutory Authority on any matter related to capital markets during the last three years.	

Particulars	Legal requirement	Details	Website link for details/policy
Whistle Blower Policy/Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy/ vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company. (Whistle Blower Policy)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Audit Committee reviews the quarterly financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant transactions and arrangements of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining material subsidiaries which is disclosed on its website. (Material Subsidiary)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>
Policy on determination of materiality for disclosure	Regulation 23 of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality of events for disclosures. (Determining Materiality of Events)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>
Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents. (Preservation of Documents)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>
Code of Conduct	Regulation 26 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. The Corporate Governance Report of the Company contains a certificate by the Chief Executive Officer on the declarations received from Directors and Senior Management affirming compliance with the Code of Conduct. (EIL Code of Conduct & Ethics)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website. (Terms of appointment of Independent Director)	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>

13. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause (b) to (i) of sub-regulation (2) of Regulation 46.

The discretionary requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance.

14. **Particulars of Cost Auditor:**

Name of the Cost Auditor	M/s. Kishore Bhatia & Associates
Firm Registration No.	00294
Date of Appointment for the year 2022-23:	27/05/2022
Filing of Cost Audit Report for FY 2021-22:	
Due Date	23/10/2022
Actual Date	27/09/2022

15. Statutory Auditors have certified the Company's compliance to the conditions of corporate governance. The Certificate is annexed to this Report.
16. Mr. Prashant Diwan, Practicing Company Secretary has given a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report.
17. There was no instance during the financial year 2022-23, where the Board of Directors had not accepted the recommendation of any Committee of the Board which it was mandatorily required to accept.
18. The Statutory Auditors of the Company have not provided any services to the subsidiaries of the Company.  
No fees is paid by the subsidiaries to the Statutory Auditors of the Company, M/s Price Waterhouse Chartered Accountants LLP. Total fees for all services paid by the Company to the statutory auditors are provided in Note no. 38 of the Notes to Standalone Financial Statements forming part of this Annual Report.

For and on behalf of the Board of Directors

Ashwin C. Shroff  
Executive Chairman  
DIN: 00019952

Date: 11<sup>th</sup> August, 2023  
Place: Mumbai

### **CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS**

[Pursuant to Regulation 26(3) and Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Company has adopted a Code of Conduct & Ethics applicable to the Board Members and Senior Management Personnel.

This is to certify that as provided under regulation 26(3) of Listing Regulations, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31<sup>st</sup> March, 2023.

For Excel Industries Limited

N. R. KANNAN  
Chief Executive Officer

Date: 11<sup>th</sup> August, 2023  
Place: Mumbai

## **Auditors' Certificate regarding compliance of conditions of Corporate Governance**

To the Members of **Excel Industries Limited**

We have examined the compliance of conditions of Corporate Governance by **Excel Industries Limited**, for the year ended March 31, 2023 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592

UDIN: 23117592BGUSLF3479  
Place: Mumbai  
Date: August 11, 2023



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To  
The Members

**Excel Industries Limited**

184-187, Swami Vivekanand Road  
Jogeshwari (West), Mumbai - 400 102

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Excel Industries Limited** having CIN: L24200MH1960PLC011807 and having registered office at 184-187, Swami Vivekanand Road, Jogeshwari (West), Mumbai – 400 102 (hereinafter referred to as 'the Company'), produced before me by the Company through digital mode for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of Appointment	Date of Cessation
1	Ashwin Champraj Shroff	00019952	01/02/2010	–
2	Ravi Ashwin Shroff	00033505	03/09/2014	–
3	Atul Govindji Shroff	00019645	26/08/1994	–
4	Shailesh Shankarlal Vaidya	00002273	08/08/2014	–
5	Rajeev Mahendra Pandia	00021730	08/08/2014	–
6	Harish Narendra Motiwalla	00029835	24/05/2002	–
7	Dipesh Kantisen Shroff	00030792	03/09/2003	–
8	Priyam Shantilal Jhaveri	00045038	20/10/2002	–
9	Madhukar Balvantray Parekh	00180955	25/03/2005	–
10	Ramchandra Neelkanth Bhogale	00292417	06/12/2001	–
11	Meena Amar Galliara	07118699	27/06/2019	–
12	Hrishit Ashwin Shroff	00033693	27/06/2019	–
13	Dinesh Kumar Bhagat	10039806	24/03/2023	–

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

**CS PRASHANT DIWAN**  
**Practicing Company Secretary**

FCS No.: 1403 / CP No.: 1979

PR: 1683/2022

UDIN: F001403E000511781

Date: 27/06/2023

Place: Mumbai

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Company	:	L24200MH1960PLC011807
2	Name of the Company	:	EXCEL INDUSTRIES LIMITED
3	Year of Incorporation	:	1960
4	Registered Address	:	184-87, S.V. Road, Jogeshwari West, Mumbai-400102
5	Corporate Address	:	184-87, S.V. Road, Jogeshwari West, Mumbai-400102
6	E-mail – Id	:	surendra.singhvi@excelind.com
7	Telephone	:	022-66464200
8	Website	:	www.excelind.co.in
9	Financial Year reported	:	April 1, 2022 to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	:	BSE Limited & National Stock Exchange of India Limited
11	Paid-up Capital	:	₹ 6,28,53,460/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Name: Surendra Singhvi Mob No. 9930949248
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	:	Consolidated basis

#### II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products.	97

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code (Group)	% of total turnover contributed
1	Agrochemicals Intermediaries	20219	60

### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	03	03	06
International	Nil	Nil	Nil

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	30

b. What is the contribution of exports as a percentage of the total turnover of the entity?

– 21%

c. A brief on types of customers

Excel Industries Limited caters to the requirements of customers of Crop Protection chemicals, Pharmaceuticals (Human and Veterinary), Specialty chemicals, Polymers, Water treatment chemicals, Biocides etc.

Municipal Solid Waste (MSW) management is also a business vertical of the company.

### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	500	468	93.60	32	6.40
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	500	468	93.60	32	6.40
WORKERS						
4.	Permanent (F)	520	519	99.81	1	0.19
5.	Other than Permanent (G)	505	503	99.60	2	0.40
6.	Total workers (F + G)	1025	1022	99.71	3	0.29

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	1	50	1	50
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	2	1	50	1	50
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	0	0	0	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	13	1	7.69
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.03%	12.50%	13.00%	7.26%	10.71%	7.45%	6.45%	10.00%	6.67%
Permanent Workers	7.71%	100.0%	7.88%	3.73%	0.0%	3.72%	2.70%	0.0%	2.69%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Excel Bio Resources Limited	Subsidiary	100	No
2.	Kamaljiyot Investments Limited	Subsidiary	100	No
3.	Mobitrash Recycle Ventures Private Limited	Associate	39.98	Yes
4.	Climacrew Private Limited	Associate	45.37	No

**VI. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹) - ₹ 10,89,81,89,686/-

(iii) Net worth (in ₹) - ₹ 9,91,71,84,460/-

## VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–
Investors (other than shareholders)	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–
Shareholders	investors@excelind.com and <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a>	8	0	All the complaints were resolved	6	0	All the complaints were resolved
Employees and workers	Yes, <a href="https://www.excelind.co.in/companyPolicies.html">https://www.excelind.co.in/companyPolicies.html</a>	0	0	–	0	0	–
Customers	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	13	0	All Resolved	14	0	All Resolved
Value Chain Partners	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–
Other (please specify)	Yes, <a href="https://www.excelind.co.in/contact.html">https://www.excelind.co.in/contact.html</a>	0	0	–	0	0	–

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health and Safety	Risk	Accidents and injury can affect employees' morale, productivity and asset integrity.	<p>Achieve Zero accident / incident adhering to the standards of ISO 45001:2018 OHSMS, Responsible Care Code guidelines, training and awareness, enhancing visual display, housekeeping, Good Engineering Practices, External Audits, Pollution Prevention at all stage of manufacturing and disposal etc.</p> <p>Regular review of Safety and Risk mitigation plans by the Risk Management Committee and the board.</p> <p>On-site and Off-site emergency plans are reviewed and updated periodically.</p> <p>We are a member of Nicer Globe for tracking transportation of Hazardous Chemicals.</p> <p>Safety improvement initiatives through evaluation of Structural Safety, Process Safety &amp; Risk Management, Near miss tracking, Unsafe act and Unsafe Condition monitoring, Management of Hazardous chemicals, Workplace improvement, Preventive Maintenance, Mean Time Between Failures (MTBF) etc.</p> <p>Hazards identification through Job Safety Analysis (JSA), Hazard and Operability Study (HAZOP), Hazard Identification and Risk Analysis (HIRA), Why-Why analysis, Failure Mode Effect Analysis (FMEA), etc.</p> <p>Automation of production processes to minimize human intervention, error and exposures.</p>	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Sustainability	Risk	Failure to mitigate risks in relation to climate change, reduce carbon emissions, manage product life cycle and preserve nature, and its bio diversity.	<p>Develop Sustainable Development Goals (SDG's) applicable for the company for year 2030 or 2035.</p> <p>Regularly monitor sustainability risks against annual KPI's of sustainability across all sites.</p> <p>Regular review of Sustainability Roadmap and Environmental Compliance Status.</p> <p>Implementation of the solutions identified to reduce carbon emissions and carbon capture across the manufacturing facilities.</p> <p>Focus on principles of Green Chemistry and implement it for existing and for new product developments to reduce Carbon and Water footprint.</p> <p>Proactive investment to balance environmental targets and long term, sustainable business growth.</p>	Negative
a.	Climate Change	Risk	Planning for reduction of carbon emissions and enhancing the green cover at sites and neighboring communities.	<p>Aim to maximize use of electricity generated from renewable resources.</p> <p>Planning to reduce Carbon emissions through sourcing energy from renewable resources.</p> <p>Improving waste heat recovery from various processes.</p> <p>Embracing principles of green chemistry and changing towards alternate greener fuels.</p> <p>Planting more trees and increasing the green cover at sites and in the neighboring communities adopted under CSR.</p>	Negative
b.	Resource Conservation	Opportunity		<p>Explore the use of alternate and renewable energy sources to reduce consumption of fossil fuels.</p> <p>Reuse and recycle Sulphur, Solvents and other Raw materials to conserve natural resources.</p> <p>Maximize reduction, reuse and recycle for resource conservation.</p>	Positive
3.	Energy efficiency	Risk	High volatility in prices of energy like Oil, Coal, Electricity impacting variable costs.	<p>Saving of energy through improvements process efficiency and condensate recovery. Redesign, conversion or retrofitting of existing equipments.</p> <p>Increasing the mix of renewable energy in consumption.</p>	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Cyber Security	Risk	Impairment of business operations, Loss of valuable data resulting from Cyber-attacks.	<p>IT Security Vulnerability Assessment has been conducted to enhance the overall security against Cyber-attacks.</p> <p>Third party engagement has been done to ensure 24x7 monitoring and early detection of threats.</p> <p>The Extended data SOFOS system at all workstations has been implemented at all sites.</p> <p>Automated production controls are isolated without any remote access to servers.</p> <p>Two factor authentication and automated firewall management and monitoring has been implemented.</p> <p>Cyber security awareness sessions for employees. Periodic review of cyber security risks by the Risk Management Committee.</p> <p>IT strategies and roadmap has been reviewed and updated on a regular basis as per changing business needs and trends.</p>	Negative
5.	CSR	Opportunity	Developmental projects to create a positive impact and improve community relations.	<p>Impacting neighboring communities through positive initiatives like:</p> <p>Running health, well-being and education camps.</p> <p>Nutrition programs for women and adolescent girls.</p> <p>Focusing on resource conservation in nearby areas, through watershed management.</p> <p>Enabling farmers to enhance income, through better agricultural practices.</p> <p>Creating employment or entrepreneurship opportunities through skill development.</p>	Positive



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs has updated and adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes.								
b. Has the policy been approved by the Board? (Yes/No)	Yes.								
c. Web Link of the Policies, if available	<a href="https://www.excelind.co.in/corporate-governance.html">https://www.excelind.co.in/corporate-governance.html</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.*	Y	Y	Y	Y	Y	Y	Y	Y	Y
Note: * Responsible Care, EcoVadis Survey, ISO 14001:2015; ISO 45001:2018; ISO 9001:2015.									
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance of each of the principles is audited and reviewed periodically by different teams and committees led by the Senior Management and external auditors.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) The company is committed to integrate its Environmental, Social and Governance (ESG) principles into its businesses, which is central to improving the quality of life of its employees, stakeholders the communities it serves. It adheres to the principles of product stewardship by enhancing Health, Safety and Environmental impacts of products and services across their life cycles. The environmental impacts refers to the changes in Climate, Resources (Energy from Solar and Wind), Waste Water Management, Nature and Biodiversity. The company has committed to reduce its carbon emission (Scope 1 & 2) as per in-house methods and initiatives. The company has established policies for Safety Health and Environment (EHS), Resource Conservation and Responsible Care. The company is committed to conducting beneficial and fair business practices to the labor, human capital and to the community. It provides employees, stakeholders and business associates with working conditions that are clean, safe, healthy and fair. It strives to be the neighbor of choice in the communities in which it operates and contributes to their equitable and inclusive development. To deliver these commitments, the company has a separate CSR cell and team at all locations. Apart from this the company has its separate policy for 'Code of Conduct', 'Whistle Blower Policy', 'POSH' etc.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Policy is approved by the Board of Directors and signed by Executive Chairman. Oversight of the policy is done by the Executive Director, of the Company Mr. Hrishit Shroff. The functional heads and their teams are responsible for implementation.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board from time to time reviews the implementation of Policies and provides valuable directions and guidance to the Management to ensure that Safety and Sustainability implications are duly addressed in all new initiatives, budgets, audit actions and improvement plans.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other –please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Business Responsibility policies of the company are reviewed by Senior Leadership Team including Managing Director and Executive Director. During the assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are done and implemented. Review frequency is Half Yearly.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Managing Director & Chief Executive Officer / Chief Financial Officer & Company Secretary to the Board of Directors. Review frequency is Quarterly.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.																		
<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>										
Ans: No																		

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

- All the above principles are covered by the policies.

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE****PRINCIPLE 1 : Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.****Essential Indicators**

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impacts	% of persons in respective categories covered by the awareness programs.
Board of Directors	5	The Company conducts familiarization programs for its Board of Directors at regular intervals which covers topics such as ESG parameters and targets, corporate governance practices, employee well-being, innovation and R&D and various other regulatory updates.	100
Key Management Personnel	3	1. Code of conduct and its implementation (CoC). 2. Prevention of Sexual Harassment (POSH). 3. Anti-Corruption / Anti-Bribery (ACAB) policy.	100
Employees other than BOD and KMP	2	1. Code of conduct and its implementation (CoC). 2. Prevention of Sexual Harassment (POSH).	99
Workers	1	1. Prevention of Sexual Harassment (POSH).	94

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

<b>Monetary</b>					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil				
Settlement					
Compounding Fee					
<b>Non-Monetary</b>					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	Nil				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

– No.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	<b>FY 2022-2023</b>	<b>FY 2021-22</b>
Directors	Nil	Nil
KMP's	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	<b>FY 2022-23</b>		<b>FY 2021-22</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	–	0	–
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	–	0	–

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.
- Not Applicable.

### Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

<b>Total number of awareness programs held</b>	<b>Topics / principles covered</b>	<b>Value chain partners covered (by value of business done with such partners)</b>
04	Principle: 03	48.41%
02	Principle: 06	4.51%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

- Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors / KMPs of the Company, the Corporate Secretarial team maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance department which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such related parties.

For related party transactions. Full disclosure is made for all transactions with audit committee. This is on prior approval basis and the information is reviewed quarterly.

**PRINCIPLE 2 : Businesses should provide goods and services in a manner that are sustainable and safe.****Essential Indicators**

1. Percentage of R&D and capital expenditure (Capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>Details of improvements in environmental and social impacts.</b>
R&D	45.45 Lacs 5.94%	91.4 Lacs 12.52%	All R&D Investments are focused on sustainable technologies and on principles of green chemistry. Development of sustainable technologies, improvement of energy efficiencies, wastewater treatability etc.
Capex	193.75 Lacs 5.54%	214.39 Lacs 3.11%	Projects for Water Conservation, Conservation of Natural resources, Pollution Control, Safety for Employees & Community, encouraging use of green energy for human health and producing sustainable chemicals.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
– Yes
- b. If yes, what percentage of inputs were sourced sustainably?  
– About 44% of our electricity used in manufacturing are sourced from Renewable resources.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for  
– As a part of Responsible Care Product Safety and Stewardship codes, we have Standard Operating Procedures (SOP) for handling, storage and disposal of each product. These procedures have been communicated to our Customers and Channel Partners to enhance product safety at their premises and to the community at large. Similarly, procedures are available for disposal at the end of life cycle assessment.

Some of the examples of reusing and recycling Packaging materials are as under:

- (a) Plastics packaging: Both open top and closed top drums are recycled inside the plant and within sites. If any damaged materials are received at sites, they are disposed-off after cleaning.
- (b) MS Drums: All empty MS closed top drums of raw materials are cleaned, cut and straightened into sheets before disposal.
- (c) Use of recyclable totes and dedicated tankers, to ensure drums can be permanently stopped for end of life disposal processes.
- (d) E-waste: E-wastes are handed over to certified vendors for safe segregation and disposal.
- (e) Hazardous waste: Solid and Liquid Hazardous wastes are sent to Government approved TSDF sites for disposal.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.  
– Extended Producer Responsibility (EPR) is presently not applicable to the company.

**Leadership indicators**

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

<b>NIC Code</b>	<b>Name of Product/ Service</b>	<b>% of total Turnover contributed</b>	<b>Boundary for which the Life Cycle Perspective/ Assessment was conducted</b>	<b>Whether conducted by independent external agency (Yes/No)</b>	<b>Results communicated in public domain (Yes/No) If yes, provide the web-link.</b>
20219	Agrochemical Intermediates	60	Gate to Gate	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.
  - No. The fleet of ISO tankers are washed and maintained at our site and the wastewater is treated at our ETP. This ensures there is no significant social or environmental concerns arising from disposal of our products in the Life Cycle Perspective.
3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input material	Recycled or reused input material to total material	
	FY 2022-23	FY 2021-22
Sulphur	14%	22%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	126 MT	0	0	142 MT
E-waste	0	0	0.17 MT	0	0	0
Hazardous waste	0	0	10947 MT	0	0	16743 MT
Other Waste-Boiler Ash.	0	0	1746 MT	0	0	2299 MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.
  - Nothing is reclaimed by the Company.

**PRINCIPLE 3 : Businesses should respect and promote the wellbeing of all employees, including those in the value chain.**

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	468	468	100	468	100	0	0	0	0	0	0
Female	32	32	100	32	100	32	100	0	0	0	0
Total	500	500	100	500	100	32	6.40	0	0	0	0
Other than Permanent Employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

## b. Details of measures for the well-being of workers:

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	519	519	100	519	100	0	0	0	0	0	0
Female	1	1	100	1	100	1	100	0	0	0	0
Total	520	520	100	520	100	1	0.19	0	0	0	0
Other than Permanent Workers											
Male	503	503	100	503	100	0	0	0	0	0	0
Female	2	2	100	2	100	0	0	0	0	0	0
Total	505	505	100	505	100	0	0	0	0	0	0

## 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	–	–	–	–	–	–
Others : Please Specify.	–	–	–	–	–	–

## 3. Accessibility of workplaces:

a. Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

- No. We are in process of drafting the D&I policy, also assessing the current arrangements at all locations to improve the accessibility.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

- No

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	2	100%	0	0
Total	2	100%	0	0

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes/No (If Yes, then give details of the mechanism in brief)

- Yes

Category	Mechanism in Brief
Permanent Workers	Receipt of any grievance through email, letter, or telephonically etc., it is registered at the HR & Admin office. The complaints which are within the purview of the company is taken up for further investigation through an internal investigator. The investigator conducts investigation by gathering the data, validating, analyzing and provides his observations and recommendations. The investigation report is further reviewed by the VP-HR and Admin and the recommendations are acted upon. The documentation of the action taken is filed for records. The CEO, the Audit Committee and the Board review these, where necessary.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	500	80	16.00	510	72	14.12
Male	468	80	17.09	482	72	14.94
Female	32	0	0.0	28	0	0
Total Permanent Workers	520	234	45.00	537	236	43.95
Male	519	234	45.09	536	236	44.03
Female	1	0	0.0	1	0	0

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety Measures		On Skill upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Male	468	468	100	396	84.62	482	482	100	387	80.29
Female	32	32	100	14	43.75	28	28	100	9	32.14
Total	500	500	100	410	82	510	510	100	396	77.65
Workers										
Male	519	519	100	501	96.53	536	536	100	522	97.39
Female	1	1	100	1	100	1	1	100	1	100
Total	520	520	100	502	96.54	537	537	100	523	97.39



## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	468	348	74.36	482	345	71.58
Female	32	26	81.25	28	27	96.43
Total	500	374	74.80	510	372	72.94
Workers						
Male	519	65	12.52	536	68	12.69
Female	1	0	0.00	1	1	100
Total	520	65	12.50	537	69	12.85

## 10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
  - Yes, The Environment, Health and Safety Management system covers activities across all manufacturing locations, offices and R&D laboratories, ensuring the protection of environment, health & safety of its employees, contractors, visitors and relevant stakeholders.
- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
  - (i) Frequent audits are carried out to identify work-related hazards and assess risks on a routine and non-routine basis.
  - (ii) Trainings imparted to employees
- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)
  - Yes.
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
  - Yes

## 11. Details of safety related incidents, in the following format:

Safety Incident / Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	1	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	1	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

## 12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- Safety drills, Audits
- Trainings on work-related hazards and hazardous material handling

## 13. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health and Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Health and Safety Practices	100
Working conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

- NA

**Leadership Indicators**

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees –

- Yes

(B) Workers (Y/N).

- Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

- Yearly internal and external audits are carried out for monitoring all the HR Compliances.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	<b>Total no. of affected employees/workers</b>		<b>No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment</b>	
	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Employees	0	0	0	0
Workers	1	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

- Yes, on case to case basis

5. Details on assessment of value chain partners:

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Health and Safety Practices	18
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

- Nothing significant.

**PRINCIPLE 4 : Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.
  - Internal and external group of stakeholders have been identified. Presently, the given stakeholder groups which have the immediate impact on the operations and working of the Company are Shareholders, Customers, Communities, employees, Suppliers, Partners and Vendors.
2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, pamphlets, advertisements, community meetings, Notice board, website, others).</b>	<b>Frequency of engagement. (Annually, Half Yearly, Quarterly/ others – Please Specify).</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagements.</b>
Shareholders	No	Email, Website & Newspapers	Quarterly	Share price appreciation, dividends, profitability and financial stability, robust ESG practices, climate change risks, cyber risks, growth prospects
Employees	No	Email, Website	Periodically, an ongoing activity.	Responsible Care (RC), innovation, operational efficiencies, improvement areas, long-term strategy plans, brand communication, health, safety and engagement initiatives
Customers	No	Email, Website	Periodically, an ongoing activity.	Product quality and availability, responsiveness to needs, after sales service, responsible guidelines / manufacturing, climate change disclosures, life cycle assessment
Suppliers / Partners	No	Email, Website	Periodically, an ongoing activity.	Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behavior), ISO and OHSAS standards, collaboration and digitalization opportunities
Government	No	Email, Website	Periodically, an ongoing activity.	Strong ESG practices (climate change roadmap, frameworks for sustainability and beyond compliance and RC, changes in regulatory frameworks, skill and capacity building, employment, environmental measures), policy advocacy, timely contribution to exchequer/ local infrastructure, proactive engagement

<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, pamphlets, advertisements, community meetings, Notice board, website, others).</b>	<b>Frequency of engagement. (Annually, Half Yearly, Quarterly/ others – Please Specify).</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagements.</b>
Communities	No	Email, Website, Social/Community Meet	Periodically, an ongoing activity.	RC, waste management, integrated water management, clean water, climate change impacts, community development, self-sustainability, livelihood support, disaster relief, support of the United Nations Sustainable Development Goals (UN SDGs) building capacity of future leaders, digital ecosystem development

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
  - The Company management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees, etc. The Company has focused on this aspect through its EHSRC (Environment, Health, Safety and Responsible Care) policy that updates the progress on the actions to the Board and takes inputs on a quarterly basis.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
  - Yes, through community interaction studies, the Company engages with its stakeholders in terms of identifying and prioritizing the issues pertaining to economic, environmental and social topics.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.
  - The Company follows an extensive development approach for the vulnerable and marginalized stakeholders. It has been the Company's constant endeavor to focus on inclusive and collaborative growth. While the Company continues to progress on this roadmap, in the Company's integrated development interventions all the social initiatives under these elements are conducted around the Company's areas of operations aiming to improve the quality of life, especially in their neighborhoods. As per the need assessment, the vulnerable and marginalized stakeholder's community in the Company's neighborhood regions aspires for better education, health care, agriculture/animal husbandry better livelihood skills and employment. The Company site's entry-level recruitments like Diploma Engineer Trainees, Graduate Engineer Trainees and Management Trainees focus on recruitment from nearby communities.

The CSR has a very wide focus of vulnerable/ marginalized stakeholder groups, and are determined for their growth and development through many of its programs on a continual basis year after year.

**PRINCIPLE 5 : Businesses should respect and promote human rights.****Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	500	32	6.40	510	59	11.57
Other than Permanent	0	0	0	0	0	0
Total Employees	500	32	6.40	510	59	11.57
Workers						
Permanent	520	1	0.19	537	0	0
Other than Permanent	505	0	0	620	0	0
Total Employees	1025	1	0.10	1157	0	0

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/A)	No. (F)	% (F/A)
Employees										
Permanent										
Male	468	0	0	468	100	482	0	0	482	100
Female	32	0	0	32	100	28	0	0	28	100
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Workers										
Permanent										
Male	519	0	0	519	100	536	0	0	536	100
Female	1	0	0	1	100	1	0	0	1	100
Other than Permanent										
Male	503	503	100	0	0	618	618	100	0	0
Female	2	2	100	0	0	2	2	100	0	0

3. Details of Remunerations / salary / wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	12	13,60,000	1	10,20,000
Key Managerial Personnel	3	86,81,725	0	–
Employees other than BoD and KMP	465*	6,07,298**	32*	6,51,622**
Workers	519		1	

(\*) Note : This head count excludes 13 Directors and 3 KMPs.

(\*\*) Note : This median is combined of employees and workers.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights 1 impacts or issues caused or contributed to by the business? (Yes/No)

– Yes. The Company has human rights policy as a part of Human Resource policy.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

– The company has a common mechanism to redress grievances under human rights as for other grievances. Grievances are received through email, letter, or telephonically etc., it is registered by the HR and Admin department at respective locations and its sanity check is done. For complaints, which are in the purview of the Code of Conduct committee, merits further investigation. Investigation is either internal or external, based on its severity. The investigator conducts investigation by gathering the data, validating, analyzing and gives his observations and recommendations. The investigation report is further reviewed by the HR & Admin department at Sites or at H.O. Mumbai and the recommendations are acted upon. The documentation of the action taken is filed for records. MD & CEO and the Audit Committee review these.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	–	Nil	Nil	–
Discrimination at workplace	Nil	Nil	–	Nil	Nil	–
Child Labour	Nil	Nil	–	Nil	Nil	–
Forced Labour / Involuntary Labour	Nil	Nil	–	Nil	Nil	–
Wages	Nil	Nil	–	Nil	Nil	–
Other human Rights related Issues	Nil	Nil	–	Nil	Nil	–

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

– As part of Whistleblower Policy and POSH Policy, the Company strictly maintains the protection of identity of the complainant. All such matters are dealt in strict confidence. As a part of our policy on Code of Conduct, the Company does not tolerate any form of retaliation or revenge against anyone reporting legitimate concerns. Anyone involved in targeting such a person is subjected to disciplinary action, wherever found.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
- Yes, the company has specific clauses included in the business agreements and contracts / purchase orders. Human rights form a part of the company's Code of Conduct. The Company at any of its premises does not employ children below 18 years of age at its workplaces and does not use forced labor in any form.

9. Assessments for the year:

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others : Please Specify.	0

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
- NA

#### **Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
  - NA
2. Details of the scope and coverage of any Human rights due-diligence conducted.
  - NA
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
  - Yes
4. Details on assessment of value chain partners:

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual harassment	0
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others : Please Specify.	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.
- NA

**PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

<b>Parameters</b>	<b>FY 2022-23 (in gigajoule)</b>	<b>FY 2021-22 (in gigajoule)</b>
Total electricity consumption (A)	164557	168586.14
Total fuel consumption (B)	584265	125532.55
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	748822	294118.70
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.000070	0.000025
Energy intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.
2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
- Not Applicable
3. Provide details of the following disclosures related to water, in the following format:

<b>Parameters</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	512328 KL	613410 KL
(iv) Seawater / desalinated water	0	0
(v) Others	2585 KL	306519 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	514913 KL	919929 KL
Total volume of water consumption (in kilolitres)	506073 KL	613410 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.047 litre/rupee	=0.052 litre/rupee
Water intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.
4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
- Yes, the Company has implemented Zero Liquid Discharge at its Visakhapatnam plant and the same is in process for the Roha plant.



5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameters	Please specify unit	FY 2022-23	FY 2021-2022
NOx	Tons	47.95	44.45
SOx	Tons	258.45	276.60
Particulate matter (PM)	µg/m <sup>3</sup>	204	71.07
Persistent organic pollutants (POP)	–	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	–	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	–	Not Applicable	Not Applicable
Others – please specify	–	Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameters	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent (Scope 1: Direct emission)	55565	68300
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent (Scope 2: Indirect emission)	22856	26700
Total Scope 1 and Scope 2 emissions per rupee of Turnover	MT CO <sub>2</sub> /INR	0.0000074	0.000008
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- Yes, This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

- Yes. Roha and Lote site purchases ~44% of its electricity requirements from Renewable resources. The Company has established the roadmap for carbon emission reductions and is working on renewable source of electricity to meet its carbon reduction plan.

8. Provide details related to waste management by the entity, in the following format:

Parameters	FY 2022-23	FY 2021-22
Total waste generated (in metric tons)		
Plastic waste (A)	126	142
E-waste (B)	0.17	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	10947	16743
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2147	2299
Total (A + B + C + D + E + F + G + H)	13220	19184
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	117	Nil
(ii) Landfilling	10866	16743
(iii) Other disposal operations	1746	N/A
Total	12729	16743

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– Yes, This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.
- The Company ensures responsible waste management practices involving 100% recycling of gaseous wastes through scrubbing resulting in value added products. Similarly, waste water is partly recycled. Boiler ash is used for brick manufacturers, while Hazardous wastes are disposed off to MPCB approved TSDF units. The empty mild steel drums from raw materials are washed, cut and flatten into sheets before disposal.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and Corrective action taken, if any.
1	Roha	Manufacturing	Yes, approved.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

– Yes, the company is Complying with all the above mentioned acts and rules

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	Not Applicable	–	–	–

### Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (GJ)	FY 2021-22 (GJ)
From renewable sources		
Total electricity consumption (A)	64310 GJ	51288
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	64310 GJ	51288
From non-renewable sources		
Total electricity consumption (D)	100247 GJ	117299
Total fuel consumption (E)	584266 GJ	125470
Energy consumption through other sources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	684513 GJ	242769

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– Yes, This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	22384
- No treatment	0	0
- With treatment – please specify level of Treatment	0 (Fresh water is used for gardening)	22384 (water used for gardening)
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iv) Sent to third-parties (KL released to CETP)	103832 KL	102767 KL
- No treatment	0	0
- With treatment – please specify level of Treatment Primary, aerobic secondary and tertiary.	103832 KL (as per MPCB Norms to CETP)	102767 KL (as per MPCB Norms to CETP)
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in kilolitres)	103832 KL	125151 KL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– Yes, Monitoring of outlet is done by MIDC and State Pollution Control Board. This data is shared with Indian Chemical Council (ICC) as a part of annual KPI.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

– None of the sites are located in water stressed areas.

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY (2022-23)	FY (2021-22)
Water withdrawal by source (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
(ii) To Groundwater	Not Applicable	Not Applicable
(iii) Third party water	Not Applicable	Not Applicable
(iv) Sea water / desalinated water	Not Applicable	Not Applicable
(v) Others	Not Applicable	Not Applicable
Total volume of water withdrawal (in kilolitres)	Not Applicable	Not Applicable
Total volume of water consumption (in kilolitres)	Not Applicable	Not Applicable
Water intensity per rupee of turnover (Water consumed/turnover)	Not Applicable	Not Applicable

Parameter	FY (2022-23)	FY (2021-22)
Water intensity (optional) – the relevant metric may be selected by the Entity	Not Applicable	Not Applicable
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(ii) To Groundwater	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iii) To Seawater	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third-parties	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(v) Others	Not Applicable	Not Applicable
- No treatment	Not Applicable	Not Applicable
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)	Not Applicable	Not Applicable

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– Not Applicable.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameters	Unit	FY 2022-23	FY 2021-22*
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Assessed	25166
Total Scope 3 emissions per rupee of turnover	MT/INR	Not Assessed	0.0000021
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Not Applicable	Not Assessed	Not Applicable

\* The data were erroneously mentioned.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– This data is still not tracked and reported.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
- The Company monitors the water quality and air quality on a regular basis as per the environmental norms, regulations and CTO. Sites are located in Industrial Development areas / zones notified by state government, which are outside core biodiversity areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

<b>Sr. No.</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along-with summary)</b>	<b>Outcome of the initiative</b>
1	Integrated waste management.	Consumption of Sulphur generated in process.	Conservation of natural resources.
2	Integrated waste management.	Use of catalysts to increase yield. Recycling of Solvents from process.	Reduction of Pollution.
3	Water shed Management.	Rain water harvesting at site.	Conservation of natural resources.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
- Yes, onsite emergency preparedness plan in place. Similarly, guidelines of Distribution code and Nicer Globe are addressed for offsite transportation of Hazardous goods.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
- No significant impact.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
- A Vendor Questionnaire has been designed for Critical Suppliers (Overseas and Domestic) by value and our internal team has completed paper audit for sustainable sourcing. The next step, physical audit is in progress.

**PRINCIPLE 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

<b>S. No.</b>	<b>Name of the trade and industry chambers/ associations</b>	<b>Reach of trade and industry chambers/ associations (State/National)</b>
1	FICCI - Federation of Indian Chambers of Commerce and Industry	National
2	BCCI - Bombay Chamber of Commerce and Industry	
3	ICC - Indian chemical council	
4	CHEMEXCIL - Chemicals Export Promotion Council	
5	NSCI - National Safety Council of India	
6	CII - Confederation of Indian Industry	

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.
- Not applicable

**Leadership Indicators**

- Details of public policy positions advocated by the entity:
  - Not Applicable

**PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development****Essential Indicators**

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.
  - Not Applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:
  - Not Applicable
- Describe the mechanisms to receive and redress grievances of the community.
  - The Company has a procedure to receive and redress concerns/grievances received from the community. Each site has a committee from members of various departments like. HR & Admin., Security, CSR, etc. which receives the concerns (written/verbal) and works towards its completion. Sometimes, field visit and detailed analysis are done and the concern is addressed appropriately in a timely manner. The concerns are recorded and closely tracked until they are closed to the satisfaction of the stakeholder. The Company proactively engages with the community for development related work, site visits, visit to villages in various programs etc. A number of formal, informal and interactive sessions are conducted which helps in collaborations with the community to facilitate mutual cohesiveness and bonding while working together. We also engage through CSR, with various sections of the community like youth, women and community leaders etc. Senior Management proactively interacts with the community as and when required.
- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	19%	18%
Sourced directly from within the district and neighboring districts	63%	59%

**Leadership Indicators**

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (in INR)
1.	Maharashtra	Roha-Raigad	85,00,000
2.	Maharashtra	Chiplun-Ratnagiri	57,00,000

Our focus of CSR projects includes villages and local communities in and around the manufacturing sites as mentioned above.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)  
– No.
- (b) From which marginalized /vulnerable groups do you procure?  
– NA.
- (c) What percentage of total procurement (by value) does it constitute?  
– NA.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
None				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the case	Corrective action taken
None		

6. Details of beneficiaries of CSR Projects:

Approximate project-wise beneficiaries (including vulnerable and marginalized groups) are mentioned below:

Sr. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Water harvesting – Repairing of check Dams	2000	100% Beneficiaries from Rural areas.
2	Desilting and rejuvenation of Ponds & river basin	500	100% Beneficiaries from Rural areas.
3	Well Repairing work	722	100% Beneficiaries from Rural areas.
4	Water Filter Plant Installed	700	100% Beneficiaries from Rural areas.
5	Repairing 850 meters water Pipe line & HDPE pipe line	2399	100% Beneficiaries from Rural areas.
6	Provided Water Pump to Mahalunge Adiwasi wadi	150	100% Beneficiaries from Rural areas.
7	Constructed RCC water storage tank Cap. 18M3 in Pale Adiwasi wadi	150	100% Beneficiaries from Rural areas.



<b>Sr. No.</b>	<b>CSR Project</b>	<b>No. of persons benefitted from CSR projects</b>	<b>% of beneficiaries from vulnerable and marginalized groups</b>
8	Constriction Temporary Check Dams	121	100% Beneficiaries from Rural areas.
9	Drinking water Facility & 2 HDPE Tanks, Ferro cement Tank constructed	1350	100% Beneficiaries from Rural areas.
10	Mechanization Support partially in Rice transplant machine	90	100% Beneficiaries from Rural areas.
11	Wild Vegetable Exhibition – Support to Adiwasi Farmers	100	100% Beneficiaries from Rural areas.
12	Kharip Vegetable Crop support in Seeds, Fertilizers, Workshops	80	100% Beneficiaries from Rural areas.
13	APMC market awareness education visit, Vashi & Excel HO, Roha Societies	60	100% Beneficiaries from Rural areas.
14	Turmeric Cultivation – New varieties	50	100% Beneficiaries from Rural areas.
15	Rabi Crop Support in Seeds, Fertilizers, Mobilisers, IPM, Workshops	449	100% Beneficiaries from Rural areas.
16	Millets year 2023 celebration by various Programs	600	100% Beneficiaries from Rural areas.
17	MAHADBT Porter online Agriculture Schemes enrolled to Farmers	25	100% Beneficiaries from Rural areas.
18	Market Mirchi App. Training for Farmers	132	100% Beneficiaries from Rural areas.
19	Provided Jackfruits saplings set to Farmers	25	100% Beneficiaries from Rural areas.
20	Conduct Farmers Melava & Krushi Pradarshan	484	100% Beneficiaries from Rural areas.
21	Provided Pheromone and Stickers traps	90	100% Beneficiaries from Rural areas.
22	Lumpy Disease Spray Drives & awareness Programs	570	100% Beneficiaries from Rural areas.
23	Poultry Farming	118	100% Beneficiaries from Rural areas.
24	Goat Farming – Provided 3 Goats to each Farmers	06	100% Beneficiaries from Rural areas.
25	Safety Jackets Provided to Fisherman	19	100% Beneficiaries from Rural areas.
26	Amul Organization workshop at Excel's Office	27	100% Beneficiaries from Rural areas.
27	Fish Farming – Provided seeds for 2 Biofloc units	21	100% Beneficiaries from Rural areas.
28	General Checkup Camp for Cattle	100	100% Beneficiaries from Rural areas.

<b>Sr. No.</b>	<b>CSR Project</b>	<b>No. of persons benefitted from CSR projects</b>	<b>% of beneficiaries from vulnerable and marginalized groups</b>
29	Conducted Crab Cultivation Training	39	100% Beneficiaries from Rural areas.
30	Repairing Cremation Place	700	100% Beneficiaries from Rural areas.
31	Village inside road repairing	1200	100% Beneficiaries from Rural areas.
32	Constructed small River bridge for Adiwasi Wadi	500	100% Beneficiaries from Rural areas.
33	Community Hall Shade Work fabrication	800	100% Beneficiaries from Rural areas.
34	Provided Cupboards and Library	150	100% Beneficiaries from Rural areas.
35	Govt. Tailoring & wellness Center Training Program conducted for Ladies	168	100% Beneficiaries from Rural areas.
36	Govt. Cake making Training Program conducted for Ladies	250	100% Beneficiaries from Rural areas.
37	Healthy Millets Nutritious fast-food Training Program	130	100% Beneficiaries from Rural areas.
38	Business Kits Provided to Tailoring and Well-ness centers ladies	220	100% Beneficiaries from Rural areas.
39	Fashion Designing Advance Course	18	100% Beneficiaries from Rural areas.
40	Education Pradnya Vikas Training Program – Personality Skill Development – 8 <sup>th</sup> & 9 <sup>th</sup> Std. Students.	700	100% Beneficiaries from Rural areas.
41	Special Guidance Program to SSC Students	300	100% Beneficiaries from Rural areas.
42	Provide basic School Stationery to primary Students	150	100% Beneficiaries from Rural areas.
43	LED Screen Provided to School for Digital School	300	100% Beneficiaries from Rural areas.
44	Sports Materials Provided to Schools	1200	100% Beneficiaries from Rural areas.
45	Solar Street Light installed near Public Road Side	430	100% Beneficiaries from Rural areas.
46	Bio Gas Support to Farmers	11	100% Beneficiaries from Rural areas.
47	Health – Support to Nursing Course Rural Students	39	100% Beneficiaries from Rural areas.
48	Provided Millets Items to Students Health	240	100% Beneficiaries from Rural areas.

**PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner.****Essential Indicators**

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
  - All the sites are ISO9001:2015 Certified and has a well-established setup of Quality Management System for receiving and responding to complaints for the existing consumers through emails, letters and phone. Complaints are escalated and resolved within the time depending on its nature.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percent to total turnover
Environmental and Social parameters relevant to the products	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

- Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil		Nil			
Advertising						
Cyber-security						
Delivery of essential Services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
  - Yes, the Company has a Policy and a detailed charter on cyber security and risk related to data privacy and is extremely vigilant on the same.
- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.
  - We have not had any of the above listed incidents/events with regards to our customers.

### **Leadership Indicators**

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).
  - The information on products and services of the entity can be accessed at [www.excelind.co.in](http://www.excelind.co.in). Additionally there are telephones and emails as well.
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
  - Customers are informed and educated about safe and responsible usage of products through MSDS / Product Brochures and customized modules of trainings as a part of Product Safety and Stewardship code.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
  - Yes, the Company informs customers through emails and phone calls.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.
  - Yes, our product labels are detailed and carry information about Hazards and safe handling of the product. Address and contact numbers of Manufacturing site and H.O. is provided on product labels.
5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
  - Yes, Consumer satisfaction relating to the major products of the company has been done for all the locations of operation.
6. Provide the following information relating to data breaches:
  - a. Number of instances of data breaches along-with impact : 0
  - b. Percentage of data breaches involving personally identifiable information of customers : 0%

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF EXCEL INDUSTRIES LIMITED

**Report on the Audit of the Standalone Financial Statements****Opinion**

1. We have audited the accompanying Standalone Financial Statements of Excel Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Statement of Standalone Changes in Equity and the Statement of Standalone Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

**Basis for opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>A. Assessment of the valuation of investment in unquoted equity instruments:</b> (Refer Notes 2(a) and 8 to the standalone financial statements)</p> <p>The Company has investments amounting to Rs. 25,318.27 lakhs in unquoted equity instruments valued at 'Fair value through Other comprehensive income' in accordance with Indian Accounting Standard (Ind AS 109), Financial Instruments, at each reporting date.</p> <p>An independent professional valuation expert is engaged by the management to determine the fair value, who ascertains the fair value based on the Comparable Companies' Multiple Inputs.</p> <p>The key judgements involved in the valuation are identification of comparable companies, assessment of maintainable EBIDTA (Earnings before interest, depreciation, taxes and amortisation) and other relevant valuation parameters.</p>	<p>Our procedures in relation to management's assessment of the valuation of investments in unquoted equity instruments include the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over determination of fair value including valuation model and management assumptions / judgements involved.</li> <li>• Evaluated independence, competence and capabilities of the management's expert.</li> <li>• Involved auditor's expert to assist in evaluation of valuation methodology and key valuation assumptions and judgements involved.</li> <li>• Evaluated competence and capabilities of the auditor's experts.</li> <li>• Assessed the reasonableness of the input data provided by management to the independent professional valuation expert, such as Revenue, EBIDTA and Profit after tax of investee company for the year ended March 31, 2023.</li> </ul>

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the standalone financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Tested the mathematical accuracy of the valuation report.</li> <li>• Assessed appropriateness of relevant disclosures in the standalone financial statements.</li> </ul> <p>Based on the audit procedures performed, we found management's assessment of the valuation of investment in unquoted equity instruments and related disclosures to be reasonable.</p>
<p><b>B. Assessment of indicators of impairment and the recoverable amount of goodwill and property, plant and equipment</b></p> <p>(Refer Notes 1(H), 2(b), 3 and 6 to the standalone financial statements)</p> <p>The Company has goodwill amounting to Rs. 1,885.28 lakhs and property, plant and equipment amounting to Rs. 36,488.49 lakhs as on March 31, 2023. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. The Company periodically assesses the carrying amount of its property, plant and equipment to determine whether there is an indication that those assets have suffered impairment loss.</p> <p>In making such assessments, the Company considers both internal and external sources of information to determine whether there is an indicator of impairment and, accordingly, whether the recoverable amount of the cash generating unit (CGU) needs to be estimated.</p> <p>An impairment loss is recognised if the recoverable amount is lower than the carrying value. The recoverable amount is determined based on the higher of value in use and fair value less costs to sell.</p> <p>The assessment of indicators of impairment and recoverable value of goodwill and property, plant and equipment is considered to be a key audit matter as the amount is significant to the standalone financial statements and there is significant judgement involved in estimating the recoverable value including future cash flows, terminal value growth rate and the weighted-average cost of capital (discount rate).</p>	<p>Our procedures in relation to assessment of indicators of impairment and recoverable amount of goodwill and property, plant and equipment include the following:</p> <ul style="list-style-type: none"> <li>• Analysed the indicators of impairment of property, plant and equipment including understanding of Company's assessment of those indicators;</li> <li>• Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over assessment of any potential impairment indicators, determination of CGU and determination of recoverable value of goodwill and property, plant and equipment including management assumptions / judgements.</li> <li>• Involved auditor's expert to assist in evaluation of key valuation assumptions and judgements such as discount rate and terminal growth rate.</li> <li>• Evaluated competence and capabilities of the auditor's experts.</li> <li>• Assessed the reasonableness of assumptions around the key drivers of the cash flow forecasts such as future sales, input costs, discount rate and terminal value growth rate.</li> <li>• Performed sensitivity analysis over key assumptions to corroborate that recoverable amount of goodwill and property, plant and equipment is within a reasonable range.</li> <li>• Tested the mathematical accuracy of the impairment working.</li> <li>• Assessed appropriateness of relevant disclosures in the standalone financial statements.</li> </ul> <p>Based on the audit procedures performed, we found management's assessment of indicators of impairment and the recoverable amount of goodwill and property, plant and equipment and related disclosures to be reasonable.</p>

### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other legal and regulatory requirements**

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Standalone Balance Sheet, the Statement of Standalone Profit and Loss (including other comprehensive income), the Statement of Standalone Changes in Equity and the Statement of Standalone Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:



- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 46(a) to the standalone financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year, except for amount aggregating to Rs. 0.33 lakhs, which according to the information and explanations provided by the management is held in abeyance due to dispute / pending legal cases.
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 56(vii) to the standalone financial statements);  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 56(vii) to the standalone financial statements); and  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - (v) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
  - (vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
15. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592  
UDIN: 23117592BGUSHZ9049

Place: Mumbai  
Date: May 16, 2023

### **Annexure A to Independent Auditor's Report**

*Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Excel Industries Limited on the standalone financial statements as of and for the year ended March 31, 2023*

### **Report on the Internal Financial Controls with reference to the Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to the standalone financial statements of Excel Industries Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592  
UDIN: 23117592BGUSHZ9049

Place: Mumbai  
Date: May 16, 2023

## Annexure B to Independent Auditor's Report

*Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Excel Industries Limited on the standalone financial statements as of and for the year ended March 31, 2023*

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 on 'Property, Plant and Equipment', Note 4 on 'Right of use assets' and Note 5 on 'Investment properties' to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. (Also refer Note 56(ii) to the standalone financial statements).
- iii. (a) The Company has made investments in six mutual fund schemes and granted unsecured loans and advances in nature of loans to its employees. The Company has not made investments in nor stood guarantee or provided security to or granted any secured / unsecured loans / advances in nature of loans to, companies, firms or Limited Liability Partnerships. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances in the nature of loans to its employees are as per the table given below:

*(Amount in lakhs)*

Particulars	Guarantees	Security	Loans	Advances in nature of loans*
Aggregate amount granted during the year:				
• Others – Employees	–	–	0.50	137.88
Balance outstanding as a balance sheet date in respect of the above case:				
• Others – Employees	–	–	0.39	20.21

\* Advances are interest free

(Also refer Note 9 and Note 17 to the standalone financial statements)

- (b) In respect of the aforesaid investments and loans / advances in nature of loans to employees, the terms and conditions under which such loans were granted, and investments were made are not prejudicial to the Company's interest.
- (c) In respect of the loans / advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

- (d) In respect of the loans / advances in nature of loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans / advances in nature of loans which fell due during the year and were renewed / extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans / advances in nature of loans.
- (f) There were no loans / advances in nature of loans which were granted during the year, including to promoters / related parties as defined in Section 2(76) of the Act, which are repayable on demand or where no schedule for repayment of principal has been stipulated by the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of the loans and investments made, and guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted by the Company or amounts which are deemed to be deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits, and therefore, the question of our commenting on whether the same has been complied with or not does not arise.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of goods and services tax, income tax and employees' state insurance though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	206.81	Assessment year 1998-99, 2000-01 and 2002-03	High Court
Income Tax Act, 1961	Income Tax Demand	710.14	Assessment year 2017-18 and 20018-19	Commissioner of Income Tax – Appeals
The Customs Act, 1962	Custom Duty Demand	137.64	Financial Year 2011-2012 and 2012-2013	Customs, Excise and Service tax Appellate Tribunal
The Customs Act, 1962	Custom Duty Demand	40.89	November 2018 to October 2020	Assistant Commissioner, Customs
Central Excise Act, 1944	Excise Duty Demand	34.81	June 2008 to November 2015	Customs, Excise and Service tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty Demand	2.80	December 2015 to June 2017	Commissioner Appeals
Goods and Services Tax Act, 2017	Goods and Services Tax Demand	168.23	June 2017 to March 2019	Assistant Commissioner
Mumbai Municipal Corporation Act, 1888	Property Tax	73.77	Financial Year 2010-11 to 2022-23	Assistant Assessor and Collector

\* Above amounts are net of payments made under protest

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.  
 (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.  
 (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.  
 (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.  
 (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.  
 (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.  
 (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.  
 (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.  
 (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.  
 (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.  
 (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 52 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592  
UDIN: 23117592BGUSHZ9049

Place: Mumbai  
Date: May 16, 2023

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	38,611.70	38,463.73
Right-of-use assets	4	2,151.09	2,222.07
Capital work-in-progress	3	1,931.36	2,120.25
Investment properties	5	81.48	83.40
Goodwill	6	1,885.28	1,885.28
Other intangible assets	6	30.55	33.71
Financial assets			
(i) Investments in subsidiaries and joint venture	7	421.47	421.47
(ii) Other investments	8	30,182.22	28,165.84
(iii) Loans to employees	9	3.30	4.37
(iv) Other financial assets	10	789.48	630.49
Non-current tax assets (net)		2,048.38	1,784.99
Other non-current assets	11	160.32	119.15
<b>Total non-current assets</b>		<b>78,296.63</b>	<b>75,934.75</b>
<b>Current assets</b>			
Inventories	12	13,144.27	16,522.58
Financial assets			
(i) Investments	13	5,300.74	905.15
(ii) Trade receivables	14	15,651.95	19,918.46
(iii) Cash and cash equivalents	15	327.29	2,840.11
(iv) Bank balances other than cash and cash equivalents	16	8,318.75	3,749.83
(v) Loans to employees	17	21.66	32.44
(vi) Other financial assets	18	641.15	239.80
Other current assets	19	775.91	3,034.62
<b>Total current assets</b>		<b>44,181.72</b>	<b>47,242.99</b>
<b>Total assets</b>		<b>1,22,478.35</b>	<b>1,23,177.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	628.53	628.53
Other equity	21	98,543.31	92,644.15
<b>Total equity</b>		<b>99,171.84</b>	<b>93,272.68</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	22	178.09	178.33
Employee benefit obligations	23	1,313.02	1,421.43
Deferred tax liabilities (net)	24	9,511.42	8,079.19
<b>Total non-current liabilities</b>		<b>11,002.53</b>	<b>9,678.95</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	25	89.08	523.53
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	26	678.05	1,432.38
(b) total outstanding dues other than (i) (a) above	26	10,004.41	16,609.97
(iii) Lease liabilities	27	0.24	39.18
(iv) Other financial liabilities	28	553.11	456.62
Employee benefit obligations	29	500.62	510.16
Current tax liabilities (net)		47.78	294.72
Other current liabilities	30	430.69	359.55
<b>Total current liabilities</b>		<b>12,303.98</b>	<b>20,226.11</b>
<b>Total liabilities</b>		<b>23,306.51</b>	<b>29,905.06</b>
<b>Total equity and liabilities</b>		<b>1,22,478.35</b>	<b>1,23,177.74</b>
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For and on behalf of the Board of Directors of Excel Industries Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

BHAVESH GADA  
Partner  
Membership No.: 117592

N.R. KANNAN  
Chief Executive Officer

DEVENDRA P. DOSI  
Chief Financial Officer

SURENDRA K. SINGHVI  
Company Secretary

Place : Mumbai  
Date : May 16, 2023

Place : Mumbai  
Date : May 16, 2023



## STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	31	1,08,981.90	1,17,801.98
Other income	32	1,055.90	1,421.12
<b>Total income</b>		<b>1,10,037.80</b>	<b>1,19,223.10</b>
<b>EXPENSES</b>			
Cost of materials consumed	33	61,455.20	62,137.68
Purchases of stock-in-trade	34	1,277.12	452.56
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	347.14	(1,899.95)
Employee benefit expense	36	10,488.48	10,619.65
Depreciation and amortisation expenses	37	3,136.19	3,065.50
Impairment loss on property, plant and equipment	54	65.23	—
Other expenses	38	22,656.58	23,445.25
Finance costs	39	216.71	192.38
<b>Total expenses</b>		<b>99,642.65</b>	<b>98,013.07</b>
<b>Profit before tax</b>		<b>10,395.15</b>	<b>21,210.03</b>
Income tax expense	24		
— Current tax		2,564.41	5,072.35
— Deferred tax		102.18	121.76
— Tax in respect of earlier years		(116.55)	—
<b>Total tax expense</b>		<b>2,550.04</b>	<b>5,194.11</b>
<b>Profit for the year</b>		<b>7,845.11</b>	<b>16,015.92</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on net defined benefit plans	40	86.08	0.65
Changes in fair value of equity instruments	8	2,016.38	8,538.62
(ii) Income Tax relating to above	24	(1,220.00)	(1,453.70)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Income Tax relating to above		—	—
<b>Other comprehensive income for the year, net of tax</b>		<b>882.46</b>	<b>7,085.57</b>
<b>Total comprehensive income for the year</b>		<b>8,727.57</b>	<b>23,101.49</b>
<b>Earnings per share (in INR)</b>			
Basic	47	62.41	127.41
Diluted		62.41	127.41
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016BHAVESH GADA  
Partner  
Membership No.: 117592Place : Mumbai  
Date : May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952N.R. KANNAN  
Chief Executive OfficerPlace : Mumbai  
Date : May 16, 2023RAVI A. SHROFF  
Managing Director  
DIN: 00033505DEVENDRA P. DOSI  
Chief Financial OfficerHRISHIT A. SHROFF  
Executive Director  
DIN: 00033693SURENDRA K. SINGHVI  
Company Secretary

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	<b>10,395.15</b>	<b>21,210.03</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	3,136.19	3,065.50
Finance costs	216.71	192.38
Bad debts written off during the year	27.62	—
Provision for / (reversal of) doubtful debts (net)	(141.72)	26.08
Provision for / (reversal of) doubtful advances	(1.00)	80.78
Unrealised exchange differences (net)	(3.45)	38.43
Dividend income	(90.68)	(1,074.88)
Interest income	(511.14)	(247.38)
Gain on fair valuation of investments through profit and loss	(91.14)	(0.53)
Impairment loss on property, plant and equipment	65.23	—
Profit on sale of current investments	(80.23)	—
Net loss on sale / discard of property, plant and equipment	124.38	30.38
<b>Operating profit before working capital changes</b>	<b>13,045.92</b>	<b>23,320.79</b>
<b>Adjustments for:</b>		
(Increase) / decrease in Inventories	3,378.31	(9,625.47)
(Increase) / decrease in Trade receivables	4,389.96	(2,667.37)
(Increase) / decrease in Other bank balances	178.39	668.62
(Increase) / decrease in Loans to employees (Current and Non-current)	11.85	2.84
(Increase) / decrease in Other financial assets (Current and Non-current)	(371.20)	(41.55)
(Increase) / decrease in Other assets (Current and Non-current)	2,241.11	(1,439.55)
Increase / (decrease) in Trade payables	(7,365.79)	5,692.32
Increase / (decrease) in Other financial liabilities (Current and Non-current)	14.04	(9.53)
Increase / (decrease) in Employee benefit obligations (Current and Non-current)	(31.87)	(100.14)
Increase / (decrease) in Other current liabilities	71.14	27.99
	<b>15,561.86</b>	<b>15,828.95</b>
Less: Income taxes paid (net of refunds)	2,907.45	4,936.78
<b>NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]</b>	<b>12,654.41</b>	<b>10,892.17</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and capital vendor)	(3,249.76)	(7,370.71)
Purchase of Intangible assets	(15.77)	(18.73)
Payment towards acquisition of business	—	(1,000.00)
Proceeds from sale of property, plant and equipment	114.48	20.20
Proceeds from sale of current investments	11,602.87	—
Interest received	322.00	217.94
Investments in bank deposits with maturity of more than three months (net)	(4,747.31)	(3,463.57)
Dividend received	90.68	1,074.88
Purchase of current investments	(15,827.09)	(34.95)
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES — [B]</b>	<b>(11,709.90)</b>	<b>(10,574.94)</b>

## STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	(434.45)	(85.71)
Lease payments	(56.08)	(53.14)
Repayment / transfer of public fixed deposits (including Interest)	(4.77)	(1.33)
Dividend paid	(2,821.53)	(1,415.70)
Finance cost paid	(140.50)	(131.64)
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]</b>	<b>(3,457.33)</b>	<b>(1,687.52)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]</b>	<b>(2,512.82)</b>	<b>(1,370.29)</b>
Add: Cash and cash equivalents at the beginning of the year	2,840.11	4,210.40
Cash and cash equivalents at the end of the year	<b>327.29</b>	<b>2,840.11</b>
<b>Components of cash and cash equivalents (Refer Note 15)</b>		
Balances with Banks:		
In current accounts	283.57	463.80
In Exchange Earners' Foreign Currency ('EEFC') account	0.03	0.03
Cash on hand	1.13	3.70
Deposits with maturity of less than three months	42.56	2,372.58
<b>Total cash and cash equivalents</b>	<b>327.29</b>	<b>2,840.11</b>

## Notes:

- The statement of standalone cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016BHAVESH GADA  
Partner  
Membership No.: 117592Place : Mumbai  
Date: May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952N.R. KANNAN  
Chief Executive OfficerPlace : Mumbai  
Date: May 16, 2023RAVI A. SHROFF  
Managing Director  
DIN: 00033505DEVENDRA P. DOSI  
Chief Financial OfficerHRISHIT A. SHROFF  
Executive Director  
DIN: 00033693SURENDRA K. SINGHVI  
Company Secretary

STATEMENT OF STANDALONE CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**A. EQUITY SHARE CAPITAL**

Particulars	Notes	Amount
<b>As at 1 April 2021</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2022</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2023</b>		<b>628.53</b>

**B. OTHER EQUITY**

Particulars	Notes	Attributable to owners of Excel Industries Limited						
		Reserves and surplus					Other reserves	Total other equity
		Securities premium	Capital reserve	Capital redemption reserve	General reserve	Retained earnings	FVOCI - Equity investments	
<b>Balance at March 31, 2021</b>		<b>534.37</b>	<b>0.01</b>	<b>16.75</b>	<b>39,537.32</b>	<b>15,248.96</b>	<b>15,619.46</b>	<b>70,956.87</b>
Profit for the year		—	—	—	—	16,015.92	—	16,015.92
Other comprehensive income	21	—	—	—	—	0.48	7,085.09	7,085.57
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>16,016.40</b>	<b>7,085.09</b>	<b>23,101.49</b>
Transfer from Retained earnings		—	—	—	5,000.00	(5,000.00)	—	—
Dividend paid	43	—	—	—	—	(1,414.21)	—	(1,414.21)
<b>Balance at March 31, 2022</b>		<b>534.37</b>	<b>0.01</b>	<b>16.75</b>	<b>44,537.32</b>	<b>24,851.15</b>	<b>22,704.55</b>	<b>92,644.15</b>
Profit for the year		—	—	—	—	7,845.11	—	7,845.11
Other comprehensive income	21	—	—	—	—	64.42	818.04	882.46
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,909.53</b>	<b>818.04</b>	<b>8,727.57</b>
Transfer from Retained earnings		—	—	—	5,000.00	(5,000.00)	—	—
Dividend paid	43	—	—	—	—	(2,828.41)	—	(2,828.41)
<b>Balance at March 31, 2023</b>		<b>534.37</b>	<b>0.01</b>	<b>16.75</b>	<b>49,537.32</b>	<b>24,932.27</b>	<b>23,522.59</b>	<b>98,543.31</b>

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

BHAVESH GADA  
Partner  
Membership No.: 117592

Place : Mumbai  
Date: May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date: May 16, 2023

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**BACKGROUND**

Excel Industries Limited (The Company) is a public limited company incorporated and domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company is engaged in manufacturing and selling Chemicals, and Environmental and Biotech products and services. Chemicals comprising of Agrochemical intermediates, Specialty chemicals, Polymer additives, and Pharma intermediates and Active Pharma Ingredients. Environmental and Biotech products comprising of Organic Waste Management Composting, Municipal Solid Waste Management, Plastic Waste Management and Construction and Demolition Waste Management. The Company caters to both domestic and international markets. The Company is also engaged in manufacturing activity on behalf of third parties.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These accounting policies have been consistently applied to all the years presented by the Company unless otherwise stated.

These standalone financial statements were authorised for issue by the Company's Board of Directors on May 16, 2023.

**A. Basis of preparation****(i) Compliance with Ind AS**

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The standalone financial statements have been prepared on historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments).
- defined benefit plans - plan assets measured at fair value.
- assets and liabilities acquired on account of business combination are measured at fair value.

**(iii) New and amended standards adopted by the Company**

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 1, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**(iv) New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

**(v) Current and non-current classification**

All Assets and Liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**B. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors of Excel Industries Limited has appointed the executive chairman and managing director as CODM who assesses the financial performance and position of the Company, and makes strategic decisions. See note 44 for segment information presented.

**C. Foreign Currency translation****(i) Functional and presentation currency**

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

**(ii) Transaction and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are generally recognised in the Statement of Standalone Profit and Loss.

Foreign exchange differences arising on foreign currency borrowings are presented in the Statement of Standalone Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Standalone Profit and Loss on a net basis within foreign exchange gain / (loss).

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made.

**D. Revenue recognition**

Revenue from contracts with customers is recognized on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognises revenue for such services at a point in time when the performance obligation is completed.

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year, except for retention money towards performance under the contract which are retained for reasons other than the provision of finance to the customer. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

**Sale of goods:**

Revenue from sale of goods is recognized when the Company satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the goods has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has present right to payment, all of which occurs at a point in time upon shipment or delivery of goods. The Company collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, it is excluded from revenue.

**Income from services**

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered. The Company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

**Export incentives**

Export incentives are recognised where there is a reasonable assurance that the Company will comply with the conditions and incentive will be received. Export incentives are included under 'Other operating revenue'.

**E. Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Standalone Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Standalone Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also 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 recognised 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 where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company 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 recognised in the Statement of Standalone Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**G. Leases****As a lessee**

The leases are recognised as a right-of-use assets and corresponding liability at the date at which the leased assets are available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (as applicable):

- (a) Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- (b) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- (c) Amounts expected to be payable by the Company under residual value guarantees
- (d) The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- (e) Payments of the 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 that rate cannot be readily determined, which is generally the case for the leases in the Company, 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-to-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- (a) 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;
- (b) 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, and
- (c) makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on the index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use assets.

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.

Right-of-use assets are measured at cost comprising the following (as applicable):

- (a) the amount of the initial measurement of lease liability,
- (b) any lease payments made at or before the commencement date less any lease incentives received,
- (c) any initial direct costs, and
- (d) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use assets is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less. Low value assets comprises IT equipment and small items of office furniture and equipment.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

**As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

**H. Impairment of Non-Financial Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised 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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**I. Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Standalone cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**J. Trade Receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**K. Inventories**

Raw materials, stores and spares, packing materials, work in progress, traded and finished goods are stated as lower of cost and net realisable value. Cost of Raw materials, stores and spares, packing materials and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead 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. Costs are assigned to individual items of inventory on the basis of monthly moving weighted average. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Materials and other supplies held for use in production of inventories (work-in-progress and finished goods) are not written down below the cost if the finished products in which they will be used are expected to sell at or above the cost.

By-products and unserviceable / damaged finished goods are valued at estimated net realisable value.

**L. Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets (including those that are part of a disposal group) classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Standalone Profit and Loss.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)****M. Investments and other financial assets****(i) Classification**

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 the Statement of Standalone Profit and Loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Standalone Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Recognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

**(iii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Standalone Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Profit or Loss are expensed in the Statement of Standalone Profit and Loss.

**(a) Debt Instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

**- Amortised cost:**

Assets that are held for collection of contractual cash flows 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 other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Statement of Standalone Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Standalone Profit and Loss.

**- Fair Value through other comprehensive income (FVOCI)**

Assets that are held for 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 (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the Statement of Standalone Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented as separate line in other expenses. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented as net foreign exchange (gain) / loss and impairment expenses are presented as separate line item in other expenses in the Statement of Standalone Profit and Loss.

**- Fair Value through Profit or Loss (FVPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at 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 is recognised in the Statement of Standalone Profit and Loss and presented on net basis within other income in the period in which it arises. Interest income from these financial assets is included in other income.

**(b) Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in Statement of Standalone Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Standalone Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

**(iv) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 42 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(v) Derecognition of financial assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company 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 Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company 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.

**(vi) Income recognition**

**Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the Statement of Standalone Profit and Loss as part of other income.

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).

**Dividends**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in the Statement of Standalone Profit and Loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

**N. Derivatives and hedging activities**

Derivatives are initially recognised 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 and impact is recorded in the Statement of Standalone Profit and Loss.

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.

**O. Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities 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.

**P. Property, Plant and Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to the Statement of Standalone Profit and Loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the year end.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)****Depreciation methods, estimated useful lives and residual value**

Depreciation on property, plant and equipment is calculated on a straight line basis considering the following useful lives prescribed under schedule II of the Companies Act 2013 or those estimated by the management, considering the factors such as expected usage of the asset, physical wear and tear, technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, legal or similar limits on the use of the asset etc.

Description of Asset	Useful life
Plant and Machinery - Metallic	18 years
Plant and Machinery - Non-metallic	8 years
Electrical installations	10 years
Buildings (other than factory building)	60 years
Factory Buildings	30 years
Vehicles	8 years
Road	10 years
Laboratory equipment	10 years
Furniture, fixture and office equipment	5 to 10 years

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The useful lives are based on historical experience with similar assets considering expected usage of assets, expected physical wear and tear, technical or commercial obsolescence etc. The residual values are not more than 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.

The assets residual values and useful lives are reviewed, and adjusted if appropriate at 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 the Statement of Standalone Profit and Loss.

**Q. Investment properties**

Properties that are held for long-term rentals yields or for capital appreciation or both, and that are not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All the other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de recognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties (Building) generally have a useful life of 60 years. The useful life has been determined based on historical experience with similar assets as well as anticipation of future events.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Standalone Profit and Loss in the period of derecognition.

**R. Intangible assets and Amortisation**

Intangible assets other than goodwill, are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

**(i) Goodwill**

Goodwill on acquisitions of business is included in intangible assets. 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.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

**(ii) Other intangible assets**

Description of Asset	Useful life
Computer software	4 years

**(iii) Research and development**

Research expenditure and development expenditure that do not meet the criteria mentioned in Ind AS 38 are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Assets individually costing INR 25,000 or less are amortised fully in the year of acquisition.

**S. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**T. Borrowings**

Borrowings are initially recognised 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 recognised in the Statement of Standalone Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised 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 balance sheet 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 recognised in the Statement of Standalone Profit and Loss.

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**U. 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.

**V. Provisions, Contingent Liabilities and Contingent Assets**

Contingent Liabilities are disclosed where there is 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 or a present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised 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 can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the 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 recognised as interest expense.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES** (Contd.)**W. 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 recognised in respect of employee's services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(ii) Long-term employee benefit obligations**Leave Obligation:

The liabilities for leave obligation which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services, are measured as the present value of expected 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 on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Standalone Profit and Loss. These obligations are valued annually by independent qualified actuary.

Long Service awards:

The Company provides for the long service awards for eligible employees as per the scheme announced by the Company. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Standalone Profit and Loss.

**(iii) Post-employment obligations**Defined benefit plan - Gratuity:

The liability or asset recognised in the balance sheet in respect of 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.

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 estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the Statement of Standalone Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Standalone Profit and Loss as past service cost.

Defined Contribution Plans:

The Company pays contributions to provident fund, employee's state insurance scheme and labour welfare fund to publicly administered funds as per the local regulations. The Company has no further legal or constructive obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined Contribution Plan - Superannuation Scheme:

The Company pays contribution to the superannuation scheme, a defined contribution scheme, administered by the insurance company. The Company has no further legal or constructive obligation to the scheme apart from the contribution made on a monthly basis. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. The scheme is funded with an insurance Company in the form of qualifying insurance policies. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES** (Contd.)

**(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

The Company also has a termination benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Standalone Profit and Loss. This Scheme is not funded.

**X. Business Combination**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred by the Company to obtain control of a business comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Company
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Company

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

**Y. Investment in Subsidiary and Joint Venture**

The investments in subsidiaries and joint ventures are carried in the financial statements at historical cost except when the investment, or a portion thereof, is classified as held for sale, in which case measured at lower of carrying amount and fair value less costs to sell. When the Company is committed to a sale plan involving disposal of an investment, or a portion of an investment, in any subsidiary or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met. Any retained portion of an investment in a subsidiary or a joint venture that has not been classified as held for sale continues to be accounted for at historical cost.

Investments in subsidiaries and joint ventures carried at cost are tested for impairment in accordance with Ind AS 36 Impairment of Assets. The carrying amount of the investment is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount, any impairment loss recognised reduces the carrying amount of the investment.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES** (Contd.)**Z. Contributed Equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**AA. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

**AB. Earnings Per Share**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**AC. Rounding of amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**NOTE 2 - CRITICAL ESTIMATES AND JUDGEMENTS**

The preparation of financial statements 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 than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

(a) Estimated fair value of unlisted securities:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. This involves fair valuation based on comparable companies multiple inputs, assessment of maintainable EBIDTA (Earnings before interest, depreciation, tax and amortisation) and other relevant valuation parameters. Estimated fair values may vary from the actual price that would be achieved in an arms length transaction at the reporting date. (Refer Note 41)

(b) Impairment of Goodwill and Property, plant and equipment:

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash generating units ('CGU') which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

The Company periodically assesses the carrying amount of its property, plant and equipment to determine whether there is an indication that those assets have suffered impairment loss. In making such assessments, the Company considers both internal and external sources of information to determine whether there is an indicator of impairment and, accordingly, whether the recoverable amount of the individual asset or CGU needs to be estimated.

An impairment loss is recognised if the recoverable amount is lower than the carrying value. The recoverable amount is determined based on higher of value-in-use and fair value less cost to sell.

Key assumptions and judgements involved in estimating the recoverable value are future sales, input costs, weighted average cost of capital (discount rate) and terminal growth rate. Cash flow projection takes into account past experience and represents management's best estimate about future developments. (Refer Note 3 and Note 6)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 3 - PROPERTY, PLANT AND EQUIPMENT**

Particulars	Freehold land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture, fixture and office equipment	Vehicles	Technical books	Total	Capital work-in-progress
<b>Year ended March 31, 2022</b>											
<b>Gross carrying amount</b>											
Opening gross carrying amount	1,526.79	6,564.94	31,012.72	369.10	1,394.37	533.35	1,900.27	333.40	2.55	43,637.49	1,547.74
Additions	—	454.55	5,581.53	101.71	539.32	46.92	112.27	62.16	—	6,898.46	5,915.21
Disposals	—	—	(99.56)	—	(7.81)	—	(0.83)	(75.61)	—	(183.81)	—
Assets capitalised during the year	—	—	—	—	—	—	—	—	—	—	(5,342.70)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>7,019.49</b>	<b>36,494.69</b>	<b>470.81</b>	<b>1,925.88</b>	<b>580.27</b>	<b>2,011.71</b>	<b>319.95</b>	<b>2.55</b>	<b>50,352.14</b>	<b>2,120.25</b>
<b>Accumulated depreciation</b>											
Opening accumulated depreciation	—	753.53	6,667.97	233.89	433.46	187.69	600.96	164.62	1.57	9,043.69	—
Depreciation charge during the year	—	215.63	2,205.80	60.92	159.69	54.56	240.54	40.58	0.23	2,977.95	—
Disposals	—	—	(66.19)	—	(7.42)	—	(0.78)	(58.84)	—	(133.23)	—
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>969.16</b>	<b>8,807.58</b>	<b>294.81</b>	<b>585.73</b>	<b>242.25</b>	<b>840.72</b>	<b>146.36</b>	<b>1.80</b>	<b>11,888.41</b>	<b>—</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>6,050.33</b>	<b>27,687.11</b>	<b>176.00</b>	<b>1,340.15</b>	<b>338.02</b>	<b>1,170.99</b>	<b>173.59</b>	<b>0.75</b>	<b>38,463.73</b>	<b>2,120.25</b>
<b>Year ended March 31, 2023</b>											
<b>Gross carrying amount</b>											
Opening gross carrying amount	1,526.79	7,019.49	36,494.69	470.81	1,925.88	580.27	2,011.71	319.95	2.55	50,352.14	2,120.25
Additions	—	113.22	2,968.06	103.06	133.19	47.43	54.20	77.26	—	3,496.42	2,454.52
Disposals	—	(43.79)	(611.40)	(4.23)	(10.83)	—	(3.83)	(0.03)	—	(674.11)	—
Assets capitalised during the year	—	—	—	—	—	—	—	—	—	—	(2,643.41)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>7,088.92</b>	<b>38,851.35</b>	<b>569.64</b>	<b>2,048.24</b>	<b>627.70</b>	<b>2,062.08</b>	<b>397.18</b>	<b>2.55</b>	<b>53,174.45</b>	<b>1,931.36</b>
<b>Accumulated depreciation</b>											
Opening accumulated depreciation	—	969.16	8,807.58	294.81	585.73	242.25	840.72	146.36	1.80	11,888.41	—
Depreciation charge during the year	—	224.71	2,255.70	64.29	182.50	54.55	220.82	41.56	0.23	3,044.36	—
Disposals	—	(5.17)	(412.11)	(4.11)	(10.29)	—	(3.54)	(0.03)	—	(435.25)	—
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>1,188.70</b>	<b>10,651.17</b>	<b>354.99</b>	<b>757.94</b>	<b>296.80</b>	<b>1,058.00</b>	<b>187.89</b>	<b>2.03</b>	<b>14,497.52</b>	<b>—</b>
<b>Accumulated impairment</b>											
Opening accumulated impairment	—	—	—	—	—	—	—	—	—	—	—
Impairment charge during the year (Refer Note 54)	—	—	62.39	—	—	—	0.07	2.77	—	65.23	—
<b>Closing accumulated impairment</b>	<b>—</b>	<b>—</b>	<b>62.39</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.07</b>	<b>2.77</b>	<b>—</b>	<b>65.23</b>	<b>—</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>5,900.22</b>	<b>28,137.79</b>	<b>214.65</b>	<b>1,290.30</b>	<b>330.90</b>	<b>1,004.01</b>	<b>206.52</b>	<b>0.52</b>	<b>38,611.70</b>	<b>1,931.36</b>

**Notes:**

- Buildings include cost of shares in co-operative housing societies INR 0.01 lakhs (March 31, 2022: INR 0.01 lakhs) and Freehold Land include cost of shares in co-operative Industrial Estate Limited INR 0.01 lakhs (March 31, 2022: INR 0.01 lakhs).
- Property, plant and equipment pledged as security:  
Refer Note 25(e) for information on property, plant and equipment pledged as security by the Company.
- Contractual obligations:  
Refer Note 46(c)(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Refer Note 49(a) for aging and other disclosures of Capital work-in-progress.
- Capital work-in-progress comprise of various projects and expansions spread over all units. Major Capital work-in-progress are related to Chemical Segment.
- Net carrying value of property, plant and equipment pertaining to chemical segment is INR 36,488.49 lakhs (March 31, 2022: INR 35,778.67 lakhs)

**NOTE 4 - RIGHT OF USE ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
Building *	1.78	32.62
Land *	2,149.31	2,189.45
<b>Total</b>	<b>2,151.09</b>	<b>2,222.07</b>

\* Refer Note 53 for additional disclosure as per Ind AS 116.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 5 - INVESTMENT PROPERTIES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Gross Carrying amount (Buildings)</b>		
Opening gross carrying amount	99.43	99.43
Disposals	—	—
<b>Closing gross carrying amount</b>	<b>99.43</b>	<b>99.43</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	16.03	14.11
Depreciation charge for the year	1.92	1.92
Disposals	—	—
<b>Closing accumulated depreciation</b>	<b>17.95</b>	<b>16.03</b>
<b>Net Carrying amount</b>	<b>81.48</b>	<b>83.40</b>

**(i) Amounts recognised in the Statement of Standalone Profit and Loss for investment properties**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Rental income from operating leases	70.15	65.87
Direct operating expenses for property that generated rental income	0.68	1.42
Direct operating expenses for property that did not generate rental income	—	—
<b>Profit from investment properties before depreciation</b>	<b>69.47</b>	<b>64.45</b>
Depreciation	1.92	1.92
<b>Profit from investment properties</b>	<b>67.55</b>	<b>62.53</b>

**(ii) Leasing arrangements**

Investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases is recognised in income on a straight-line basis over the lease term. There are no variable lease payments that depends on an index or rate. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Within 1 year	22.17	67.43
Later than 1 year but not later than 5 years	27.66	54.92
Later than 5 years	—	—
<b>Total</b>	<b>49.83</b>	<b>122.35</b>

**(iii) Fair value of investment properties**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Investment properties (Buildings)	792.84	648.30

**(iv) Estimation of fair value**

The Company periodically obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- income approach by applying market yield percentage to annual rental income.
- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by independent valuer who is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 6 - INTANGIBLE ASSETS**

Particulars	Goodwill	Other Intangible assets (Computer software)
<b>Year ended March 31, 2022</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	1,885.28	211.32
Additions	—	18.73
<b>Closing gross carrying amount</b>	<b>1,885.28</b>	<b>230.05</b>
<b>Accumulated amortisation</b>		
Opening accumulated amortisation	—	178.14
Amortisation charge for the year	—	18.20
<b>Closing accumulated amortisation</b>	<b>—</b>	<b>196.34</b>
<b>Closing net carrying amount</b>	<b>1,885.28</b>	<b>33.71</b>
<b>Year ended March 31, 2023</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	1,885.28	230.05
Additions	—	15.77
<b>Closing gross carrying amount</b>	<b>1,885.28</b>	<b>245.82</b>
<b>Accumulated amortisation</b>		
Opening accumulated amortisation	—	196.34
Amortisation charge for the year	—	18.93
<b>Closing accumulated amortisation</b>	<b>—</b>	<b>215.27</b>
<b>Closing net carrying amount</b>	<b>1,885.28</b>	<b>30.55</b>

**(I) Goodwill :**

The goodwill is tested for impairment annually. No impairment charges were identified for the year ended March 31, 2023 and March 31, 2022. For the purpose of impairment testing, goodwill is allocated to cash-generating units ('CGU') or group of CGU, most likely to benefit from the synergies of the business combination and to the lowest level at which goodwill is monitored by the Company. The carrying amount of goodwill is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Chemical Segment	1,885.28	1,885.28
<b>Total</b>	<b>1,885.28</b>	<b>1,885.28</b>

Following key assumptions were considered while performing impairment testing

The recoverable amount of CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Particulars	As at March 31, 2023	As at March 31, 2022
Terminal Growth rate per annum	4.00%	4.00%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate) per annum	14.58%	12.97%

The recoverable amount of CGU is determined using the value in use, which is arrived based on one year plan approved by the Board of Directors and their projected cash flows for the next four years. The projections cover a period of five years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows.

The Company has performed sensitivity analysis of the impairment testing to the combined changes in key assumptions (future sales, input costs, discount rate and terminal growth rate), based on reasonably probable assumption and didn't identify any probable scenario in which the recoverable amount of CGU decrease below its carrying amount.

**(II) Computer Software :**

Remaining useful life for computer software is 1 - 4 years as at March 31, 2023 (March 31, 2022 1 - 4 years)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 7 - INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unquoted equity instruments at cost</b>		
<u>Investments in wholly owned subsidiaries (Refer note (a) below)</u>		
199,982 (March 31, 2022: 199,982) Equity shares of INR 100 each fully paid up in Kamaljayot Investments Limited	199.98	199.98
510,000 (March 31, 2022: 510,000) Equity shares of INR 10 each fully paid up in Excel Bio Resources Limited	51.13	51.13
	<u>251.11</u>	<u>251.11</u>
<b>Other Equity Investment</b>		
Kamaljayot Investments Limited (Refer note (b) below)	170.36	170.36
	<u>170.36</u>	<u>170.36</u>
<u>Investment in joint venture</u>		
468,000 (March 31, 2022: 468,000) Equity shares of Hong Kong \$ 1 each fully paid up in Wexsam Limited, Hong Kong	27.26	27.26
Less: Impairment in value of investment (Refer note (c) below)	(27.26)	(27.26)
	<u>—</u>	<u>—</u>
<b>Total</b>	<b><u>421.47</u></b>	<b><u>421.47</u></b>
Aggregate carrying value of unquoted investments	448.73	448.73
Aggregate amount of impairment in the value of investments	27.26	27.26

## Notes:

- (a) Principal place of business as well as place of incorporation of wholly owned subsidiaries is India.
- (b) On transition to Ind AS, interest free loan given to a wholly owned subsidiary was measured at fair value and the difference between transaction value and fair value was recognised under Other Equity Investment. This Other Equity Investment will continue to be recognised until the investment in subsidiary is derecognised or impaired.
- (c) Wexsam Limited, Hong Kong, was dissolved on July 15, 2016 and is fully impaired in the financial statements. The Company is in the process of obtaining necessary approval for write off of this investment.

**NOTE 8 - NON-CURRENT INVESTMENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investment in equity instruments (fully paid-up)</b>		
<b>Quoted at FVOCI</b>		
584,977 (March 31, 2022: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	4,842.44	8,536.86
4,285 (March 31, 2022: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	6.26	4.37
13,400 (March 31, 2022: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	10.00	6.14
	<u>4,858.70</u>	<u>8,547.37</u>
<b>Unquoted at FVOCI</b>		
888,750 (March 31, 2022: 888,750) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	—
1,067,450 (March 31, 2022: 1,067,450) Equity shares of INR 10 each fully paid up in Silox India Private Limited	25,318.27	19,613.22
2,500 (March 31, 2022: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25
50,000 (March 31, 2022: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00
	<u>25,323.52</u>	<u>19,618.47</u>
<b>Total</b>	<b><u>30,182.22</u></b>	<b><u>28,165.84</u></b>
<b>Quoted Investments:</b>		
Aggregate carrying value and market value of quoted investments	4,858.70	8,547.37
Aggregate amount of impairment in the value of investments	—	—
<b>Unquoted Investments:</b>		
Aggregate carrying value of unquoted investments	25,323.52	19,618.47
Aggregate amount of impairment in the value of investments	—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 9 - LOANS TO EMPLOYEES - NON-CURRENT**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Loans to employees	3.30	4.37
<b>Total</b>	<b>3.30</b>	<b>4.37</b>

**NOTE 10 - OTHER NON-CURRENT FINANCIAL ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Margin Money deposits with maturity of more than twelve months (Refer Note 16)	4.58	4.26
Security deposits *	784.90	626.23
<b>Total</b>	<b>789.48</b>	<b>630.49</b>

\* Refer Note 45 for balance with a related party

**NOTE 11 - OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
<u>Capital advances</u>		
Unsecured, considered good	62.92	40.35
Unsecured, considered doubtful	76.62	76.62
	139.54	116.97
Provision for doubtful capital advances	(76.62)	(76.62)
	62.92	40.35
Prepaid expenses	51.40	23.31
Balances with Government Authorities	46.00	55.49
<b>Total</b>	<b>160.32</b>	<b>119.15</b>

**NOTE 12 - INVENTORIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials [including stock-in-transit INR Nil (March 31, 2022: INR 124.18 lakhs)]	6,654.07	9,444.06
Packing materials	120.41	155.59
Finished goods	2,803.65	2,444.20
Work-in-progress	2,900.46	3,578.78
Traded goods	73.87	102.14
Stores and spares (including fuel and coal)	591.81	797.81
<b>Total</b>	<b>13,144.27</b>	<b>16,522.58</b>

**Amounts recognised in Statement of Standalone Profit and Loss:**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-downs of inventories to net realisable value as at the year end amounted to INR 336.01 lakhs (as at March 31, 2022 - INR 103.91 lakhs), including INR 60.57 lakhs pertaining to Environment and Biotech segment (Refer Note 54). These writedowns were recognised as an expense and included in 'cost of materials consumed' and 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in the Statement of Standalone Profit and Loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 13 - CURRENT INVESTMENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in Mutual Funds</b>		
<b>Unquoted, at FVPL</b>		
Edelweiss Liquid Fund - Direct Plan - IDCW* 1,978.287 (March 31, 2022: 1,928.850) units of INR 1,000 fully paid up	20.40	19.34
Kotak Liquid Direct Plan Daily - IDCW* 1,306.629 (March 31, 2022: 1,242.704) units of INR 1,000 fully paid up	15.97	15.20
Kotak Low Duration Fund Direct Growth 167,577.887 (March 31, 2022: Nil) units of INR 1,000 fully paid up	5,128.99	—
Kotak Liquid Fund Direct Plan Growth 812.714 (March 31, 2022: Nil) units of INR 1,000 fully paid up	36.97	—
Kotak Equity Arbitrage Fund - Direct Plan - IDCW* 876,429.812 (March 31, 2022: 7,775,422.916 ) units of INR 10 fully paid up	98.34	870.61
Kotak Overnight Fund Direct - Growth 5.500 (March 31, 2022: Nil) units of INR 10 fully paid up	0.07	—
<b>Total</b>	<b>5,300.74</b>	<b>905.15</b>
Aggregate amount of unquoted investments	5,300.74	905.15
Aggregate amount of quoted investments and market value thereof	—	—
Aggregate amount of impairment in the value of investments	—	—

\*IDCW : Income Distribution cum Capital Withdrawal

**NOTE 14 - TRADE RECEIVABLES**

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from related parties (Refer Note 45)	5.70	0.16
Other trade receivables - Billed	15,772.49	20,086.36
Other trade receivables - Unbilled (Refer note (b) below)	47.01	146.91
Less: Allowance for doubtful debts / Expected credit loss	173.25	314.97
<b>Total</b>	<b>15,651.95</b>	<b>19,918.46</b>
Current portion	15,651.95	19,918.46
Non-current portion	—	—
<b>Break-up of security details</b>		
Particulars	As at March 31, 2023	As at March 31, 2022
- Secured, considered good	—	—
- Unsecured, considered good	15,755.77	20,142.05
- Receivables which have significant increase in credit risk	69.43	91.38
- Credit impaired	—	—
<b>Total</b>	<b>15,825.20</b>	<b>20,233.43</b>
Less: Loss Allowance	(173.25)	(314.97)
<b>Total</b>	<b>15,651.95</b>	<b>19,918.46</b>

**Notes:**

- (a) For credit risk and provision for loss allowance, Refer Note 42.
- (b) The receivable is 'unbilled' as the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because there is an unconditional right to consideration.
- (c) For aging of trade receivables, Refer Note 50.

**NOTE 15 - CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks:		
- in Current accounts	283.57	463.80
- in Exchange Earners' Foreign Currency ('EEFC') account	0.03	0.03
Cash on hand	1.13	3.70
Deposits with maturity of less than three months	42.56	2,372.58
<b>Total</b>	<b>327.29</b>	<b>2,840.11</b>

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 16 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Margin money deposits (Refer note below)	20.46	204.73
Unclaimed dividend account	87.41	81.53
Deposits with maturity of more than three months but less than twelve months	8,210.88	3,463.57
<b>Total</b>	<b>8,318.75</b>	<b>3,749.83</b>

**Note:**

Margin money deposits of INR 25.04 lakhs (March 31, 2022: INR 208.99 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits (also Refer note 10).

**NOTE 17 - LOANS TO EMPLOYEES - CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unsecured, considered good (unless otherwise stated)</b>		
Loans to employees	21.66	32.44
<b>Total</b>	<b>21.66</b>	<b>32.44</b>

**NOTE 18 - OTHER CURRENT FINANCIAL ASSETS**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unsecured, considered good (unless otherwise stated)</b>		
Interest accrued	248.76	59.62
Foreign exchange forward contracts	—	13.71
Export benefit receivable	—	27.44
Security deposits	198.98	137.28
Insurance Receivables	79.58	—
Receivable from a related party (Refer Note 45)	44.35	—
Others	69.48	1.75
<b>Total</b>	<b>641.15</b>	<b>239.80</b>

**NOTE 19 - OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unsecured considered good (unless otherwise stated)</b>		
Balances with Government Authorities	170.04	1,879.78
Prepaid expenses	289.79	281.32
<u>Advances to suppliers</u>		
Unsecured considered good	257.39	492.88
Unsecured considered doubtful	163.56	164.56
	420.95	657.44
Provision for doubtful advances	(163.56)	(164.56)
	<b>257.39</b>	<b>492.88</b>
Export benefits receivable	58.19	380.11
Others	0.50	0.53
<b>Total</b>	<b>775.91</b>	<b>3,034.62</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20 - EQUITY SHARE CAPITAL**

Particulars	No. of shares	Amount
<b>Authorised shares capital</b>		
<b>As at March 31, 2023</b>		
Equity shares of INR 5/- each	3,80,00,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	8,50,000	85.00
Unclassified Shares of INR 5/- each	3,00,000	15.00
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each	3,80,00,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	8,50,000	85.00
Unclassified Shares of INR 5/- each	3,00,000	15.00
<b>Issued, subscribed and paid-up</b>		
<b>As at March 31, 2023</b>		
Equity shares of INR 5/- each fully paid-up	1,25,70,692	628.53
<b>Total</b>	<b>1,25,70,692</b>	<b>628.53</b>
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each fully paid-up	1,25,70,692	628.53
<b>Total</b>	<b>1,25,70,692</b>	<b>628.53</b>

**(i) Movement in equity share capital**

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	Nos. of Shares	Amount	Nos. of Shares	Amount
At the beginning of the year	1,25,70,692	628.53	1,25,70,692	628.53
<b>Outstanding at the end of the year</b>	<b>1,25,70,692</b>	<b>628.53</b>	<b>1,25,70,692</b>	<b>628.53</b>

**(ii) Terms/ rights attached to equity shares**

The Company has one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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 holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Details of shares held by shareholders holding more than 5% shares in the Company:**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	53,58,682	42.63%
Life Insurance Corporation of India	8,68,052	6.91%	8,83,613	7.03%

**(iv) Disclosure for shares of the Company held by parent / ultimate parent company:**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	53,58,682	42.63%

**(v) There is no change in authorised share capital during the year ended March 31, 2023 and March 31, 2022.**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20 - EQUITY SHARE CAPITAL** (Contd.)

(vi) **Details of shareholding of promoters / promoter group:**

Name of the promoters / promoter group	Number of shares	As at March 31, 2023	
		% of total number of shares	% of change during the year
<b>Promoters</b>			
Ashwin Champraj Shroff	1,03,070	0.82%	0.00%
Atul Govindji Shroff	59,784	0.48%	0.00%
Abhay Sunil Saraiya	2,332	0.02%	0.00%
Ravi Ashwin Shroff	47,670	0.38%	0.00%
Hrishit Ashwin Shroff	47,669	0.38%	0.00%
Ami Kantisen Shroff	44,382	0.35%	0.00%
Shruti Atul Shroff	22,018	0.18%	0.00%
Anshul Amrishi Bhatia	21,616	0.17%	0.00%
Preeti Dipesh Shroff	30,042	0.24%	84.40%
Hiral Tushar Dayal	10,034	0.08%	0.00%
Dipesh Kantisen Shroff	8,619	0.07%	0.00%
Chetana P Saraiya	10,643	0.08%	0.00%
Late Usha Ashwin Shroff	6,497	0.05%	0.00%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%	0.00%
Vishwa Atul Shroff	905	0.01%	0.00%
Tushar Charandas Dayal - HUF	1,310	0.01%	0.00%
<b>Promoter group</b>			
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	0.00%
Dipkanti Investments And Financing Private Limited	2,55,732	2.03%	0.00%
Transpek Industry Limited	1,56,650	1.25%	0.00%
Vibrant Greentech India Private Limited	1,49,991	1.19%	0.00%
Pritami Investments Private Limited	79,862	0.64%	0.00%
Hyderabad Chemical Products Private Limited	6,833	0.05%	0.00%
Shrodip Investments Private Limited	29,350	0.23%	0.00%
Dilipsinh G Bhatia	1,04,082	0.83%	0.00%
<b>Total</b>	<b>65,63,267</b>	<b>52.21%</b>	

Name of the promoter / promoter group	Number of shares	As at March 31, 2022	
		% of total number of shares	% of change during the year
<b>Promoters</b>			
Ashwin Champraj Shroff	1,03,070	0.82%	24.08%
Atul Govindji Shroff	59,784	0.48%	0.00%
Abhay Sunil Saraiya	2,332	0.02%	100.00%
Ravi Ashwin Shroff	47,670	0.38%	0.00%
Hrishit Ashwin Shroff	47,669	0.38%	0.00%
Ami Kantisen Shroff	44,382	0.35%	39.21%
Shruti Atul Shroff	22,018	0.18%	0.00%
Anshul Amrishi Bhatia	21,616	0.17%	0.00%
Preeti Dipesh Shroff	16,292	0.13%	15.46%
Hiral Tushar Dayal	10,034	0.08%	0.00%
Dipesh Kantisen Shroff	8,619	0.07%	0.00%
Chetana P Saraiya	10,643	0.08%	23.61%
Late Usha Ashwin Shroff	6,497	0.05%	0.00%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%	0.00%
Vishwa Atul Shroff	905	0.01%	0.00%
Tushar Charandas Dayal - HUF	1,310	0.01%	0.00%
<b>Promoter group</b>			
Anshul Specialty Molecules Private Limited	53,58,682	42.63%	0.00%
Dipkanti Investments And Financing Private Limited	2,55,732	2.03%	8.48%
Transpek Industry Limited	1,56,650	1.25%	0.00%
Vibrant Greentech India Private Limited	1,49,991	1.19%	0.00%
Pritami Investments Private Limited	79,862	0.64%	0.00%
Hyderabad Chemical Products Private Limited	6,833	0.05%	-85.41%
Shrodip Investments Private Limited	29,350	0.23%	0.00%
Dilipsinh G Bhatia	1,04,082	0.83%	0.00%
<b>Total</b>	<b>65,49,517</b>	<b>52.10%</b>	

No entities are identified as Core Investment Companies (CICs) as part of the Group.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20 - EQUITY SHARE CAPITAL (Contd.)**

- (vii) There are no shares (a) allotted as fully paid by way of bonus share or pursuant to contract without payment of being received in cash or (b) bought back during the period of 5 years immediately preceding the Balance Sheet date.

**NOTE 21 - OTHER EQUITY**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.75	16.75
General reserve	49,537.32	44,537.32
Retained earnings	24,932.27	24,851.15
Other reserves	23,522.59	22,704.55
<b>Total</b>	<b><u>98,543.31</u></b>	<b><u>92,644.15</u></b>
<b>(i) Capital reserve</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	0.01	0.01
<b>Closing balance</b>	<b><u>0.01</u></b>	<b><u>0.01</u></b>
<b>(ii) Securities premium</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	534.37	534.37
<b>Closing balance</b>	<b><u>534.37</u></b>	<b><u>534.37</u></b>
<b>(iii) Capital redemption reserve</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	16.75	16.75
<b>Closing balance</b>	<b><u>16.75</u></b>	<b><u>16.75</u></b>
<b>(iv) General reserve</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	44,537.32	39,537.32
Add: Amount transferred from retained earnings	5,000.00	5,000.00
<b>Closing balance</b>	<b><u>49,537.32</u></b>	<b><u>44,537.32</u></b>
<b>(v) Retained earnings</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	24,851.15	15,248.96
Profit for the year	7,845.11	16,015.92
Dividend paid	(2,828.41)	(1,414.21)
Transfer to general reserve	(5,000.00)	(5,000.00)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings: – Remeasurement of post employment benefits obligations (net of tax)	64.42	0.48
<b>Closing balance</b>	<b><u>24,932.27</u></b>	<b><u>24,851.15</u></b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 21 - OTHER EQUITY (Contd.)**

**(vi) Other reserves - FVOCI - equity investments**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	22,704.55	15,619.46
Change in fair value of FVOCI equity investments (Refer Note 8)	2,016.38	8,538.62
Tax on above	(1,198.34)	(1,453.53)
	<b>818.04</b>	<b>7,085.09</b>
<b>Closing balance</b>	<b>23,522.59</b>	<b>22,704.55</b>

**Nature and purpose of reserves**

**Capital reserve**

Capital reserve is utilised in accordance with provision of the Act.

**Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Capital redemption reserve**

The Act requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Act.

**General reserve**

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

**Other reserves - FVOCI - Equity Investments**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**NOTE 22 - LEASE LIABILITIES - NON-CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Lease liabilities (Refer Note 53)	178.09	178.33
<b>Total</b>	<b>178.09</b>	<b>178.33</b>

**NOTE 23 - EMPLOYEE BENEFIT OBLIGATIONS - NON-CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for employee benefit obligations (Refer Note 40):		
Leave obligation	1,089.18	1,174.95
Medical voluntary retirement scheme	104.12	88.72
Long service award	119.72	157.76
<b>Total</b>	<b>1,313.02</b>	<b>1,421.43</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 24 - TAXATION****(a) Income tax expense**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>		
Current tax on profits for the year	2,564.41	5,072.35
Adjustments to current tax in respect of earlier years	(226.60)	—
<b>Total current tax expense</b>	<b>2,337.81</b>	<b>5,072.35</b>
<b>Deferred tax</b>		
Deferred tax	102.18	121.76
Adjustments to deferred tax in respect of earlier years	110.05	—
<b>Total deferred tax expense</b>	<b>212.23</b>	<b>121.76</b>
<b>Total Income tax expense</b>	<b>2,550.04</b>	<b>5,194.11</b>

**(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates:**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	10,395.15	21,210.03
<b>Tax at the Indian tax rate of 25.168% (previous year 25.168%)</b>	<b>2,616.25</b>	<b>5,338.14</b>
Add / (less) effects of :		
Exempt Income	(14.56)	(261.73)
Expenses not deductible in determining taxable profits	134.26	103.12
Adjustments in respect of earlier years	(116.55)	—
Others	(69.36)	14.58
<b>Income tax expense</b>	<b>2,550.04</b>	<b>5,194.11</b>

**(c) Income tax expenses recognised in OCI:**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurement gains / (losses) on net defined benefit plans	(21.67)	(0.17)
Changes in fair value of equity instruments	(1,198.33)	(1,453.53)
	<b>(1,220.00)</b>	<b>(1,453.70)</b>

**(d) Deferred tax:**

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Liabilities / provisions that are deducted for tax purposes when paid	427.03	503.54
Provision for doubtful receivables and advances	65.47	139.91
<b>Total deferred tax assets</b>	<b>492.50</b>	<b>643.45</b>
<b>Deferred tax liabilities</b>		
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	4,124.59	4,004.30
Financial assets at fair value through Other Comprehensive Income	5,873.43	4,675.10
Other timing differences	5.90	43.24
<b>Total deferred tax liabilities</b>	<b>10,003.92</b>	<b>8,722.64</b>
<b>Net deferred tax liabilities</b>	<b>9,511.42</b>	<b>8,079.19</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 24 - TAXATION (Contd.)**

**Movement in deferred tax assets/(liabilities):**

Particulars	As at March 31, 2022	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	As at March 31, 2023
<b>For the year ended March 31, 2023</b>				
Liabilities / provisions that are deducted for tax purposes when paid	503.54	(54.84)	(21.67)	427.03
Provision for doubtful receivables and advances	139.91	(74.44)	—	65.47
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(4,004.30)	(120.29)	—	(4,124.59)
Financial assets at fair value through Other Comprehensive Income	(4,675.10)	—	(1,198.33)	(5,873.43)
Other timing differences	(43.24)	37.34	—	(5.90)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(8,079.19)</b>	<b>(212.23)</b>	<b>(1,220.00)</b>	<b>(9,511.42)</b>

Particulars	As at March 31, 2021	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	As at March 31, 2022
<b>For the year ended March 31, 2022</b>				
Liabilities / provisions that are deducted for tax purposes when paid	400.37	103.34	(0.17)	503.54
Provision for doubtful receivables and advances	113.02	26.89	—	139.91
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,770.60)	(233.70)	—	(4,004.30)
Financial assets at fair value through Other Comprehensive Income	(3,221.57)	—	(1,453.53)	(4,675.10)
Other timing differences	(24.95)	(18.29)	—	(43.24)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(6,503.73)</b>	<b>(121.76)</b>	<b>(1,453.70)</b>	<b>(8,079.19)</b>

**NOTE 25 - SHORT TERM BORROWINGS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Cash credits (Refer Note (a) below)	89.08	3.41
Current maturities of long term borrowings (Refer Note (b) below)	—	0.55
<b>Unsecured</b>		
Post shipment banking facility (Refer Note (c) below)	—	519.57
<b>Total</b>	<b>89.08</b>	<b>523.53</b>

**Notes:**

- Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc. and is further secured by charge on the immovable property at Roha and Lote Parashuram units. The cash credit loan is repayable on demand and carries interest rates at 7.55% to 9.15% (March 31, 2022 - 7.55% to 7.90%) per annum.
- Term loan under vehicle finance from a financial institution amounting to INR 0.55 lakhs, which was secured by hypothecation of the vehicles, was fully repaid during the current year.
- Post shipment banking facility amounting to INR 519.57 lakhs was repayable within 30 to 60 days and carried interest rate of SOFR + 1.68% p.a.
- Refer Note 42(B) for liquidity risk.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 25 - SHORT TERM BORROWINGS (Contd.)**

(e) The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current borrowings are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	15,651.95	19,918.46
<b>Non Financial Assets</b>		
Inventories	13,144.27	16,522.58
<b>Total Current Assets Pledged as Security</b>	<b>28,796.22</b>	<b>36,441.04</b>
<b>Non Current Assets</b>		
Right of use assets	190.66	194.34
Freehold land	140.81	140.81
Buildings	3,237.20	3,282.05
Plant and machinery	24,753.05	24,015.36
Other property, plant and equipment	1,638.47	1,695.48
<b>Total Non-current assets pledged as security</b>	<b>29,960.19</b>	<b>29,328.04</b>
<b>Total assets pledged as security</b>	<b>58,756.41</b>	<b>65,769.08</b>

**(f) Changes in Liabilities arising from Financing Activities**

Particulars	Liabilities from financing activities			Total
	Lease Liabilities	Non-current borrowings	Current borrowings	
<b>As at March 31, 2021</b>	<b>251.06</b>	<b>2.12</b>	<b>607.12</b>	<b>860.30</b>
Repayment	(53.14)	(1.57)	(84.14)	(138.85)
Finance cost	19.59	0.01	131.63	151.23
Finance cost paid	—	(0.01)	(131.63)	(131.64)
<b>As at March 31, 2022</b>	<b>217.51</b>	<b>0.55</b>	<b>522.98</b>	<b>741.04</b>
Repayment	(56.08)	(0.55)	(433.90)	(490.53)
Finance cost	16.90	—	140.50	157.40
Finance cost paid	—	—	(140.50)	(140.50)
<b>As at March 31, 2023</b>	<b>178.33</b>	<b>—</b>	<b>89.08</b>	<b>267.41</b>

**NOTE 26 - TRADE PAYABLES**

Particulars	As at March 31, 2023	As at March 31, 2022
Total Outstanding due of micro and small enterprises	678.05	1,432.38
Total Outstanding due of creditors other than micro and small enterprises*	10,004.41	16,609.97
<b>Total</b>	<b>10,682.46</b>	<b>18,042.35</b>

\* Refer Note 45 for balance with related parties

**Notes:**

(a) The Company has certain payables to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	678.05	1,432.38
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 26 - TRADE PAYABLES (Contd.)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	113.87	233.81
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.20	0.45
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	—	—
Interest accrued and remaining unpaid at the end of the accounting year	—	—
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	—	—
(b) Refer Note 42 for information about liquidity risk and market risk of trade payables.		
(c) For aging of trade payables, refer note 51.		

**NOTE 27 - LEASE LIABILITIES - CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Lease liabilities (Refer Note 53)	0.24	39.18
<b>Total</b>	<b>0.24</b>	<b>39.18</b>

**NOTE 28 - OTHER CURRENT FINANCIAL LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Unclaimed dividend	87.41	80.53
Unclaimed matured fixed deposits	0.58	4.83
Unclaimed interest on matured fixed deposits	0.38	0.90
Creditors for capital goods	353.37	273.03
Sundry deposits:		
From related parties (Refer Note 45)	8.00	8.00
Others	10.10	10.10
Foreign exchange forward contracts	18.66	12.93
Others	74.61	66.30
<b>Total</b>	<b>553.11</b>	<b>456.62</b>

**Note:**

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end except for amount aggregating to INR 0.33 lakhs (March 31, 2022 INR 0.33 lakhs), which is held in abeyance due to dispute / pending legal cases.

**NOTE 29 - EMPLOYEE BENEFIT OBLIGATIONS - CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<u>Provision for employee benefit obligations (Refer Note 40):</u>		
Leave obligation	211.85	144.12
Gratuity	225.45	315.10
Medical voluntary retirement scheme	43.26	36.77
Long service award	20.06	14.17
<b>Total</b>	<b>500.62</b>	<b>510.16</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 30 - OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Statutory dues including provident fund and tax deducted at sources	328.50	268.59
Contract liabilities (refer note below):		
Advances from customers	92.12	81.47
Other payables	10.07	9.49
<b>Total</b>	<b>430.69</b>	<b>359.55</b>

**Note:**

The Contract liabilities outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2023 upon satisfaction of performance obligation.

There has been no significant change in the contract liabilities.

**NOTE 31 - REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Revenue from contracts with customers:</b>		
<b>a) Sale of products</b>		
Finished Goods	1,04,129.36	1,12,826.47
Traded Goods	1,970.46	437.66
<b>b) Sale of services</b>		
Processing charges	1,157.16	1,939.99
Others (refer note (c) below)	1,105.13	2,029.81
	<b>1,08,362.11</b>	<b>1,17,233.93</b>
<b>Other operating revenue:</b>		
a) Export incentives	131.03	153.05
b) Scrap sales	488.76	415.00
	<b>619.79</b>	<b>568.05</b>
<b>Total</b>	<b>1,08,981.90</b>	<b>1,17,801.98</b>
<b>Revenue from contracts with customers disaggregated based on geography:</b>		
- Domestic	85,754.71	87,258.24
- Exports	22,607.40	29,975.69
<b>Total Revenue from customers</b>	<b>1,08,362.11</b>	<b>1,17,233.93</b>
Add: Other operating revenue	619.79	568.05
<b>Total</b>	<b>1,08,981.90</b>	<b>1,17,801.98</b>
<b>Reconciliation of Gross revenue with the revenue from contracts with customers</b>		
<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Gross revenue from operations	1,08,503.77	1,17,310.54
Less: Discounts	141.66	76.61
<b>Net revenue recognised from contracts with customers</b>	<b>1,08,362.11</b>	<b>1,17,233.93</b>

**Notes:**

- (a) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.
- (b) There are no material contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.
- (c) Sale of services - Others predominantly include freight and insurance on exports which are identified as separate performance obligation under Ind AS 115.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 32 - OTHER INCOME**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest income from financial assets at amortised cost</b>		
Bank deposits	477.93	219.36
Others	33.21	28.02
	<b>511.14</b>	<b>247.38</b>
<b>Dividend income</b>		
From non current investments (Refer note (a) below)	57.84	1,039.94
From current investments designated at FVPL	32.84	34.94
	<b>90.68</b>	<b>1,074.88</b>
<b>Others</b>		
Rent (Refer Note 5)	76.24	71.74
Gain on fair valuation of current investments measured at FVPL	91.14	0.53
Profit on sale of current investments measured at FVPL	80.23	—
Insurance Claims	117.26	—
Others (Refer note (b) below)	89.21	26.59
	<b>454.08</b>	<b>98.86</b>
<b>Total</b>	<b>1,055.90</b>	<b>1,421.12</b>

**Notes:**

- (a) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There were no dividend income relating to investments derecognised during the year.
- (b) Includes sales tax refund of INR 31.51 lakhs (March 31, 2022: Nil) accounted during the year.

**NOTE 33 - COST OF MATERIALS CONSUMED**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>a. Raw materials</b>		
Inventory at the beginning of the year	9,444.06	1,218.33
Add: Purchases	56,825.47	68,428.17
	<b>66,269.53</b>	<b>69,646.50</b>
Less: Inventory at the end of the year	6,654.07	9,444.06
<b>Total cost of Raw materials consumed</b>	<b>59,615.46</b>	<b>60,202.44</b>
<b>b. Packing materials</b>		
Inventory at the beginning of the year	155.59	145.44
Add: Purchases	1,804.56	1,945.39
	<b>1,960.15</b>	<b>2,090.83</b>
Less: Inventory at the end of the year	120.41	155.59
<b>Total cost of Packing materials consumed</b>	<b>1,839.74</b>	<b>1,935.24</b>
<b>Total</b>	<b>61,455.20</b>	<b>62,137.68</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 34 - PURCHASE OF STOCK-IN-TRADE**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Chemicals and others	1,277.12	452.56
<b>Total</b>	<b>1,277.12</b>	<b>452.56</b>

**NOTE 35 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Inventories at the end of the year</b>		
Finished goods	2,803.65	2,444.20
Work-in-progress	2,900.46	3,578.78
Stock in trade	73.87	102.14
	<b>5,777.98</b>	<b>6,125.12</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	2,444.20	1,693.54
Work-in-progress	3,578.78	2,427.77
Stock in trade	102.14	103.86
	<b>6,125.12</b>	<b>4,225.17</b>
<b>Total</b>	<b>347.14</b>	<b>(1,899.95)</b>

**NOTE 36 - EMPLOYEE BENEFIT EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Salaries, wages and bonus	8,819.50	8,990.55
Contribution to provident and other funds (Refer Note 40)	648.57	635.50
Gratuity (Refer Note 40)	278.41	283.39
Workman and staff welfare expenses	742.00	710.21
<b>Total</b>	<b>10,488.48</b>	<b>10,619.65</b>

**NOTE 37 - DEPRECIATION AND AMORTISATION EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Depreciation on Property, plant and equipment (Refer Note 3)	3,044.36	2,977.95
Depreciation on Right of use assets (Refer Note 53)	70.98	67.43
Depreciation on Investment property (Refer Note 5)	1.92	1.92
Amortisation of Intangible assets (Refer Note 6)	18.93	18.20
<b>Total</b>	<b>3,136.19</b>	<b>3,065.50</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 38 - OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Consumption of stores and spares	73.59	103.73
Processing charges	112.10	104.67
Power and fuel	8,056.67	7,742.72
Effluent expenses	1,704.89	2,161.57
Rent (Refer Note 53)	345.05	455.62
Rates and taxes	87.29	136.81
Bank charges	122.51	113.62
Contractor's labour charges	461.58	499.70
Water charges	302.88	304.12
Sales commission	268.39	123.27
Insurance	365.21	318.48
<b>Repairs and maintenance on:</b>		
Plant and machinery	2,894.76	2,759.35
Buildings	134.25	126.25
Others	245.33	233.46
Corporate Social Responsibility ('CSR') expenditure (Refer Note 48)	289.10	299.98
Travelling and conveyance	245.71	147.03
Legal and professional fees	1,082.88	1,155.09
Directors' sitting fees (Refer Note 45)	47.40	21.30
Non Executive Directors' Commission (Refer Note 45)	70.00	119.00
Auditor's Remuneration (Refer details below)	75.09	62.99
Bad debts / sundry debit balances written off (net):		
Bad debts written off during the year	27.62	—
Less: Utilisation from Provision for doubtful debts	<u>(27.62)</u>	<u>—</u>
Expected credit loss / Provision for doubtful receivables (net)	(114.10)	26.08
Provision for doubtful advances to supplier	(1.00)	80.78
Freight outward and forwarding expenses	3,631.82	4,662.42
Charity and donations	243.56	109.76
Net foreign exchange loss	187.48	32.69
Net loss on sale / discard of property, plant and equipment	124.38	30.38
Miscellaneous expenses	1,599.76	1,514.38
<b>Total</b>	<b><u>22,656.58</u></b>	<b><u>23,445.25</u></b>

**Details of Auditor's Remuneration (excluding taxes):**

Audit fee	51.65	40.65
Tax audit fee	6.50	6.50
Limited review	12.00	12.00
Certification fees and other matters	3.35	3.35
Reimbursement of expenses	1.59	0.49
<b>Total</b>	<b><u>75.09</u></b>	<b><u>62.99</u></b>

**NOTE 39 - FINANCE COSTS**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Interest expenses on financial liabilities measured at amortised cost	89.86	87.87
Interest and finance charge on lease liabilities (Refer Note 53)	16.90	19.59
Interest on deferred consideration	—	41.15
Interest on income tax	59.31	—
Other borrowing costs	50.64	43.77
<b>Total</b>	<b><u>216.71</u></b>	<b><u>192.38</u></b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40 - EMPLOYEE BENEFIT OBLIGATIONS****(i) Leave Obligation**

The Leave obligation cover the Company's liability for earned leave. Amount recognised in the balance sheet is as under:

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Obligation not expected to be settled within next 12 months (non - current)	1,089.18	1,174.95
Obligation expected to be settled within next 12 months (current)	211.85	144.12
<b>Total</b>	<b>1,301.03</b>	<b>1,319.07</b>

As per the leave policy of the Company, an employee is entitle to be paid / adjust the accumulated leave balance on separation. Considering the unconditional right available with the Company to defer leave availment, the Company presents provision for leave obligation as current and non-current, based on actuarial valuation considering estimates of availment of leave, separation etc.

**(ii) Post-employment obligations****Gratuity**

**(a)** The Company provides for gratuity (a defined benefit plan) for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is calculated at specified number of days (15 days/22 days) of last drawn salary depending upon the tenure of service for each year of completed service. The gratuity plan is a funded plan and the Company makes contribution to recognised fund.

**(b) The amounts recognised in balance sheet and the movement in the gratuity over the year are as follows:**

<b>Particulars</b>	<b>Fair value of Plan Assets</b>	<b>Present Value of Obligations</b>	<b>Net amount</b>
<b>Balance as at March 31, 2021</b>	<b>4,507.77</b>	<b>5,068.26</b>	<b>560.49</b>
Current service cost	—	244.89	244.89
Interest expense or cost	—	341.86	341.86
Investment income	303.36	—	(303.36)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>303.36</b>	<b>586.75</b>	<b>283.39</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	8.70	8.70
– experience variance	—	3.04	3.04
– return on plan assets, excluding amount recognised in net interest expense	22.20	—	(22.20)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>22.20</b>	<b>11.74</b>	<b>(10.46)</b>
Benefits paid through plan assets	(260.55)	(260.55)	—
Benefits paid directly by the Company	—	(28.32)	(28.32)
Employer's contribution	490.00	—	(490.00)
<b>Balance as at March 31, 2022</b>	<b>5,062.78</b>	<b>5,377.88</b>	<b>315.10</b>
Current service cost	—	255.74	255.74
Interest expense or cost	—	386.93	386.93
Investment income	364.26	—	(364.26)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>364.26</b>	<b>642.67</b>	<b>278.41</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in demographic assumptions	—	(14.01)	(14.01)
– change in financial assumptions	—	(63.19)	(63.19)
– experience variance	—	(17.25)	(17.25)
– return on plan assets, excluding amount recognised in net interest expense	(8.37)	—	8.37
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(8.37)</b>	<b>(94.45)</b>	<b>(86.08)</b>
Benefits paid through plan assets	(361.94)	(361.94)	—
Employer's contribution	269.00	—	(269.00)
Employer's contribution for earlier period credited in current year by LIC	12.98	—	(12.98)
<b>Balance as at March 31, 2023</b>	<b>5,338.71</b>	<b>5,564.16</b>	<b>225.45</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40 - EMPLOYEE BENEFIT OBLIGATIONS** (Contd.)

**(c) The net liability disclosed above related to funded and unfunded plans are as follows:**

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligation	5,564.16	5,377.88
Fair value of plan assets	5,338.71	5,062.78
<b>Deficit of funded plan</b>	<b>225.45</b>	<b>315.10</b>
Unfunded plans	—	—
<b>Deficit of Gratuity plan</b>	<b>225.45</b>	<b>315.10</b>

**(d) Assumptions:**

The principal financial assumptions used in valuation of Gratuity are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	7.40%	7.20%
Salary growth rate (per annum)*	7.00%	7.00%
Attrition rate (derived based on age)	7.00%	1.00% to 5.00%
Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)

\* The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

**(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Increase (Decrease) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Increase (Decrease) in DBO
Discount rate	1.00%	(4.00%)	4.40%	1.00%	(5.60%)	6.30%
Salary growth rate	1.00%	5.00%	(4.60%)	1.00%	6.80%	(6.20%)
Attrition rate <sup>⊗</sup>	50.00%	(0.20%)	0.20%	50.00%	(0.20%)	0.20%

⊗ Represent increase or decrease in Attrition rate by 50%

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. When 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 method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

**(f) The major categories of plan assets are as follows:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	%	Amount	%
Insurer Managed funds	5,338.71	100%	5,062.78	100%

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40 - EMPLOYEE BENEFIT OBLIGATIONS (Contd.)****(g) Defined benefit liability and employer contributions:**

The weighted average duration of the defined benefit obligation is 4 years (March 31, 2022 - 6 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
1 year	1,358.41	1,041.75
2-5 years	2,671.96	1,870.47
6-10 years	2,293.76	2,864.22
More than 10 years	1,751.63	3,362.52

**(h) Expected Contribution to post-employment benefit plans for next year :**

INR 457.12 lakhs (March 31, 2022 INR 552.87 Lakhs)

**(i) Risk Exposure (funded plan):**

Through its defined benefit plans, the Company is exposed to number of risks, the most significant of which are detailed below:

**Assets Volatility:** 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. Most of the plan assets has investments in insurer managed funds. Hence, assets are considered to be secured.

**Change in bond yields:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in value of plan's bond holdings.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate in future. Deviation in the rate of increase of salary in future from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the benefit and will thus result in an increase in the value of the liability.

**(iii) Defined Contribution Plan:****(a) Provident fund and employee's state insurance corporation:**

The Company's provident fund scheme and employee's state insurance (ESI) fund scheme are defined contribution plans. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due.

**(b) Superannuation:**

Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company has recognised following amounts as expense in the Statement of Profit and Loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Included in Contribution to provident and other funds (Refer note 36):		
Provident fund	533.62	496.70
ESI Contribution	4.42	5.57
Superannuation fund	110.53	133.23
<b>Total</b>	<b>648.57</b>	<b>635.50</b>

**(iv) Medical Voluntary retirement scheme (MVRS):**

**(a)** The Company has a termination benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. The benefit computed as per scheme will be given to such employees for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the Statement of Profit and Loss. This Scheme is not funded.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40 - EMPLOYEE BENEFIT OBLIGATIONS** (Contd.)

(b) Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation not expected to be settled within next 12 months (non - current)	104.12	88.72
Obligation expected to be settled within next 12 months (current)	43.26	36.77
<b>Total</b>	<b>147.38</b>	<b>125.49</b>

(v) **Long Service Award**

The Company provides for long service award to eligible employees upon completion of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation not expected to be settled within next 12 months (non - current)	119.72	157.76
Obligation expected to be settled within next 12 months (current)	20.06	14.17
<b>Total</b>	<b>139.78</b>	<b>171.93</b>

**NOTE 41 - FAIR VALUE MEASUREMENTS**

(i) **Financial instruments by category**

Particulars	Notes	As at March 31, 2023			As at March 31, 2022		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
<b>Financial assets</b>							
Equity investments*	8	30,182.22	—	—	28,165.84	—	—
Investments in mutual funds	13	—	5,300.74	—	—	905.15	—
Trade receivables	14	—	—	15,651.95	—	—	19,918.46
Cash and cash equivalents	15	—	—	327.29	—	—	2,840.11
Bank balances other than cash and cash equivalents	16	—	—	8,318.75	—	—	3,749.83
Loans	9 and 17	—	—	24.96	—	—	36.81
Other financial assets	10 and 18	—	—	1,430.63	—	13.71	856.58
<b>Total financial assets</b>		<b>30,182.22</b>	<b>5,300.74</b>	<b>25,753.58</b>	<b>28,165.84</b>	<b>918.86</b>	<b>27,401.79</b>
<b>Financial liabilities</b>							
Borrowings	25	—	—	89.08	—	—	523.53
Trade payables	26	—	—	10,682.46	—	—	18,042.35
Other financial liabilities	28	—	18.66	534.45	—	12.93	443.69
<b>Total financial liabilities</b>		<b>—</b>	<b>18.66</b>	<b>11,305.99</b>	<b>—</b>	<b>12.93</b>	<b>19,009.57</b>

\* The Company had acquired certain equity instrument for the purpose of holding for a longer duration and not for the purpose of selling in near term for short term profit. Such instruments have been categorised as FVOCI.

(ii) **Fair value of Financial assets and liabilities measured at amortised cost**

Particulars	Notes	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Trade receivables	14	15,651.95	15,651.95	19,918.46	19,918.46
Cash and cash equivalents	15	327.29	327.29	2,840.11	2,840.11
Bank balances other than cash and cash equivalents	16	8,318.75	8,318.75	3,749.83	3,749.83
Loans	9 and 17	24.96	24.96	36.81	36.81
Other financial assets	10 and 18	1,430.63	1,430.63	856.58	856.58
<b>Total Financial Assets</b>		<b>25,753.58</b>	<b>25,753.58</b>	<b>27,401.79</b>	<b>27,401.79</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41 - FAIR VALUE MEASUREMENTS** (Contd.)

Particulars	Notes	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liabilities</b>					
Borrowings	25	89.08	89.08	523.53	523.53
Trade payables	26	10,682.46	10,682.46	18,042.35	18,042.35
Other financial liabilities	28	534.45	534.45	443.69	443.69
<b>Total Financial Liabilities</b>		<b>11,305.99</b>	<b>11,305.99</b>	<b>19,009.57</b>	<b>19,009.57</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, current loans and other current financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of non-current loans and other financial assets are not expected to be materially different than their fair values.

**(iii) 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.

**(a) Financial asset and liabilities measured at fair value - recurring fair value measurements:**

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>					
<b>Financial asset</b>					
<b>Financial Investment at FVOCI</b>					
Equity investments	8	4,858.70	25,323.52	—	30,182.22
<b>Financial Investment at FVPL</b>					
Investments in mutual funds	13	5,300.74	—	—	5,300.74
Other financial assets	18	—	—	—	—
<b>Total Financial Assets</b>		<b>10,159.44</b>	<b>25,323.52</b>	<b>—</b>	<b>35,482.96</b>
<b>Financial Liabilities</b>					
Other financial liabilities	28	—	18.66	—	18.66
<b>Total Financial Liabilities</b>		<b>—</b>	<b>18.66</b>	<b>—</b>	<b>18.66</b>

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2022</b>					
<b>Financial asset</b>					
<b>Financial Investment at FVOCI</b>					
Equity investments	8	8,547.37	19,618.47	—	28,165.84
<b>Financial Investment at FVPL</b>					
Investments in mutual funds	13	905.15	—	—	905.15
Other financial assets	18	—	13.71	—	13.71
<b>Total Financial Assets</b>		<b>9,452.52</b>	<b>19,632.18</b>	<b>—</b>	<b>29,084.70</b>
<b>Financial Liabilities</b>					
Other financial liabilities	28	—	12.93	—	12.93
<b>Total Financial Liabilities</b>		<b>—</b>	<b>12.93</b>	<b>—</b>	<b>12.93</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41 - FAIR VALUE MEASUREMENTS (Contd.)**

**(b) Fair value disclosure of Financial Assets and Financial Liabilities measured at amortised cost:**

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>					
<b>Financial assets</b>					
Trade receivables	14	—	—	15,651.95	15,651.95
Cash and cash equivalents	15	—	—	327.29	327.29
Bank balances other than cash and cash equivalents	16	—	—	8,318.75	8,318.75
Loans	9 and 17	—	—	24.96	24.96
Other financial assets	10 and 18	—	—	1,430.63	1,430.63
<b>Total Financial Assets</b>		<b>—</b>	<b>—</b>	<b>25,753.58</b>	<b>25,753.58</b>
<b>Financial liabilities</b>					
Borrowings	25	—	—	89.08	89.08
Trade payables	26	—	—	10,682.46	10,682.46
Other financial liabilities	28	—	—	534.45	534.45
<b>Total Financial Liabilities</b>		<b>—</b>	<b>—</b>	<b>11,305.99</b>	<b>11,305.99</b>

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2022</b>					
<b>Financial assets</b>					
Trade receivables	14	—	—	19,918.46	19,918.46
Cash and cash equivalents	15	—	—	2,840.11	2,840.11
Bank balances other than cash and cash equivalents	16	—	—	3,749.83	3,749.83
Loans	9 and 17	—	—	36.81	36.81
Other financial assets	10 and 18	—	—	856.58	856.58
<b>Total Financial Assets</b>		<b>—</b>	<b>—</b>	<b>27,401.79</b>	<b>27,401.79</b>
<b>Financial liabilities</b>					
Borrowings	25	—	—	523.53	523.53
Trade payables	26	—	—	18,042.35	18,042.35
Other financial liabilities	28	—	—	443.69	443.69
<b>Total Financial Liabilities</b>		<b>—</b>	<b>—</b>	<b>19,009.57</b>	<b>19,009.57</b>

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

- Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.
- Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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 considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.
- Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

**(iv) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- Investments in quoted equity instruments are valued using the closing price at National Stock Exchange (NSE) at the reporting period.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with the Authorised Dealers dealing in foreign exchange.
- the Net Assets Value ("NAV") for valuation of mutual fund investment represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors at the reporting period.
- Fair value of investment in unquoted equity shares is arrived based on Comparable Company Market ("CCM") Multiples Method by applying EV/EBITDA multiple of comparable listed companies on maintainable operating EBITDA of the investee company. The same is further adjusted, as appropriate, for surplus assets (cash and cash equivalent, investments, interest accrued on deposits), debts, deferred tax assets/ liabilities and contingent liabilities.

- (v)** Increase in EV / EBITDA multiple by 5% would increase fair value of unquoted equity shares by INR 1,134.80 lakhs (March 31, 2022: INR 919.08 lakhs). Decrease in EV / EBITDA multiple by 5% would have equal and opposite impact on fair value of unquoted equity shares of INR 25,318.27 lakhs (March 31, 2022: INR 19,613.22 lakhs).



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FINANCIAL RISK MANAGEMENT**

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Company's objectives, policies and processes for managing its financial risk. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company manages the risk through the finance department that ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

The note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

**(A) Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed.

Credit risk arises from cash and cash equivalents, balances with banks and financial institutions and favourable derivative financial instruments, credit exposures to customers and other outstanding receivables such as security deposits, loans to employees etc.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

For banks and financial institutions, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, past experience, analysis of historical bad debts, ageing of financial assets and other factors. Individual risk limits are set and periodically reviewed on the basis of such information. For certain trade receivables, the Company also obtains security in the form of guarantees, deed of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The Company has assessed its loans and other financials assets including security deposits and other receivables as high quality, negligible credit risk. The Company periodically monitors the recoverability and credit risks of its other financials assets. The Company evaluates 12 months expected credit losses for all the financial assets (other than trade receivable and contract assets) for which credit risk has not increased. In case credit risk has increased significantly, the Company considers lifetime expected credit losses for the purpose of impairment provisioning.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix by taking into consideration payment profiles of chemical sales over a period of 24 months and Environment and Biotech sales over a period of 36 months before the reporting date and the corresponding historical credit loss experience within this period. The historical loss rates are adjusted to reflect the current and forward looking information on macro economic factors affecting the ability of customers to settle receivables. The expected credit loss is based on aging of days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provision are made after evaluating the relevant facts and expected recovery. The provision matrix at the end of the reporting period is as follows:

**(i) Summary of trade receivables and provision with aging as at March 31, 2023**

Particulars	Gross carrying amount	Average expected loss %	Expected credit losses	Specific loss allowance	Net carrying amount
Not due (including unbilled)	11,412.48	0.04%	4.06	—	11,408.42
0-90 days	3,521.06	0.39%	13.74	0.15	3,507.17
091-180 days	620.68	4.07%	25.29	—	595.39
181-270 days	116.10	9.55%	11.09	—	105.01
271-360 days	12.95	11.60%	1.50	0.02	11.43
361-730 days	26.48	23.28%	6.12	0.19	20.17
> 730 days	115.45	90.60%	42.02	69.07	4.36
<b>Total</b>	<b>15,825.20</b>		<b>103.82</b>	<b>69.43</b>	<b>15,651.95</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FINANCIAL RISK MANAGEMENT (Contd.)**

**(ii) Summary of trade receivables and provision with aging as at March 31, 2022**

Particulars	Gross carrying amount	Average expected loss %	Expected credit losses	Specific loss allowance	Net carrying amount
Not due (including unbilled)	15,233.50	0.05%	7.52	—	15,225.98
0-90 days	4,121.34	0.46%	18.76	—	4,102.58
091-180 days	369.99	8.35%	30.90	—	339.09
181-270 days	167.18	15.40%	25.74	—	141.44
271-360 days	23.38	20.83%	4.87	—	18.51
361-730 days	216.77	36.34%	48.78	82.54	85.45
> 730 days	101.27	94.15%	87.02	8.84	5.41
<b>Total</b>	<b>20,233.43</b>		<b>223.59</b>	<b>91.38</b>	<b>19,918.46</b>

**(iii) Reconciliation of provision - Trade receivables**

Particular	Year ended March 31, 2023	Year ended March 31, 2022
<b>Loss allowance at the beginning of the year</b>	<b>314.97</b>	<b>288.89</b>
Add: Provision made	—	26.08
Less: Provision utilised	(27.62)	—
Less: Provision reversed	(114.10)	—
<b>Loss allowance at the end of the year</b>	<b>173.25</b>	<b>314.97</b>

Of the trade receivables balance as at March 31, 2023, INR 1,644.61 lakhs (as at March 31, 2022: INR 2,346.43 lakhs) is due from a single customer. There are no other customer who represent more than 10% of trade receivables.

**(iv)** Financial assets at FVTPL and at FVTOCI: The Company is also exposed to credit risks in relation to financial assets that are measured at FVTPL or at FVTOCI. The maximum exposure at the end of the reporting period is the carrying amount of these assets.

**(B) Liquidity risk**

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain financial assets (including mutual funds and deposits with banks) which provide flexibility to liquidate at short notice and are included in current investments and cash equivalents. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required, which are reviewed periodically.

The Company has plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

**(i) Financing Arrangement**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particular	Year ended March 31, 2023	Year ended March 31, 2022
Cash Credit and other working capital facilities – Fixed rate	—	—
Cash Credit and other working capital facilities – Floating rate	8,610.92	8,176.47
	<b>8,610.92</b>	<b>8,176.47</b>

Undrawn limit has been calculated based on the available drawing power and sanctioned amount at each reporting date. The working capital facilities may be drawn at any time.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FINANCIAL RISK MANAGEMENT (Contd.)****(ii) Maturities of financial liabilities**

The Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total	Carrying amount
<b>As at March 31, 2023</b>							
Borrowings	25	89.08	—	—	—	89.08	89.08
Lease liabilities	22 and 27	14.00	14.00	14.00	693.00	735.00	178.33
Trade payables	26	10,682.46	—	—	—	10,682.46	10,682.46
Other financial liabilities	28	534.45	—	—	—	534.45	534.45
<b>Total non-derivative liabilities</b>		<b>11,319.99</b>	<b>14.00</b>	<b>14.00</b>	<b>693.00</b>	<b>12,040.99</b>	<b>11,484.32</b>
Forward contracts for hedge purpose	28	18.66	—	—	—	18.66	18.66
<b>Total derivative liabilities</b>		<b>18.66</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>18.66</b>	<b>18.66</b>

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total	Carrying amount
<b>As at March 31, 2022</b>							
Borrowings	25	523.53	—	—	—	523.53	523.53
Lease liabilities	22 and 27	56.08	14.00	14.00	707.00	791.08	217.51
Trade payables	26	18,042.35	—	—	—	18,042.35	18,042.35
Other financial liabilities	28	443.69	—	—	—	443.69	443.69
<b>Total</b>		<b>19,065.65</b>	<b>14.00</b>	<b>14.00</b>	<b>707.00</b>	<b>19,800.65</b>	<b>19,227.08</b>
Forward contracts for hedge purpose	28	12.93	—	—	—	12.93	12.93
<b>Total derivative liabilities</b>		<b>12.93</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12.93</b>	<b>12.93</b>

**(C) Market risk**

The market risk for the Company comprises of risk from movements in foreign currency exchange rates, interest rates and market prices.

**(i) Foreign exchange risk**

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in multiple currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company takes decision to hedge by forming view after discussions with its advisors and as per policies set by Management.

**Foreign exchange derivatives and exposures outstanding as at Balance Sheet date****The Company's exposure to foreign currency risk at the end of the reporting period:**

Particulars	Currency	As on March 31, 2023		As on March 31, 2022	
		In Foreign Currency in Lakhs	In INR Lakhs	In Foreign Currency in Lakhs	In INR Lakhs
<b>(i) Financial assets</b>					
Export receivables	USD	21.46	1,763.37	70.77	5,362.95
Export receivables	EURO	7.30	653.13	21.29	1,791.55
Bank balances	USD	—*	0.03	—*	0.03
Less: Exposure hedged through foreign currency forward contracts					
Export receivables	USD	15.07	1,237.91	44.79	3,393.87
Export receivables	EURO	6.72	600.84	14.06	1,182.78
<b>Foreign currency exposure (net of forward contracts)</b>					
Export receivables	USD	6.39	525.46	25.98	1,969.08
Export receivables	EURO	0.58	52.29	7.23	608.77
Bank balances	USD	—*	0.03	—*	0.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FINANCIAL RISK MANAGEMENT (Contd.)**

Particulars	Currency	As on March 31, 2023		As on March 31, 2022	
		In Foreign Currency in Lakhs	In INR Lakhs	In Foreign Currency in Lakhs	In INR Lakhs
<b>(ii) Financial liabilities</b>					
Import payables	USD	36.79	3,023.40	102.22	7,746.23
Less: Exposure hedged through foreign currency forward contracts					
Import payables	USD	27.44	2,254.89	90.10	6,828.90
<b>Foreign currency exposure (net of forward contracts)</b>					
Import payables	USD	9.35	768.51	12.12	917.33

\* As at March 31, 2023 balance is of USD 37.31 (March 31, 2022: USD 37.31)

The Company has unhedged USD foreign currency payable of INR 525.46 lakhs (March 31, 2022: INR 917.33 lakhs) which will be offset by an equal amount of foreign currency receivable in the next financial year.

**Foreign currency risk sensitivity**

The table below summarises impact of increase / decrease in the exchange rate on the Company's profit or loss:

Particulars	Change in exchange rate	Increase in FC conversion rate		Decrease in FC conversion rate	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
USD / INR	5%	(12.15)	52.59	12.15	(52.59)
EURO / INR	5%	2.61	30.44	(2.61)	(30.44)
<b>Increase / (decrease) in profit or loss</b>		<b>(9.54)</b>	<b>83.03</b>	<b>9.54</b>	<b>(83.03)</b>

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations.

**Exposure to interest rate risk**

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	89.08	522.98
Fixed rate borrowings	—	0.55
<b>Total borrowings</b>	<b>89.08</b>	<b>523.53</b>

**Interest rate sensitivity**

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As at March 31, 2023	As at March 31, 2022
Interest rates - increase by 50 basis point (50 bps)	(0.45)	(2.61)
Interest rates - decrease by 50 basis point (50 bps)	0.45	2.61

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42 - FINANCIAL RISK MANAGEMENT (Contd.)****(iii) Price Risk**

The Company's exposure to price risks arises from movement in market price of investments in quoted equity instruments and mutual funds, which are classified either as FVTOCI or FVTPL.

The table below summarises gain / (loss) impact on of increase / decrease in the market price on the Company's equity and profit for the year:

Particulars	Increase Rate / Price	For the year ended			
		Year ended March 31, 2023		Year ended March 31, 2022	
		Gain/ (Loss) in Statement of Profit and Loss before tax	Gain/ (Loss) in Other Components of Equity before tax	Gain/ (Loss) in Statement of Profit and Loss before tax	Gain/ (Loss) in Other Components of Equity before tax
Investments in quoted equity instruments	1%	—	48.59	—	85.47
Investments in mutual funds	1%	53.01	—	9.05	—

Decrease in prices by 1% will have equal and opposite impact in financial statements. Sensitivity analysis has been computed by stress testing the market price of the underlying price index on the investment portfolio as on the reporting date by assuming all other factors constant.

**NOTE 43 - CAPITAL MANAGEMENT****(a) Risk Managements**

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- 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. For achieving this, the requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing. Debt (total borrowings + lease liabilities) to equity ratio is used to monitor capital. No changes were made to the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. During the year, the Company has invested excess funds generated in fixed deposits with banks with intention to use it for purpose other than to meet short term cash commitments.

The debt equity ratio highlights the ability of a business to repay its debts.

Particulars	As at March 31, 2023	As at March 31, 2022
Total Debt (total borrowings + lease liabilities)	267.41	741.04
Total equity	99,171.84	93,272.68
Debt to equity ratio	0.27%	0.79%

**(b) Dividend**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Equity Shares</b>		
Final dividend for the year ended March 31, 2022 - INR 22.50 (March 31, 2021 - INR 11.25) per fully paid equity share, paid during the year	2,828.41	1,414.21
<b>(ii) Dividend not Recognised at the end of reporting period</b>		
In addition to the above dividend, at year end the directors have recommended the payment of final dividend of INR 11.25 (March 31, 2022 - INR 22.50) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,414.20	2,828.41

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 44 - SEGMENT INFORMATION**

**(a) Description of segments and principal activities**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman and Managing Director of the Company. The Company operates in following business segment as per Indian Accounting Standard 108 "operating segments":

(a) **Chemicals** - Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates

(b) **Environment and Biotech** - Comprising of Soil enricher, Bio - pesticides and other Bio products (E&BT).

Segment revenue includes sales, export incentives, processing charges and scrap sales.

Segment Revenue in the geographical segments considered for disclosure are as follows:

(a) Revenue within India includes sales to customers located within India.

(b) Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

**(b) Segment Result:**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Segment Results</b>		
Chemicals	14,933.17	24,827.19
Environment and Biotech	(297.82)	256.88
<b>Total Segment Result</b>	<b>14,635.35</b>	<b>25,084.07</b>
Less: Finance Cost	216.71	192.38
Other unallocable expenditure (net of unallocable income)	4,023.49	3,681.66
<b>Profit before tax</b>	<b>10,395.15</b>	<b>21,210.03</b>

**(c) Segment Revenue:**

The segment revenue is measured in the same way as in the Statement of Profit and Loss.

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Segment Revenue (Revenue from operations)</b>		
Chemicals	1,06,709.99	1,15,253.96
Environment and Biotech	2,271.91	2,548.02
<b>Total Segment Revenue</b>	<b>1,08,981.90</b>	<b>1,17,801.98</b>
Less: Inter segment revenue	—	—
<b>Total Segment Revenue</b>	<b>1,08,981.90</b>	<b>1,17,801.98</b>
<b>Revenue from external customers:</b>		
India	85,754.71	87,258.24
Other countries	22,607.40	29,975.69
<b>Total Revenue from customers</b>	<b>1,08,362.11</b>	<b>1,17,233.93</b>
Add: Other operating revenue	619.79	568.05
<b>Total Segment Revenue</b>	<b>1,08,981.90</b>	<b>1,17,801.98</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 44 - SEGMENT INFORMATION (Contd.)****(d) Segment Assets:**

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Segment Assets:</b>		
Chemicals	71,137.95	78,735.62
Environment and Biotech	1,886.22	1,986.31
Unallocated	49,454.18	42,455.81
<b>Total assets as per balance sheet</b>	<b>1,22,478.35</b>	<b>1,23,177.74</b>
Total assets of Company broken down by location of the assets, is shown below:		
India	1,20,061.82	1,16,023.21
Other countries	2,416.53	7,154.53
<b>Total assets</b>	<b>1,22,478.35</b>	<b>1,23,177.74</b>

**(e) Segment liabilities:**

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Segment liabilities:</b>		
Chemicals	11,209.49	18,556.07
Environment and Biotech	498.14	467.60
Unallocated	11,598.88	10,881.39
<b>Total liabilities as per balance sheet</b>	<b>23,306.51</b>	<b>29,905.06</b>
Total liabilities of Company broken down by location of the liabilities, is shown below:		
India	20,283.11	22,158.83
Other countries	3,023.40	7,746.23
<b>Total liabilities</b>	<b>23,306.51</b>	<b>29,905.06</b>

The Company has a customer based in India which accounted for more than 10% of the Company's total revenue. Total revenue for this customer is INR 12,584.94 lakhs. These revenues are attributed to the Chemical Segment. The Company does not have any such customer accounting for more than 10% of total revenue for the year ended March 31, 2022.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45 - RELATED PARTY DISCLOSURES AS PER IND AS 24**

**1. Name of related parties and nature of relationship:**

**(a) Parent entity**

The Company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at	
			March 31, 2023	March 31, 2022
Anshul Specialty Molecules Private Limited	Immediate and Ultimate Parent Company	India	42.63%	42.63%

**(b) Subsidiaries**

Kamaljyot Investments Limited

Excel Bio Resources Limited

**(c) Associates**

Climacrew Private Limited (with effect from January 7, 2022)

Mobitrash Recycle Ventures Private Limited

**(d) Key Management Personnel (KMP)**

— **Executive Directors**

Mr. Ashwin C. Shroff (Executive Chairman)

Late Mrs. Usha A. Shroff (Executive Vice Chairperson upto April 29, 2019)

Mr. Ravi A. Shroff (Managing Director)

Mr. Hrishit A. Shroff (Executive Director)

— **Non - Executive Directors (Independent Directors)**

Mr. Ramchandra N. Bhogale (Independent Director)

Mr. Harish N. Motiwala (Independent Director)

Mr. Priyam S. Jhaveri (Independent Director)

Mr. Madhukar B. Parekh (Independent Director)

Mr. Shailesh S. Vaidya (Independent Director)

Mr. Rajeev M. Pandia (Independent Director)

Mr. Dipesh K. Shroff (Non - Executive Director)

Mr. Atul G. Shroff (Non - Executive Director)

Mrs. Dr. Meena A. Galliara (Non - Executive Director)

Mr. Collu Vikas Rao (Nominee Director - LIC, w.e.f. March 25, 2022 upto March 24, 2023)

Mr. Dinesh Bhagat (Nominee Director - LIC, w.e.f. March 24, 2023)

**(e) Relatives of KMP with whom transactions have taken place:**

Mrs. Anshul A. Bhatia (Daughter of Mr. Ashwin C. Shroff)

**(f) Enterprise over which KMP or their relative have control or significant influence and transactions have taken place:**

Agrocel Industries Private Limited

Anshul Life Sciences

C C Shroff Research Institute

Chromosome Labs Private Limited

Divakar Techno Specialities & Chemicals Private Limited

Indian Centre for Climate and Societal Impact Research

Mibiome Therapeutics LLP

Pidilite Industries Limited

Rashtriya Seva Trust

Shree Vivekanand Research and Training Institute

Shroff Family Charitable Trust

Shroff Foundation Trust

Shrujan Creations

Shrujan Trust

Transchem Agritech Private Limited

Transpek Industry (Europe) Limited

Transpek Industry Limited

**(g) Other related parties with whom there are transactions during the year:**

Excel Industries Limited, Employees Group Gratuity Fund - Post-employment benefits plan



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45 - RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)****2. Related Party Transaction****Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Particulars	Sale of goods	Rent income	Purchase of traded goods	Purchase of services	Dividend received	Dividend paid	Sales commission	Reimbursement of expenses from	Contribution to Fund	Salary, Bonus & contribution to PF & Commission*	Deposit u/s. 160 of Companies Act 2013	Director's sitting fees	CSR / Donation Expenditure
<b>Parent entity</b>													
Anshul Specialty Molecules Private Limited	14.69	55.27	11.92	8.50	—	1,205.70	—	—	—	—	—	—	—
	0.32	52.63	3.57	9.38	—	602.85	—	—	—	—	—	—	—
<b>Subsidiaries</b>													
Excel Bio Resources Limited	3.79	—	—	—	—	—	—	—	—	—	—	—	—
	2.06	0.14	—	—	—	—	—	—	—	—	—	—	—
Kamaliyot Investments Limited	—	—	—	—	39.99	—	—	—	—	—	—	—	—
	—	—	—	—	39.99	—	—	—	—	—	—	—	—
<b>Associate</b>													
Mobitrash Recycle Ventures Private Limited	0.52	0.26	0.02	—	—	—	—	44.35	—	—	—	—	—
	—	0.14	—	—	—	—	—	—	—	—	—	—	—
<b>Enterprises controlled or significantly influenced by key management personnel or their relatives</b>													
Agrocel Industries Private Limited	15.63	—	—	—	—	—	—	—	—	—	—	—	—
	3.43	—	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry Limited	—	—	—	—	—	35.25	—	—	—	—	—	—	—
	—	—	—	—	—	17.62	—	—	—	—	—	—	—
Divakar Techno Specialities & Chemicals Private Limited	—	—	—	—	—	—	32.72	—	—	—	—	—	—
	—	—	—	—	—	—	28.24	—	—	—	—	—	—
C C Shroff Research Institute	—	0.09	—	—	—	—	—	—	—	—	—	—	—
	0.90	0.14	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	(0.65)	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	0.64	—	—	—	—	—	—	—	—	—	—	—	192.60
	0.37	—	—	—	—	—	—	—	—	—	—	—	198.05
Rashtriya Seva Trust	—	—	—	—	—	—	—	—	—	—	—	—	20.00
	—	—	—	—	—	—	—	—	—	—	—	—	—
Shroff Family Charitable Trust	—	4.05	—	—	—	—	—	—	—	—	—	—	—
	—	3.86	—	—	—	—	—	—	—	—	—	—	—
Shrujan Trust	—	—	—	—	—	—	—	—	—	—	—	—	25.00
	—	—	—	—	—	—	—	—	—	—	—	—	15.00
Shrujan Creations	—	—	0.57	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Indian Centre for Climate and Societal Impact Research	—	—	—	—	—	—	—	—	—	—	—	—	40.00
	—	—	—	—	—	—	—	—	—	—	—	—	50.00
Shroff Foundation Trust	—	—	—	—	—	—	—	—	—	—	—	—	25.00
	—	—	—	—	—	—	—	—	—	—	—	—	40.00
Pidlite Industries Limited	2.86	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Anshul Life Sciences	—	—	—	13.23	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Chromosome Labs Private Limited	—	—	—	5.97	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Mibiome Therapeutics LLP	—	—	—	0.24	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Transchem Agritech Private Limited	—	—	—	0.15	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Other related parties with whom there are transactions during the year:</b>													
Excel Industries Limited, Employees Group Gratuity Fund	—	—	—	—	—	—	—	—	269.00	—	—	—	—
	—	—	—	—	—	—	—	—	490.00	—	—	—	—

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45 - RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

Particulars	Sale of goods	Rent income	Purchase of traded goods	Purchase of services	Dividend received	Dividend paid	Sales commission	Reimbursement of expenses from	Contribution to Fund	Salary, Bonus & contribution to PF & Commission*	Deposit u/s. 160 of Companies Act 2013	Director's sitting fees	CSR / Donation Expenditure
<b>Key management personnel and their relatives</b>													
Mr. Ashwin C. Shroff	—	—	—	—	—	<b>23.19</b>	—	—	—	<b>343.66</b>	<b>1.00</b>	—	—
	<i>0.05</i>	—	—	—	—	<i>9.35</i>	—	—	—	<i>443.11</i>	<i>1.00</i>	—	—
Late Mrs. Usha A. Shroff	—	—	—	—	—	<b>1.46</b>	—	—	—	—	—	—	—
	—	—	—	—	—	<i>0.73</i>	—	—	—	—	—	—	—
Mr. Ravi A. Shroff	—	—	—	—	—	<b>10.73</b>	—	—	—	<b>414.99</b>	—	—	—
	—	—	—	—	—	<i>5.36</i>	—	—	—	<i>544.43</i>	—	—	—
Mr. Hrishit A. Shroff	—	—	—	—	—	<b>10.73</b>	—	—	—	<b>261.02</b>	—	—	—
	—	—	—	—	—	<i>5.36</i>	—	—	—	<i>338.23</i>	—	—	—
Mr. Ramchandra N. Bhogale	—	—	—	—	—	—	—	—	—	<b>8.00</b>	—	<b>7.00</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>3.70</i>	—
Mr. Harish N. Motiwala	—	—	—	—	—	—	—	—	—	<b>8.00</b>	—	<b>9.10</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>4.50</i>	—
Mr. Priyam S. Jhaveri	—	—	—	—	—	—	—	—	—	<b>8.00</b>	—	<b>5.60</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>2.80</i>	—
Mr. Madhukar B. Parekh	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>2.40</b>	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>0.80</i>	—
Mr. Shailesh S. Vaidya	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>3.50</b>	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>1.40</i>	—
Mr. Rajeev M. Pandia	—	—	—	—	—	—	—	—	—	<b>10.00</b>	—	<b>7.80</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>3.20</i>	—
Mr. Dipesh K. Shroff	<b>0.04</b>	—	—	—	—	<b>1.94</b>	—	—	—	<b>6.00</b>	—	<b>3.30</b>	—
	—	—	—	—	—	<i>0.97</i>	—	—	—	<i>10.50</i>	—	<i>1.40</i>	—
Mr. Atul G. Shroff	—	—	—	—	—	<b>13.45</b>	—	—	—	<b>6.00</b>	—	<b>2.50</b>	—
	—	—	—	—	—	<i>6.73</i>	—	—	—	<i>10.50</i>	—	<i>1.20</i>	—
Dr. Meena Gallilara	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>4.20</b>	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>1.70</i>	—
Mr. Praveen Kumar Molri	—	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>0.40</i>	—
Mr. Collu Vikas Rao	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>1.50</b>	—
	—	—	—	—	—	—	—	—	—	—	—	<i>0.20</i>	—
Mr. Dinesh Bhagat	—	—	—	—	—	—	—	—	—	—	—	<b>0.50</b>	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Mrs. Anshul A. Bhatia	—	—	—	—	—	<b>4.86</b>	—	—	—	—	—	—	—
	—	—	—	—	—	<i>2.43</i>	—	—	—	—	—	—	—

Amount in bold represent the amount of March 31, 2023, and amount in Italics represents amounts of March 31, 2022.

\* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable. Further, remuneration to key managerial personnel includes INR 45.48 lakhs (March 31, 2022: INR 40.99 lakhs) towards contribution to provident fund and other funds. The remaining remuneration to KMPs are in nature of short term employment benefit.

**3. Outstanding Balances**

**Particulars**

**As at  
March 31, 2023**

**As at  
March 31, 2022**

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

**Trade receivables:**

Anshul Specialty Molecules Private Limited	5.45	—
C C Shroff Research Institute	0.04	—
Mobitrash Recycle Ventures Private Limited	0.02	—
Agrocel Industries Private Limited	0.19	0.16

**Other receivables:**

Mobitrash Recycle Ventures Private Limited	44.35	—
Agrocel Industries Private Limited	10.00	10.00

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45 - RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Trade payables:</b>		
Anshul Specialty Molecules Private Limited	14.07	—
Divakar Techno Specialities & Chemicals Private Limited	13.65	9.19
Mr. Ashwin C. Shroff	115.41	225.02
Mr. Ravi A. Shroff	175.49	329.39
Mr. Hrishit. A. Shroff	119.27	208.79
Mr. Ramchandra N. Bhogale	8.00	14.00
Mr. Harish N. Motiwala	8.00	14.00
Mr. Priyam S. Jhaveri	8.00	14.00
Mr. Madhukar B. Parekh	6.00	10.50
Mr. Shailesh S. Vaidya	6.00	10.50
Mr. Rajeev M. Pandia	10.00	14.00
Mr. Dipesh K. Shroff	6.00	10.50
Mr. Atul G. Shroff	6.50	10.50
Mrs. Dr. Meena A. Galliarda	6.00	10.50
Mr. Praveen Kumar Molri	—	10.50
Mr. Collu Vikas Rao	6.00	—
<b>Other payables:</b>		
Anshul Specialty Molecules Private Limited	7.00	7.00
Mr. Ashwin C. Shroff	1.00	1.00

**NOTE 46 - CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS****(a) Contingent Liabilities:**

Particular	As at March 31, 2023	As at March 31, 2022
Income tax	14.80	321.91
Excise duty	39.86	39.86
Sales tax	—	17.89
Custom duty	144.88	144.88
Claims against the Company not acknowledged as debts	36.28	36.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

(i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings as it is determinable only on the receipt of judgments / decisions pending with various forums / authorities.

(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(iii) The Company's pending litigation comprises of claims against the Company made by workers / others and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities, where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

**(b) Contingent Assets:**

The Company did not have any contingent assets as at the end of the year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46 - CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS** (Contd.)

(c) **Commitments:**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Capital commitments</b>		
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:		
Gross capital commitment	393.71	712.08
Less: capital advance (Refer Note 11)	62.92	40.35
<b>Net Capital Commitments</b>	<b>330.79</b>	<b>671.73</b>
<b>(ii) Other Commitments</b>		
For other commitments relating to lease arrangements - (Refer Note 42(B)(ii))		

**NOTE 47 - EARNINGS PER SHARE**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Earnings per equity share attributable to the equity holders of the Company (in INR)</b>		
(a) Basic earnings per share	62.41	127.41
(b) Diluted earnings per share	62.41	127.41

**Earnings used in calculating earnings per share**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Basic earnings per share</b>		
Profits/(Loss) attributable to the equity holders of the Company used in calculating basic earnings per share	7,845.11	16,015.92
<b>Diluted earnings per share</b>		
Profits/(Loss) attributable to the equity holders of the Company used in calculating diluted earnings per share	7,845.11	16,015.92

**Weighted average number of shares used as the denominator**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	Number of shares	Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earning per share	1,25,70,692	1,25,70,692
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	1,25,70,692	1,25,70,692

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 48 - DISCLOSURE IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>a) Details related to spent / unspent obligations:</b>		
i) Contribution to charity foundations	289.10	299.98
ii) Contribution to slum rehabilitation program	—	—
iii) Accrual towards unspent obligations in relation to:		
— Ongoing project	—	—
— Other than ongoing project	—	—
<b>Total</b>	<b>289.10</b>	<b>299.98</b>
b) Gross amount required to be spent by the Company during the year	285.00	289.01
c) Amount spent during the year on:		
i) Construction/acquisition of any asset	—	—
ii) On purposes other than (i) above	289.10	299.98

**Details of ongoing CSR projects under Section 135(6) of the Act**

Particulars	Balance at the beginning of the year		Amount required to be spent during the year	Amount spent during the year		Balance at the end of the year	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
For the year ended March 31, 2023	—	—	—	—	—	—	—
For the year ended March 31, 2022	—	—	—	—	—	—	—

**Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects**

Particulars	Balance unspent at the beginning of the year	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year
For the year ended March 31, 2023	—	—	285.00	289.10	—
For the year ended March 31, 2022	—	—	289.01	299.98	—

Note: The Company does not wish to carry forward excess amount spent during the year.

**NOTE 49 - AGING OF CAPITAL WORK-IN-PROGRESS****(a) Aging of CWIP :**

Particulars	Amount of capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>					
(i) Projects in progress	1,427.86	492.94	0.56	10.00	1,931.36
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,427.86</b>	<b>492.94</b>	<b>0.56</b>	<b>10.00</b>	<b>1,931.36</b>
<b>As at 31 March 2022</b>					
(i) Projects in progress	1,301.43	808.82	10.00	—	2,120.25
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,301.43</b>	<b>808.82</b>	<b>10.00</b>	<b>—</b>	<b>2,120.25</b>

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 49 - AGING OF CAPITAL WORK-IN-PROGRESS (Contd.)**

**(b) Completion schedule for capital work-in-progress whose completion is overdue as compared to its original plan:**

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>					
(i) Projects in progress New Research and Development facility, Mumbai	464.91	—	—	—	464.91
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>464.91</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>464.91</b>

As at March 31, 2023, there were no projects which has exceeded its cost compared to original plan. As at March 31, 2022, there were no projects whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTE 50 - AGING OF TRADE RECEIVABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>								
Undisputed Trade Receivables								
considered good	47.01	11,365.47	4,141.59	129.03	26.29	20.75	25.63	15,755.77
which have significant increase in credit risk	—	—	0.15	0.02	0.19	59.68	9.39	69.43
credit impaired	—	—	—	—	—	—	—	—
Disputed Trade receivables								
considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>47.01</b>	<b>11,365.47</b>	<b>4,141.74</b>	<b>129.05</b>	<b>26.48</b>	<b>80.43</b>	<b>35.02</b>	<b>15,825.20</b>
<b>As at 31 March 2022</b>								
Undisputed Trade Receivables								
considered good	146.91	15,086.59	4,491.33	190.56	134.23	39.18	53.25	20,142.05
which have significant increase in credit risk	—	—	—	—	82.54	8.84	—	91.38
credit impaired	—	—	—	—	—	—	—	—
Disputed Trade receivables								
considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>146.91</b>	<b>15,086.59</b>	<b>4,491.33</b>	<b>190.56</b>	<b>216.77</b>	<b>48.02</b>	<b>53.25</b>	<b>20,233.43</b>

**NOTE 51 - AGING OF TRADE PAYABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	517.68	156.64	3.73	—	—	678.05
Others	991.13	7,411.23	1,597.45	1.25	0.99	2.36	10,004.41
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>991.13</b>	<b>7,928.91</b>	<b>1,754.09</b>	<b>4.98</b>	<b>0.99</b>	<b>2.36</b>	<b>10,682.46</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 51 - AGING OF TRADE PAYABLES (Contd.)**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2022</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	1,431.55	0.83	—	—	—	1,432.38
Others	1,493.82	13,788.62	1,317.14	7.52	1.49	1.38	16,609.97
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>1,493.82</b>	<b>15,220.17</b>	<b>1,317.97</b>	<b>7.52</b>	<b>1.49</b>	<b>1.38</b>	<b>18,042.35</b>

**NOTE 52 - FINANCIAL RATIOS**

The ratios as per the latest amendment to Schedule III are as below:

Ratios	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022	% Variance	Reason for Variance more than 25%
Current ratio	Current Assets	Current Liabilities	3.59	2.34	53.73%	Refer Note (a) below
Debt- Equity Ratio (%)	Total Debt = total borrowings + lease liabilities	Total equity	0.27%	0.79%	-66.06%	Refer Note (b) below
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest on borrowings + lease & Lease Payments + Principal Repayments	23.09	20.84	10.79%	Not applicable
Return on Equity (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	8.15%	19.43%	-58.04%	Refer Note (c) below
Inventory Turnover ratio (in days)	Revenue from operations	Average Inventory	49.68	36.28	36.93%	Refer Note (d) below
Trade Receivable Turnover Ratio (in days)	Revenue from operations	Average Trade Receivable	59.57	57.60	3.41%	Not applicable
Trade Payable Turnover Ratio (in days)	Total Purchases+Employee benefit expenses+Other expenses	Average Trade Payables	56.34	52.79	6.72%	Not applicable
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	3.42	4.36	-21.59%	Not applicable
Net Profit (%)	Net Profit	Net credit sales = Gross credit sales - sales return	7.20%	13.60%	-47.05%	Refer Note (e) below
Return on Capital Employed (%)	Earnings before interest and taxes	Average Capital Employed = Tangible Net Worth + Total Debt	10.08%	23.7%	-57.50%	Refer Note (f) below
Return on Investment (%)	Earnings before interest and taxes	Average total assets	8.64%	19.59%	-55.89%	Refer Note (g) below

**Notes:**

- Movement in current ratio is mainly due to decrease in current liabilities during the year.
- Movement in debt equity ratio is mainly due to decrease in debt during the year.
- Movement in return on equity is due to lower profits earned during the year.
- Movement in inventory turnover ratio is due to increase in average inventory and reduction in sales.
- Movement in net profit margin is due to lower profits earned during the year.
- Movement in return on capital employed is on account of lower earnings during the year.
- Movement in Return on Investment (%) is on account of lower earnings during the year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 53 - DISCLOSURE IN RELATION TO IND AS 116**

This note provides information for leases where the Company is a lessee. For leases where the Company is a lessor, see Note 5. The Company leases various lands and buildings (residential premises). Rental contracts are made for 33 to 99 years in case of land and 3 years for building as per respective lease agreement, but may have extension options as described in (iii) below.

**(i) Amounts recognised in balance sheet**

<b>Particulars</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>Year ended March 31, 2023</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	92.53	92.30	184.83
Depreciation charged for the year	30.84	40.14	70.98
<b>Closing accumulated depreciation</b>	<b>123.37</b>	<b>132.44</b>	<b>255.81</b>
<b>Net carrying amount</b>	<b>1.78</b>	<b>2,149.31</b>	<b>2,151.09</b>

<b>Particulars</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	61.69	55.71	117.40
Depreciation charged for the year	30.84	36.59	67.43
<b>Closing accumulated depreciation</b>	<b>92.53</b>	<b>92.30</b>	<b>184.83</b>
<b>Net carrying amount</b>	<b>32.62</b>	<b>2,189.45</b>	<b>2,222.07</b>

The following is the break-up of current and non-current lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Lease Liability</b>		
Non-current (Refer Note 22)	178.09	178.33
Current (Refer Note 27)	0.24	39.18
	<b>178.33</b>	<b>217.51</b>

The following is the movement in lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	217.51	251.06
Additions	—	—
Finance charge accrued during the year	16.90	19.59
Deduction	—	—
Payment of lease liability	(56.08)	(53.14)
<b>Closing balance as at year end</b>	<b>178.33</b>	<b>217.51</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 53 - DISCLOSURE IN RELATION TO IND AS 116 (Contd.)****(ii) Amounts recognised in the statement of standalone profit and loss**

Following are the expenses recognised in the Statement of Standalone Profit and Loss :

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Depreciation charge of right-of-use assets			
Building	37	30.84	30.84
Land	37	40.14	36.59
Interest expense on lease liabilities	39	16.90	19.59
Expenses relating to short-term leases (Included in Other expenses)	38	299.52	403.09
Expenses relating to leases of low-value assets that are not shown above as short-term leases (Included in Other expenses)	38	45.53	52.53

The total cash outflow for leases for the year ended March 31, 2023 was INR 56.08 lakhs (March 31, 2022 INR 53.14 lakhs)

**(iii) Extension and termination options**

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. All extension options held are exercisable by the Company and termination rights are held by the Company and lessor both as per the respective lease agreements.

**NOTE 54 -**

The Company has given closure notice of Municipal Solid Waste (MSW) processing plant to Ahmedabad Municipal Corporation effective from October 1, 2023. Accordingly, the Company has recognized impairment loss of INR 65.23 lakhs on property, plant and equipment and inventory write off of INR 60.57 lakhs pertaining to Environment and Biotech segment for the year ended March 31, 2023.

**NOTE 55 -**

During the year ended March 31, 2023 the Company has reclassified following comparative. This reclassification is primarily to conform to the current years classification, which do not have material impact on standalone financial statements.

Description	Previously reported amount	Revised amount	Change	Purpose
Intangible assets	1,918.99	—	(1,918.99)	For better presentation
Goodwill (Refer Note 6)	—	1,885.28	1,885.28	For better presentation
Other intangible assets (Refer Note 6)	—	33.71	33.71	For better presentation

**NOTE 56 - OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

- (i) Details of benami property held  
No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- (ii) Borrowing secured against current assets  
The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts. During the year, the Company did not have any borrowings from the financial institutions on the basis of security of current assets.
- (iii) Wilful defaulter  
The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iv) Relationship with struck off companies

Name of Struck off Company	Nature of Transaction with Struck off Company	Outstanding as at March 31, 2023	Outstanding as at March 31, 2022	Relationship with the struck off company
Vaishak Shares Limited	Dividend Paid on 1 equity share	—	—	Shareholder

- (v) Compliance with number of layers of companies  
The Company has complied with the number of layers prescribed under the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 56 - OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III (Contd.)**

- (vi) Compliance with approved scheme(s) of arrangements  
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vii) Utilisation of borrowed funds and share premium  
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
- 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 books of account.
- (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, right of use assets, 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.
- (xi) 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 purpose for which such loans were taken.
- (xii) 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 statutory period.
- (xiii) Title deeds of immovable properties not held in name of the Company;  
The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 - Property, plant and equipment, Note 4 - Right-of-use assets and Note 5 - investment property are held in the name of the Company.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

BHAVESH GADA  
Partner  
Membership No.: 117592

Place : Mumbai  
Date: May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date: May 16, 2023

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Excel Industries Limited

#### Report on the Audit of the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying Consolidated Financial Statements of Excel industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate companies (Refer Note 45 to the accompanying consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate audited financial statements of subsidiaries and an associate company, and based on the consideration of the separate unaudited financial information of an associate company, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate companies as at March 31, 2023, and of the consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its associate companies in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>A. Assessment of the valuation of investment in unquoted equity instruments:</b></p> <p>(Refer Notes 2(a) and 8 to the consolidated financial statements)</p> <p>The Holding Company has investments amounting to Rs. 25,318.27 lakhs in unquoted equity instruments valued at 'Fair value through Other comprehensive income' in accordance with Indian Accounting Standard (Ind AS 109), Financial Instruments, at each reporting date.</p>	<p>Our procedures in relation to management's assessment of the valuation of investments in unquoted equity instruments include the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over determination of fair value including valuation model and management assumptions / judgements involved.</li> <li>• Evaluated independence, competence and capabilities of the management's expert.</li> </ul>

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>An independent professional valuation expert is engaged by the management to determine the fair value, who ascertains the fair value based on the Comparable Companies' Multiple Inputs.</p> <p>The key judgements involved in the valuation are identification of comparable companies, assessment of maintainable EBIDTA (Earnings before interest, depreciation, taxes and amortisation) and other relevant valuation parameters.</p> <p>Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Involved auditor's expert to assist in evaluation of valuation methodology and key valuation assumptions and judgements involved.</li> <li>• Evaluated competence and capabilities of the auditor's experts.</li> <li>• Assessed the reasonableness of the input data provided by management to the independent professional valuation expert, such as Revenue, EBIDTA and Profit after tax of investee company for the year ended March 31, 2023.</li> <li>• Tested the mathematical accuracy of the valuation report.</li> <li>• Assessed appropriateness of relevant disclosures in the financial statements.</li> </ul> <p>Based on the audit procedures performed, we found management's assessment of the valuation of investment in unquoted equity instruments and related disclosures to be reasonable.</p>
<p><b>B. Assessment of indicators of impairment and the recoverable amount of goodwill and property, plant and equipment</b></p> <p>(Refer Notes 2(b), 3 and 6 to the consolidated financial statements)</p> <p>The Holding Company has goodwill amounting to Rs. 1,885.28 lakhs and property, plant and equipment amounting to Rs. 36,488.49 lakhs as on March 31, 2023. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. The Holding Company periodically assesses the carrying amount of its property, plant and equipment to determine whether there is an indication that those assets have suffered impairment loss.</p> <p>In making such assessments, the Holding Company considers both internal and external sources of information to determine whether there is an indicator of impairment and, accordingly, whether the recoverable amount of the cash generating unit (CGU) needs to be estimated.</p> <p>An impairment loss is recognised if the recoverable amount is lower than the carrying value. The recoverable amount is determined based on the higher of value in use and fair value less costs to sell.</p> <p>The assessment of indicators of impairment and recoverable value of goodwill and property, plant and equipment is considered to be a key audit matter as the amount is significant to the financial statements and there is significant judgement involved in estimating the recoverable value including future cash flows, terminal value growth rate and the weighted-average cost of capital (discount rate).</p>	<p>Our procedures in relation to assessment of indicators of impairment and recoverable amount of goodwill and property, plant and equipment include the following:</p> <ul style="list-style-type: none"> <li>• Analysed the indicators of impairment of property, plant and equipment including understanding of Holding Company's assessment of those indicators.</li> <li>• Obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over assessment of any potential impairment indicators, determination of CGU and determination of recoverable value of goodwill and property, plant and equipment including management assumptions / judgements.</li> <li>• Involved auditor's expert to assist in evaluation of key valuation assumptions and judgements such as discount rate and terminal growth rate.</li> <li>• Evaluated competence and capabilities of the auditor's experts.</li> <li>• Assessed the reasonableness of assumptions around the key drivers of the cash flow forecasts such as future sales, input costs, discount rate and terminal value growth rate.</li> <li>• Performed sensitivity analysis over key assumptions to corroborate that recoverable amount of goodwill and property, plant and equipment is within a reasonable range.</li> <li>• Tested the mathematical accuracy of the impairment working.</li> <li>• Assessed appropriateness of relevant disclosures in the financial statements.</li> </ul> <p>Based on the audit procedures performed, we found management's assessment of indicators of impairment and the recoverable amount of goodwill and property, plant and equipment and related disclosures to be reasonable.</p>

### Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated changes in equity of the Group including its associate companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate companies are responsible for assessing the ability of the Group and of its associate companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associate companies or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate companies are responsible for overseeing the financial reporting process of the respective companies included in the Group and of its associate companies.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate companies to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate companies to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

14. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 27,273.91 lakhs and net assets of Rs. 25,460.80 lakhs as at March 31, 2023, total revenue of Rs. 3.79 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 3,416.69 lakhs and net cash outflows amounting to Rs. 160.72 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 13.42 lakhs for the year ended March 31, 2023 as considered in the consolidated financial statements in respect of an associate company whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and an associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and an associate company is based solely on the reports of the other auditors.
15. The consolidated financial statements include the Group's share of total comprehensive loss (comprising of loss and other comprehensive income) of Rs. 49.49 lakhs for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of an associate company whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this associate company and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate company is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters reported in paragraphs 14 and 15 above, with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports, as applicable, issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Statement of Consolidated Profit and Loss (including other comprehensive income), the Statement of Consolidated Changes in Equity and the Statement of Consolidated Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
  - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and an associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A. Clause (i) of Section 143(3) of the Act on internal financial controls with respect to financial statements is not applicable to the associate companies pursuant to notification G.S.R 583(E) dated June 13, 2017.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate companies— Refer Note 47(a) to the consolidated financial statements.
  - (ii) The Group and its associate companies did not have any long-term contracts including derivative contracts as at March 31, 2023 for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year, except for amount aggregating to Rs. 0.33 lakhs, which according to the information and explanations provided by the management is held in abeyance due to dispute / pending legal cases. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries and associate company incorporated in India.
  - (iv) (a) The respective Managements of the Holding Company and its subsidiaries and associate company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and associate company respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries and associate company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 57(vii) to the consolidated financial statements).
  - (b) The respective Managements of the Holding Company and its subsidiaries and associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate company respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries and associate company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and associate company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 57(vii) to the consolidated financial statements).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and associate company which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) the Companies (Audit and Auditors) Rules, 2014 (as amended) contain any material misstatement.
- v. The dividend declared and paid during the year by the Holding Company and one subsidiary is in compliance with Section 123 of the Act. One subsidiary and associate company have not declared or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group and associate companies, is applicable to the Group and associate companies only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
18. The Holding Company have paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. The subsidiaries have not paid / provided any managerial remuneration during the year. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the associate companies.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592  
UDIN: 23117592BGUSIA3682

Place: Mumbai  
Date: May 16, 2023

### **Annexure A to Independent Auditor's Report**

*Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Excel Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2023*

### **Report on the Internal Financial Controls with reference to the Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of Excel Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to two associate companies incorporated in India namely Mobitrash Ventures Private Limited and Climacrew Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

### **Management's Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its subsidiaries, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

**Opinion**

8. In our opinion, the Holding Company and its subsidiaries which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matters**

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Bhavesh Gada  
Partner  
Membership Number: 117592  
UDIN: 23117592BGUSIA3682

Place: Mumbai  
Date: May 16, 2023

CONSOLIDATED BALANCE SHEET AS AT March 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	38,611.70	38,463.73
Right-of-use-assets	4	2,151.09	2,222.07
Capital work-in-progress	3	1,931.36	2,120.25
Investment properties	5	81.48	83.40
Goodwill	6	1,885.28	1,885.28
Other intangible assets	6	30.55	33.71
Financial assets			
(i) Investments in joint venture and associates	7	13.42	0.10
(ii) Other Investments	8	56,805.00	53,465.75
(iii) Loans	9	3.30	4.37
(iv) Other financial assets	10	789.48	630.49
Non-current tax assets (net)		2,052.05	1,788.66
Other non-current assets	11	160.32	119.15
<b>Total non-current assets</b>		<b>104,515.03</b>	<b>100,816.96</b>
<b>Current assets</b>			
Inventories	12	13,144.27	16,522.58
Financial assets			
(i) Investments	13	5,641.51	1,196.80
(ii) Trade receivables	14	15,651.95	19,920.77
(iii) Cash and cash equivalents	15	357.22	3,030.76
(iv) Bank balances other than cash and cash equivalents	16	8,336.75	3,767.04
(v) Loans	17	121.66	132.44
(vi) Other financial assets	18	648.80	241.87
Other current assets	19	840.50	3,035.36
<b>Total current assets</b>		<b>44,742.66</b>	<b>47,847.62</b>
<b>Total assets</b>		<b>149,257.69</b>	<b>148,664.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	628.53	628.53
Other equity	21	123,546.17	114,306.38
<b>Total equity</b>		<b>124,174.70</b>	<b>114,934.91</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Lease liabilities	22	178.09	178.33
Employee benefit obligations	23	1,313.02	1,421.43
Deferred tax liabilities (net)	24	11,254.84	11,884.03
<b>Total non-current liabilities</b>		<b>12,745.95</b>	<b>13,483.79</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	25	89.08	523.53
(ii) Trade payable			
(a) total outstanding dues of micro and small enterprises	26	678.05	1,432.38
(b) total outstanding dues other than (ii) (a) above	26	10,006.87	16,612.40
(iii) Lease liabilities	27	0.24	39.18
(iv) Other financial liabilities	28	553.11	456.62
Employee benefit obligations	29	500.62	510.16
Current tax liabilities (net)		77.69	311.06
Other current liabilities	30	431.38	360.55
<b>Total current liabilities</b>		<b>12,337.04</b>	<b>20,245.88</b>
<b>Total liabilities</b>		<b>25,082.99</b>	<b>33,729.67</b>
<b>Total equity and liabilities</b>		<b>149,257.69</b>	<b>148,664.58</b>
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

For and on behalf of the Board of Directors of Excel Industries Limited

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

BHAVESH GADA  
Partner  
Membership No.: 117592

N.R. KANNAN  
Chief Executive Officer

DEVENDRA P. DOSI  
Chief Financial Officer

SURENDRA K. SINGHVI  
Company Secretary

Place : Mumbai  
Date : May 16, 2023

Place : Mumbai  
Date : May 16, 2023

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	31	108,981.90	117,801.98
Other income	32	1,286.58	1,563.63
<b>Total income</b>		<b>110,268.48</b>	<b>119,365.61</b>
<b>EXPENSES</b>			
Cost of materials consumed	33	61,455.20	62,137.68
Purchases of stock-in-trade	34	1,277.12	452.56
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	347.14	(1,899.95)
Employee benefit expense	36	10,488.48	10,619.65
Depreciation and amortisation expenses	37	3,136.19	3,065.50
Impairment loss on property, plant and equipment	55	65.23	—
Other expenses	38	22,668.78	23,451.00
Finance costs	39	217.45	193.79
<b>Total expenses</b>		<b>99,655.59</b>	<b>98,020.23</b>
<b>Profit before share in profit / (loss) of equity accounted investments and tax</b>		<b>10,612.89</b>	<b>21,345.38</b>
Share in profit / (loss) of equity accounted investments in associates (net)		(36.07)	—
<b>Profit before tax</b>		<b>10,576.82</b>	<b>21,345.38</b>
Income tax expense	24		
— Current tax		2,608.47	5,100.13
— Deferred tax		91.36	125.00
— Tax in respect of earlier years		(116.56)	—
<b>Total tax expense</b>		<b>2,583.27</b>	<b>5,225.13</b>
<b>Profit for the year</b>		<b>7,993.55</b>	<b>16,120.25</b>
<b>Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on net defined benefit plans	40	86.08	0.65
Changes in fair value of equity instruments	8	3,188.88	18,128.63
(ii) Income Tax relating to above	24	799.68	(3,054.46)
B (i) Items that will be reclassified to profit or loss		—	—
(ii) Income Tax relating to above		—	—
<b>Other Comprehensive income for the year, net of tax</b>		<b>4,074.64</b>	<b>15,074.82</b>
<b>Total comprehensive income for the year</b>		<b>12,068.19</b>	<b>31,195.07</b>
<b>Earnings per share (in INR)</b>			
Basic	48	63.59	128.24
Diluted		63.59	128.24
Significant accounting policies	1		
Critical estimates and judgements	2		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

BHAVESH GADA  
Partner  
Membership No.: 117592

Place : Mumbai  
Date : May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date : May 16, 2023

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	<b>10,576.82</b>	<b>21,345.38</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	3,136.19	3,065.50
Finance costs	217.45	193.79
Bad debts written off during the year	27.62	—
Provision for / (reversal of) doubtful debts (net)	(141.72)	26.08
Provision for / (reversal of) doubtful advances	(1.00)	80.78
Unrealised exchange differences (net)	(3.45)	38.43
Dividend income	(290.28)	(1,146.69)
Interest income	(530.64)	(256.65)
Gain on fair valuation of investments through profit and loss	(86.77)	(13.00)
Impairment loss on property, plant and equipment	65.23	—
Profit on sale of current investments	(80.43)	(42.62)
Net loss on sale / discard of property, plant and equipment	124.38	30.38
Share of net loss of associates	36.07	—
<b>Operating profit before working capital changes</b>	<b>13,049.47</b>	<b>23,321.38</b>
<b>Adjustments for:</b>		
(Increase) / decrease in Inventories	3,378.31	(9,625.47)
(Increase) / decrease in Trade receivables	4,392.27	(2,669.79)
(Increase) / decrease in Other bank balances	178.39	685.01
(Increase) / decrease in Loans to employees (Current and Non-current)	11.85	2.84
(Increase) / decrease in Other financial assets (Current and Non-current)	(371.17)	(41.57)
(Increase) / decrease in Other assets (Current and Non-current)	2,177.26	(1,439.82)
Increase / (decrease) in Trade payables	(7,365.76)	5,692.57
Increase / (decrease) in Other financial liabilities (Current and Non-current)	14.04	(9.60)
Increase / (decrease) in Employee benefit obligations (Current and Non-current)	(31.87)	(100.14)
Increase / (decrease) in Other current liabilities	70.83	28.87
	<b>15,503.62</b>	<b>15,844.28</b>
Less: Income taxes paid (net of refunds)	2,968.84	4,950.86
<b>NET CASH INFLOW GENERATED FROM OPERATING ACTIVITIES — [A]</b>	<b>12,534.78</b>	<b>10,893.42</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and capital vendor)	(3,249.76)	(7,370.71)
Purchase of intangible assets	(15.77)	(18.73)
Payment towards acquisition of business	—	(1,000.00)
Proceeds from sale of property, plant and equipment	114.48	20.20
Proceeds from sale of Current investments	11,605.51	554.51
Proceeds from sale of Non-current investments	276.29	—
Interest received	335.89	227.40
Investment in associate company	(49.39)	(0.10)
Investments in bank deposits with maturity of more than three months (net)	(4,748.10)	(3,480.78)
Dividend received	290.28	1,146.69
Purchase of Non-current investments	(426.64)	—
Purchase of Current investments	(15,883.04)	(487.06)
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES — [B]</b>	<b>(11,750.25)</b>	<b>(10,408.58)</b>

## STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayment of borrowings	(434.45)	(85.71)
Lease payments	(56.08)	(53.14)
Repayment / transfer of public fixed deposits (including Interest)	(4.77)	(1.33)
Dividend paid	(2,821.53)	(1,415.70)
Finance cost paid	(141.24)	(133.05)
<b>NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES — [C]</b>	<b>(3,458.07)</b>	<b>(1,688.93)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS — [A+B+C]</b>	<b>(2,673.54)</b>	<b>(1,204.09)</b>
Add: Cash and cash equivalents at the beginning of the year	3,030.76	4,234.85
<b>Cash and cash equivalents at the end of the year</b>	<b>357.22</b>	<b>3,030.76</b>
<b>Components of cash and cash equivalents (Refer Note 15)</b>		
<b>Balances with Banks:</b>		
In current accounts	313.49	654.45
In Exchange Earners' Foreign Currency ('EEFC') account	0.03	0.03
Cash on hand	1.14	3.70
Deposits with maturity of less than three months	42.56	2,372.58
<b>Total cash and cash equivalents</b>	<b>357.22</b>	<b>3,030.76</b>
Notes:		
1. The statement of consolidated cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.		
2. The accompanying notes are an integral part of these consolidated financial statements.		
As per our report of even date.	For and on behalf of the Board of Directors of Excel Industries Limited	
For Price Waterhouse Chartered Accountants LLP Firm Registration No.: 012754N/N500016	ASHWIN C. SHROFF Executive Chairman DIN: 00019952	RAVI A. SHROFF Managing Director DIN: 00033505
BHAVESH GADA Partner Membership No.: 117592	N.R. KANNAN Chief Executive Officer	DEVENDRA P. DOSI Chief Financial Officer
Place : Mumbai Date : May 16, 2023	Place : Mumbai Date : May 16, 2023	HRISHIT A. SHROFF Executive Director DIN: 00033693
		SURENDRA K. SINGHVI Company Secretary

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**A. EQUITY SHARE CAPITAL**

Particulars	Notes	Amount
<b>As at March 31, 2021</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2022</b>		<b>628.53</b>
Changes in equity share capital	20	—
<b>As at March 31, 2023</b>		<b>628.53</b>

**B. OTHER EQUITY**

Particulars	Notes	Attributable to owners of Excel Industries Limited							Total other equity
		Reserves and surplus						Other reserves	
		Securities premium	Capital reserve	Capital redemption reserve	Statutory reserve	General reserve	Retained earnings	FVOCI – Equity investments	
<b>Balance at March 31, 2021</b>		<b>534.37</b>	<b>0.01</b>	<b>16.77</b>	<b>500.59</b>	<b>39,587.32</b>	<b>17,836.55</b>	<b>26,049.91</b>	<b>84,525.52</b>
Profit for the year		—	—	—	—	—	16,120.25	—	16,120.25
Other comprehensive income	21	—	—	—	—	—	29.37	15,045.45	15,074.82
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>16,149.62</b>	<b>15,045.45</b>	<b>31,195.07</b>
Transfer from Retained earnings		—	—	—	26.47	5,000.00	(5,026.47)	—	—
Dividend paid (Including dividend distribution tax)	43	—	—	—	—	—	(1,414.21)	—	(1,414.21)
<b>Balance at March 31, 2022</b>		<b>534.37</b>	<b>0.01</b>	<b>16.77</b>	<b>527.06</b>	<b>44,587.32</b>	<b>27,545.49</b>	<b>41,095.36</b>	<b>114,306.38</b>
Profit for the year		—	—	—	—	—	7,993.55	—	7,993.55
Other comprehensive income	21	—	—	—	—	—	64.42	4,010.22	4,074.64
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>8,057.97</b>	<b>4,010.22</b>	<b>12,068.19</b>
Transfer from Retained earnings		—	—	—	75.20	5,000.00	(5,075.20)	—	—
Dividend paid	43	—	—	—	—	—	(2,828.41)	—	(2,828.41)
<b>Balance at March 31, 2023</b>		<b>534.37</b>	<b>0.01</b>	<b>16.77</b>	<b>602.26</b>	<b>49,587.32</b>	<b>27,699.85</b>	<b>45,105.58</b>	<b>123,546.17</b>

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

BHAVESH GADA  
Partner  
Membership No.: 117592

Place : Mumbai  
Date : May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date : May 16, 2023

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**BACKGROUND**

The consolidated financial statement relates to Excel Industries Limited (the Company or the Holding Company) and its subsidiaries (collectively 'the Group') and its interest in associates and joint venture. Excel Industries Limited is a public company domiciled in India. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The Holding Company is engaged in manufacturing and selling of Chemicals, and Environmental and Biotech products and services. Chemicals comprising of Agrochemical intermediates, Specialty chemicals, Polymer additives, and Pharma intermediates and Active Pharma Ingredients. Environmental and Biotech products comprising of Organic Waste Management Composting, Municipal Solid Waste Management, Plastic Waste Management and Construction and Demolition Waste Management. The Holding Company caters to both domestic and international markets. The Holding Company is also engaged in manufacturing activity on behalf of third parties. Excel Bio Resources Limited is a wholly owned subsidiary of the Company and is in the process of exploring business opportunities in the areas of renewable bio-resources, waste management, renewable energy and biotechnological processes. Kamalijot Investments Limited, a Non Banking Financial Company, another wholly owned subsidiary of the Company, is primarily engaged in activities of Investment Holding and Financing.

**NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on May 16, 2023.

**A. Basis of preparation****(i) Compliance with Ind AS**

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**(ii) Historical cost convention**

The consolidated financial statements have been prepared on historical cost basis, except the following:

- certain financial assets and liabilities (including derivative instruments).
- defined benefit plans - plan assets measured at fair value.
- assets and liabilities acquired on account of business combination are measured at fair value.

**(iii) New and amended standards adopted by the Group**

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 1, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**(iv) New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

**(v) Current and non-current classification**

All Assets and Liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**B. Principles of consolidation and equity accounting****(i) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)**

**(ii) Associates**

Associate is an entity over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note (iv) below), after initially being recognised at cost.

**(iii) Joint ventures**

Investments in joint ventures are accounted for using the equity method (See note (iv) below), after initially being recognised at cost in the consolidated balance sheet.

**(iv) Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**(v) Changes in ownership interests**

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

**C. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The board of directors of Holding Company has appointed the executive chairman and managing director as CODM who assesses the financial performance and position of the group, and makes strategic decisions. See note 44 for segment information presented.

**D. Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR) which is the Group's functional and presentation currency.

**(ii) Transaction and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Consolidated Profit and Loss.

Foreign exchange differences arising on foreign currency borrowings are presented in the Statement of Consolidated Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Consolidated Profit and Loss on a net basis within foreign exchange gain / (loss).

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign entity are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made.

**(iii) Group Companies:**

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date,
- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)****E. Revenue recognition**

Revenue from contracts with customers is recognized on transfer of control of goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Group recognises revenue for such services at a point in time when the performance obligation is completed.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

**Sale of goods:**

Revenue from sale of goods is recognized when the Group satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when control of the goods has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Group has present right to payment, all of which occurs at a point in time upon shipment or delivery of goods. The Group collects goods and services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, it is excluded from revenue.

**Income from services**

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered. The Group collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

**Export incentives**

Export incentives are recognised where there is a reasonable assurance that the Group will comply with the conditions and incentive will be received. Export incentives are included under 'Other operating revenue'.

**F. Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Consolidated Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Consolidated Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**G. 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 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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 on uncertain tax treatment. The Group 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 bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also 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 recognised 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 liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and joint venture where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)**

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group 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 recognised in the Statement of Consolidated Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**H. Leases**

**As a lessee**

The leases are recognised as a right-of-use assets and corresponding liability at the date at which the leased assets are available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (as applicable):

- (a) Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- (b) Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- (c) Amounts expected to be payable by the Group under residual value guarantees
- (d) The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- (e) Payments of the penalties for terminating the lease, if the lease term reflects the Group 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 that rate cannot be readily determined, which is generally the case for the leases in the Group, 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-to-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- (a) 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.
- (b) uses a build up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- (c) makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on the index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use assets.

Lease payments are allocated between principal and finance costs. 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.

Right-of-use assets are measured at cost comprising the following (as applicable):

- (a) the amount of the initial measurement of lease liability,
- (b) any lease payments made at or before the commencement date less any lease incentives received,
- (c) any initial direct costs, and
- (d) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use assets is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less. Low value assets comprises IT equipment and small items of office furniture and equipment.

**As a lessor**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

**I. Impairment of Non-Financial Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised 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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)****J. Cash and cash equivalents**

For the purpose of presentation in the statement of consolidated cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**K. Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**L. Inventories**

Raw materials, stores and spares, packing materials, work in progress, traded and finished goods are stated as lower of cost and net realisable value. Cost of Raw materials, stores and spares, packing materials and traded goods comprises of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead 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. Costs are assigned to individual items of inventory on the basis of monthly moving weighted average. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

Materials and other supplies held for use in production of inventories (work-in-progress and finished goods) are not written down below the cost if the finished products in which they will be used are expected to sell at or above the cost.

By-products and unserviceable / damaged finished goods are valued at estimated net realisable value.

**M. Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets (including those that are part of a disposal group) classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Consolidated Profit and Loss.

**N. Investments and other financial assets****(i) Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Consolidated Profit and Loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Consolidated Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Recognition**

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

**(iii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Consolidated Profit and Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Profit or Loss are expensed in the Statement of Consolidated Profit and Loss.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)**

**(a) Debt Instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**- Amortised cost:**

Assets that are held for collection of contractual cash flows 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 other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the Statement of Consolidated Profit and Loss and presented as separate line item in other expenses. Impairment losses are presented as separate line item in the Statement of Consolidated Profit and Loss.

**- Fair Value through Other Comprehensive Income (FVOCI)**

Assets that are held for 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 (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the Statement of Consolidated Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented as separate line in other expenses. Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented as net foreign exchange (gain) / loss and impairment expenses are presented as separate line item in other expenses in the Statement of Consolidated Profit and Loss.

**- Fair Value through Profit or Loss (FVPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at 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 is recognised in the Statement of Consolidated Profit and Loss and presented on net basis within other income in the period in which it arises. Interest income from these financial assets is included in other income.

**(b) Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in Statement of Consolidated Profit and Loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Consolidated Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iv) Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 42 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(v) Derecognition of financial assets**

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group 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 Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(vi) Income recognition**

**Interest income**

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the Statement of Consolidated Profit and Loss as part of other income.

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).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)****Dividends**

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in the Statement of Consolidated Profit and Loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

**O. Derivatives and hedging activities**

Derivatives are initially recognised 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 and impact is recorded in the Statement of Consolidated Profit and Loss.

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.

**P. Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities 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 Group or the counterparty.

**Q. Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairments, if any. Historical cost includes tax, duties, freight and other incidental expenditure that is directly attributable to the acquisition of the items. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalized.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of Consolidated Profit and Loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the year end.

**Depreciation methods, estimated useful lives and residual value**

Depreciation on property, plant and equipment is calculated on a straight line basis considering the following useful lives prescribed under schedule II of the Companies Act 2013 or those estimated by the management, considering the factors such as expected usage of the asset, physical wear and tear, technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, legal or similar limits on the use of the asset etc.

Description of Asset	Useful life
Plant and Machinery - Metallic	18 years
Plant and Machinery - Non-metallic	8 years
Electrical installations	10 years
Buildings (other than factory building)	60 years
Factory Buildings	30 years
Vehicles	8 years
Road	10 years
Laboratory equipment	10 years
Furniture, fixture and office equipment	5 to 10 years

Assets individually costing INR 25,000 or less are depreciated fully in the year of acquisition.

The useful lives are based on historical experience with similar assets considering expected usage of assets, expected physical wear and tear, technical or commercial obsolescence etc. The residual values are not more than 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.

The assets residual values and useful lives are reviewed, and adjusted if appropriate at 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 the Statement of Consolidated Profit and Loss.

**R. Investment properties**

Properties that are held for long-term rentals yields or for capital appreciation or both, and that are not occupied by the Group, is classified as investment property.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)**

Investment properties are measured initially at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably. All the other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is de recognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties (Building) generally have a useful life of 60 years. The useful life has been determined based on historical experience with similar assets as well as anticipation of future events.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Consolidated Profit and Loss in the period of derecognition.

**S. Intangible assets and Amortisation**

Intangible assets other than goodwill, are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

**(i) Goodwill**

Goodwill on acquisitions of business is included in intangible assets. 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.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

**(ii) Other intangible assets**

Description of Asset	Useful life
Computer software	4 years

**(iii) Research and development**

Research expenditure and development expenditure that do not meet the criteria mentioned in Ind AS 38 are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Assets individually costing INR 25,000 or less are amortised fully in the year of acquisition.

**T. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**U. Borrowings**

Borrowings are initially recognised 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 recognised in the Statement of Consolidated Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised 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 balance sheet 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 recognised in the the Statement of Consolidated Profit and Loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**V. 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)****W. Provisions, Contingent Liabilities and Contingent Assets**

Contingent Liabilities are disclosed where there is 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 Group or a present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when The Group 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 can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value the of 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 recognised as interest expense.

A contingent asset is disclosed and not recognised, where an inflow of economic benefits is probable.

**X. 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 recognised in respect of employee's services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liability are presented as current employee benefits obligation in the balance sheet.

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**(ii) Long-term employee benefit obligations**Leave Obligation:

The liabilities for leave obligation which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related services, are measured as the present value of expected 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 on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Consolidated Profit and Loss. These obligations are valued annually by independent qualified actuary.

Long Service awards:

The Group provides for the long service awards for eligible employees as per the scheme announced by the Group. The liability towards the long services awards is provided at each balance sheet date on the basis of independent actuary valuation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Consolidated Profit and Loss.

**(iii) Post-employment obligations**Defined benefit plan - Gratuity:

The liability or asset recognised in the balance sheet in respect of 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.

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 estimated future payments are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the Statement of Consolidated Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Consolidated Profit and Loss as past service cost.

Defined Contribution Plans:

The Group pays contributions to provident fund, employee's state insurance scheme and labour welfare fund to publicly administered funds as per the local regulations. The Group has no further legal or constructive obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Contd.)**

Defined Contribution Plan - Superannuation Scheme:

The Group pays contribution to the superannuation scheme, a defined contribution scheme, administered by the insurance company. The Group has no further legal or constructive obligation to the scheme apart from the contribution made on a monthly basis. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. The scheme is funded with an insurance company in the form of qualifying insurance policies. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

The Group also has a termination benefit plan for its employees, i.e. Medical Voluntary retirement scheme in which employees suffering from continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. Under the Scheme, the benefits will be given for a retired employee for a maximum period up to 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Consolidated Profit and Loss. This Scheme is not funded.

**Y. Business combination**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred by the Group to obtain control of a business comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

**Z. Contributed equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**AA. Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:** (Contd.)**AB. Earnings per share**

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**AC. Rounding of amounts**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**NOTE 2. CRITICAL ESTIMATES AND JUDGEMENTS**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group'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 than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

(a) Estimated fair value of unlisted securities:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. This involves fair valuation based on comparable companies multiple inputs, assessment of maintainable EBIDTA (Earnings before interest, depreciation, tax and amortisation) and other relevant valuation parameters. Estimated fair values may vary from the actual price that would be achieved in an arms length transaction at the reporting date. (Refer Note 41)

(b) Impairment of Goodwill:

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash generating units ('CGU') which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

The Group periodically assesses the carrying amount of its property, plant and equipment to determine whether there is an indication that those assets have suffered impairment loss. In making such assessments, the Group considers both internal and external sources of information to determine whether there is an indicator of impairment and, accordingly, whether the recoverable amount of the individual asset or CGU needs to be estimated.

An impairment loss is recognised if the recoverable amount is lower than the carrying value. The recoverable amount is determined based on higher of value-in-use and fair value less cost to sell.

Key assumptions and judgements involved in estimating the recoverable value are future sales, input costs, weighted average cost of capital (discount rate) and terminal growth rate. Cash flow projection takes into account past experience and represents management's best estimate about future developments. (Refer Note 3 and Note 6).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**  
 (All amounts in INR lakhs, unless otherwise stated)

**NOTE 3. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Freehold Land	Buildings	Plant and machinery	Data processing equipment	Electrical installation	Laboratory equipment	Furniture, fixture and office equipment	Vehicles	Technical books	Total	Capital work-in-progress
<b>Year ended March 31, 2022</b>											
<b>Gross carrying amount</b>											
Opening gross carrying amount	1,526.79	6,564.94	31,012.72	369.10	1,394.37	533.35	1,900.27	333.40	2.55	43,637.49	1,547.74
Additions	—	454.55	5,581.53	101.71	539.32	46.92	112.27	62.16	—	6,898.46	5,915.21
Disposals	—	—	(99.56)	—	(7.81)	—	(0.83)	(75.61)	—	(183.81)	—
Assets capitalised during the year	—	—	—	—	—	—	—	—	—	—	(5,342.70)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>7,019.49</b>	<b>36,494.69</b>	<b>470.81</b>	<b>1,925.88</b>	<b>580.27</b>	<b>2,011.71</b>	<b>319.95</b>	<b>2.55</b>	<b>50,352.14</b>	<b>2,120.25</b>
<b>Accumulated depreciation</b>											
Opening accumulated depreciation	—	753.53	6,667.97	233.89	433.46	187.69	600.96	164.62	1.57	9,043.69	—
Depreciation charge during the year	—	215.63	2,205.80	60.92	159.69	54.56	240.54	40.58	0.23	2,977.95	—
Disposals	—	—	(66.19)	—	(7.42)	—	(0.78)	(58.84)	—	(133.23)	—
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>969.16</b>	<b>8,807.58</b>	<b>294.81</b>	<b>585.73</b>	<b>242.25</b>	<b>840.72</b>	<b>146.36</b>	<b>1.80</b>	<b>11,888.41</b>	<b>—</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>6,050.33</b>	<b>27,687.11</b>	<b>176.00</b>	<b>1,340.15</b>	<b>338.02</b>	<b>1,170.99</b>	<b>173.59</b>	<b>0.75</b>	<b>38,463.73</b>	<b>2,120.25</b>
<b>Year ended March 31, 2023</b>											
<b>Gross carrying amount</b>											
Opening gross carrying amount	1,526.79	7,019.49	36,494.69	470.81	1,925.88	580.27	2,011.71	319.95	2.55	50,352.14	2,120.25
Additions	—	113.22	2,968.06	103.06	133.19	47.43	54.20	77.26	—	3,496.42	2,454.52
Disposals	—	(43.79)	(611.40)	(4.23)	(10.83)	—	(3.83)	(0.03)	—	(674.11)	—
Assets capitalised during the year	—	—	—	—	—	—	—	—	—	—	(2,643.41)
<b>Closing gross carrying amount</b>	<b>1,526.79</b>	<b>7,088.92</b>	<b>38,851.35</b>	<b>569.64</b>	<b>2,048.24</b>	<b>627.70</b>	<b>2,062.08</b>	<b>397.18</b>	<b>2.55</b>	<b>53,174.45</b>	<b>1,931.36</b>
<b>Accumulated depreciation</b>											
Opening accumulated depreciation	—	969.16	8,807.58	294.81	585.73	242.25	840.72	146.36	1.80	11,888.41	—
Depreciation charge during the year	—	224.71	2,255.70	64.29	182.50	54.55	220.82	41.56	0.23	3,044.36	—
Disposals	—	(5.17)	(412.11)	(4.11)	(10.29)	—	(3.54)	(0.03)	—	(435.25)	—
<b>Closing accumulated depreciation</b>	<b>—</b>	<b>1,188.70</b>	<b>10,651.17</b>	<b>354.99</b>	<b>757.94</b>	<b>296.80</b>	<b>1,058.00</b>	<b>187.89</b>	<b>2.03</b>	<b>14,497.52</b>	<b>—</b>
<b>Accumulated impairment</b>											
Opening accumulated impairment	—	—	—	—	—	—	—	—	—	—	—
Impairment charge during the year (Refer Note 55)	—	—	62.39	—	—	—	0.07	2.77	—	65.23	—
<b>Closing accumulated impairment</b>	<b>—</b>	<b>—</b>	<b>62.39</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.07</b>	<b>2.77</b>	<b>—</b>	<b>65.23</b>	<b>—</b>
<b>Net carrying amount</b>	<b>1,526.79</b>	<b>5,900.22</b>	<b>28,137.79</b>	<b>214.65</b>	<b>1,290.30</b>	<b>330.90</b>	<b>1,004.01</b>	<b>206.52</b>	<b>0.52</b>	<b>38,611.70</b>	<b>1,931.36</b>

**Notes:**

- Buildings include cost of shares in co-operative housing societies INR 0.01 lakhs (March 31, 2022: INR 0.01 lakhs) and Freehold Land include cost of shares in co-operative Industrial Estate Limited INR 0.01 lakhs (March 31, 2022: INR 0.01 lakhs).
- Property, plant and equipment pledged as security:  
Refer Note 25(e) for information on property, plant and equipment pledged as security by the Group.
- Contractual obligations:  
Refer Note 47(c)(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Refer Note 52(a) for aging and other disclosures of Capital work-in-progress.
- Capital work-in-progress comprise of various projects and expansions spread over all units. Major Capital work-in-progress are related to Chemical Segment.
- Net carrying value of property, plant and equipment pertaining to chemical segment is INR 36,488.49 lakhs (March 31, 2022: INR 35,778.67 lakhs)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 4. RIGHT OF USE ASSETS**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Building *	1.78	32.62
Land *	2,149.31	2,189.45
<b>Total</b>	<b><u>2,151.09</u></b>	<b><u>2,222.07</u></b>

\* Refer Note 51 for additional disclosure as per Ind AS 116.

**NOTE 5. INVESTMENT PROPERTIES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Gross carrying amount</b>		
Opening gross carrying amount	99.43	99.43
Disposals	—	—
<b>Closing gross carrying amount</b>	<b><u>99.43</u></b>	<b><u>99.43</u></b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	16.03	14.11
Depreciation charge for the year	1.92	1.92
Disposals	—	—
<b>Closing accumulated depreciation</b>	<b><u>17.95</u></b>	<b><u>16.03</u></b>
<b>Net carrying amount</b>	<b><u>81.48</u></b>	<b><u>83.40</u></b>

**(i) Amounts recognised in the Statement of Consolidated Profit and Loss for investment properties**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Rental income from operating leases	70.15	65.87
Direct operating expenses for property that generated rental income	0.68	1.42
Direct operating expenses for property that did not generate rental income	—	—
<b>Profit from investment properties before depreciation</b>	<b><u>69.47</u></b>	<b><u>64.45</u></b>
Depreciation	1.92	1.92
<b>Profit from investment properties</b>	<b><u>67.55</u></b>	<b><u>62.53</u></b>

**(ii) Leasing arrangements**

Investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases is recognised in income on a straight-line basis over the lease term. There are no variable lease payments that depends on an index or rate. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Within 1 year	22.17	67.43
Later than 1 year but not later than 5 years	27.66	54.92
Later than 5 years	—	—
<b>Total</b>	<b><u>49.83</u></b>	<b><u>122.35</u></b>

**(iii) Fair value of investment properties**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Investment properties (Buildings)	792.84	648.30

**(iv) Estimation of fair value**

The Group periodically obtains independent valuations for its investment properties. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

- income approach by applying market yield percentage to annual rental income.
- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by independent valuer who is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 6. INTANGIBLE ASSETS**

Particulars	Goodwill	Other Intangible Assets (Computer software)
<b>Year ended March 31, 2022</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	1,885.28	211.32
Additions	—	18.73
<b>Closing gross carrying amount</b>	<b>1,885.28</b>	<b>230.05</b>
<b>Accumulated amortisation</b>		
Opening accumulated amortisation	—	178.14
Amortisation charge for the year	—	18.20
<b>Closing accumulated amortisation</b>	<b>—</b>	<b>196.34</b>
<b>Closing net carrying amount</b>	<b>1,885.28</b>	<b>33.71</b>
<b>Year ended March 31, 2023</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	1,885.28	230.05
Additions	—	15.77
<b>Closing gross carrying amount</b>	<b>1,885.28</b>	<b>245.82</b>
<b>Accumulated amortisation</b>		
Opening accumulated amortisation	—	196.34
Amortisation charge for the year	—	18.93
<b>Closing accumulated amortisation</b>	<b>—</b>	<b>215.27</b>
<b>Closing net carrying amount</b>	<b>1,885.28</b>	<b>30.55</b>

**(I) Goodwill :**

The goodwill is tested for impairment annually. No impairment charges were identified for the year ended March 31, 2023 and March 31, 2022. For the purpose of impairment testing, goodwill is allocated to cash-generating units ('CGU') or group of CGU, most likely to benefit from the synergies of the business combination and to the lowest level at which goodwill is monitored by the Group. The carrying amount of goodwill is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Chemical Segment	1,885.28	1,885.28
<b>Total</b>	<b>1,885.28</b>	<b>1,885.28</b>

Following key assumptions were considered while performing impairment testing

The recoverable amount of CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Particulars	As at March 31, 2023	As at March 31, 2022
Terminal Growth rate per annum	4.00%	4.00%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate) per annum	14.58%	12.97%

The recoverable amount of CGU is determined using the value in use, which is arrived based on one year plan approved by the Board of Directors and their projected cash flows for the next four years. The projections cover a period of five years, as the Group believes this to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows.

The Group has performed sensitivity analysis of the impairment testing to the combined changes in key assumptions (future sales, input costs, discount rate and terminal growth rate), based on reasonably probable assumption and didn't identify any probable scenario in which the recoverable amount of CGU decrease below its carrying amount.

**(II) Computer Software :**

Remaining useful life for computer software is 1 - 4 years as at March 31, 2023 (March 31, 2022 1 - 4 years)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 7. INVESTMENTS IN JOINT VENTURE AND ASSOCIATES**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Equity accounted investments in associates (Refer Note 45)</b>		
Mobitrash Recycle Ventures Private Limited	13.42	—
Climacrew Private Limited	—	0.10
	<u>13.42</u>	<u>0.10</u>
<b>Equity accounted investments in joint venture (Refer Note 45)</b>		
Wexsam Limited, Hong Kong	27.26	27.26
Less: Impairment in value of investment (Refer Note below)	(27.26)	(27.26)
	<u>—</u>	<u>—</u>
<b>Total</b>	<u><b>13.42</b></u>	<u><b>0.10</b></u>

Note: Wexsam Limited, Hong Kong, was dissolved on July 15, 2016 and is fully impaired in the consolidated financial statements. The Group is in the process of obtaining necessary approval for write off of this investment.

**NOTE 8. NON-CURRENT INVESTMENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investment in equity instruments (fully paid-up)</b>		
<b>Quoted at FVOCI</b>		
584,977 (March 31, 2022: 584,977) Equity shares of INR 10 each fully paid up in Punjab Chemicals and Crop Protection Limited	4,842.44	8,536.86
4,285 (March 31, 2022: 4,285) Equity shares of INR 10 each fully paid up in TIL Limited	6.26	4.37
13,400 (March 31, 2022: 13,400) Equity shares of INR 10 each fully paid up in Bank of India	10.00	6.14
6,198 (March 31, 2022: 6,198) Equity share of INR 10 each fully paid in Aimco Pesticides Limited	6.79	8.60
Nil (March 31, 2022: 1,000) Equity share of INR 2 each fully paid in Ajanta Pharma Limited	—	18.09
702,703 (March 31, 2022: 702,703) Equity share of INR 10 each fully paid in Transpek Industry Limited	10,336.06	13,706.22
14 (March 31, 2022: 14) Equity share of INR 10 each fully paid in Bayer Cropscience Limited	0.58	0.70
40 (March 31, 2022: 40) Equity share of INR 2 each fully paid in Birla Precision Technologies Limited	0.01	0.01
3,500 (March 31, 2022: 3,500) Equity share of INR 1 each fully paid in Elgi Rubber Company Limited	1.02	1.40
4,700 (March 31, 2022: 4,700) Equity Share of INR 10 each fully paid in Gujarat State Financial Corporation	0.28	0.43
50,000 (March 31, 2022: 50,000) Equity share of INR 10 each fully paid in GTL Infrastructure Limited	0.35	0.73
1,000 (March 31, 2022: 1,000) Equity share of INR 1 each fully paid in Hindalco Industries Limited	4.05	5.70
Nil (March 31, 2022: 250) Equity share of INR 10 each fully paid in Hester BioScience Limited	—	6.79
100 (March 31, 2022: 100) Equity share of INR 10 each fully paid in Indokem Limited	0.10	0.05
102,975 (March 31, 2022: 105,000) Equity share of INR 5 each fully paid in Navin Fluorine International Limited^	4,392.19	4,286.21
1,032,241 (March 31, 2022: 1,032,241) Equity share of INR 10 each fully paid in Tanfac Industries Limited	10,299.70	6,004.55
100 (March 31, 2022: 100) Equity share of INR 2 each fully paid in Uniphos Enterprises Limited	0.15	0.13
Nil (March 31, 2022: 200) Equity share of INR 1 each fully paid in Vinati Organics Limited	—	3.90
Nil (March 31, 2022: 500) Equity share of INR 10 each fully paid in Aksharchem (India) Limited	—	1.74
1,505 (March 31, 2022: 1,720) Equity share of INR 5 each fully paid in Alkyl Amines Chemicals Limited	32.47	49.19
Nil (March 31, 2022: 2,000) Equity share of INR 2 each fully paid in Amines & Plasticizers Limited	—	2.19
Nil (March 31, 2022: 471) Equity share of INR 2 each fully paid in Balaji Amines Limited	—	13.67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 8. NON-CURRENT INVESTMENTS** (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
Nil (March 31, 2022: 250) Equity share of INR 2 each fully paid in Bodal Chemicals Limited	—	0.25
Nil (March 31, 2022: 2,500) Equity share of INR 1 each fully paid in Camlin Fine Sciences Limited	—	3.49
Nil (March 31, 2022: 1,000) Equity share of INR 10 each fully paid in Cosco (India) Limited	—	2.11
375 (March 31, 2022: 250) Equity share of INR 10 each fully paid in Cosmo First Limited	2.13	4.33
27,409 (March 31, 2022: 27,699) Equity share of INR 10 each fully paid in Daikaffil Chemicals (India) Limited	5.81	6.51
Nil (March 31, 2022: 500) Equity share of INR 10 each fully paid in Deep Industries Limited	—	1.14
500 (March 31, 2022: 500) Equity share of INR 10 each fully paid in Deep Energy Resources Limited	0.53	0.26
500 (March 31, 2022: 3,500) Equity share of INR 2 each fully paid in Deepak Nitrite Limited	9.21	78.55
Nil (March 31, 2022: 500) Equity share of INR 2 each fully paid in Graphite India Limited	—	2.51
Nil (March 31, 2022: 5,716) Equity share of INR 10 each fully paid in Indo Amines Limited	—	5.30
Nil (March 31, 2022: 500) Equity share of INR 5 each fully paid in Kabra Extrusion Techink Limited	—	2.64
Nil (March 31, 2022: 250) Equity share of INR 2 each fully paid in Lupin Limited	—	1.87
448 (March 31, 2022: 4,000) Equity share of INR 10 each fully paid in Mangalam Organics Limited	1.49	35.98
Nil (March 31, 2022: 100) Equity share of INR 10 each fully paid in MPS Limited	—	0.59
Nil (March 31, 2022: 75) Equity share of INR 10 each fully paid in Nilkamal Limited	—	1.52
10,500 (March 31, 2022: 10,500) Equity share of INR 1 each fully paid in Sadhana Nitro Chem Limited	12.02	13.85
Nil (March 31, 2022: 250) Equity share of INR 2 each fully paid in Sanghvi Movers Limited	—	0.46
Nil (March 31, 2022: 500) Equity share of INR 1 each fully paid in Skipper Limited	—	0.27
100 (March 31, 2022: 100) Equity share of INR 10 each fully paid in Talwalkar Better Value Fitness Limited #	0.01	—
2,500 (March 31, 2022: 15,000) Equity share of INR 1 each fully paid in Thirumalai Chemicals Limited	4.30	39.90
2,500 (March 31, 2022: 2,500) Equity share of INR 10 each fully paid in Tinna Rubber and Infrastructure Limited	8.67	7.63
2,050 (March 31, 2022: 2,050) Equity share of INR 10 each fully paid in Tina Trade Limited	0.44	0.56
Nil (March 31, 2022: 50) Equity share of INR 10 each fully paid in TVS Srichakra Limited	—	0.80
1,500 (March 31, 2022: 1,500) Equity share of INR 10 each fully paid in Universal Starch Chem Allied Limited	1.62	2.09
100 (March 31, 2022: 100) Equity share of INR 10 each fully paid in Talwalkars Healthclubs Limited \$	0.01	—
Nil (March 31, 2022: 2,500) Equity share of INR 10 each fully paid in I G Petrochemicals Limited	—	17.52
50,000 (March 31, 2022: 50,000) Equity share of INR 10 each fully paid in Jiya Eco Products Limited	5.00	1.81
Nil (March 31, 2022: 2,000) Equity share of INR 10 each fully paid in Star Paper Mills Limited	—	3.17
	<b>29,983.69</b>	<b>32,892.78</b>
<b>Unquoted at FVOCI</b>		
920,500 (March 31, 2022: 920,500) Equity shares of INR 10 each fully paid up in TML Industries Limited	—	—
1,067,450 (March 31, 2022: 1,067,450) Equity shares of INR 10 each fully paid up in Silox India Private Limited	25,318.27	19,613.22
2,500 (March 31, 2022: 2,500) Equity shares of INR 10 each fully paid up in The Saraswat Co-operative Bank Limited	0.25	0.25
50,000 (March 31, 2022: 50,000) Equity shares of INR 10 each fully paid up in Biotech Consortium India Limited	5.00	5.00



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 8. NON-CURRENT INVESTMENTS (Contd.)**

Particulars	As at March 31, 2023	As at March 31, 2022
1,000 (March 31, 2022: 1,000) Equity Shares of INR 10 each fully paid up in Alpic Finance Limited	—	—
4,900 (March 31, 2022: 4,900) Equity shares of INR 10 each fully paid up in Ashok Organic Industries Limited	—	—
5 (March 31, 2022: 5) Equity shares of INR 5 each fully paid up in Syngenta India Limited	—	—
420 (March 31, 2022: 420) Equity shares of INR 10 each fully paid up in Lloyds Finance Limited	—	—
948 (March 31, 2022: Nil) Equity Shares of INR 10 each fully paid up in Batx Energies Private Limited	225.45	—
25,000 (March 31, 2022: 25,000) Equity Shares of INR 1 each fully paid up in National Stock Exchange of India Limited	971.09	854.44
	<u>26,520.06</u>	<u>20,472.91</u>

**Investment in preference shares (fully paid-up)****Unquoted at FVPL**

17,149 (March 31, 2022: Nil) Compulsory Convertible Preference Shares of INR 10 each fully paid up in Bintix Waster Research Private Limited	201.19	—
866 (March 31, 2022: 866) Compulsory Convertible Preference Shares of INR 10 each fully paid up in Ishitva Robotic Systems Private Limited	100.06	100.06
	<u>301.25</u>	<u>100.06</u>
<b>Total</b>	<u><b>56,805.00</b></u>	<u><b>53,465.75</b></u>

**Quoted Investments:**

Aggregate carrying value and market value of quoted investments	29,983.69	32,892.78
Aggregate amount of impairment in the value of investments	—	—

**Unquoted Investments:**

Aggregate carrying value of unquoted investments	26,620.12	20,572.97
Aggregate amount of impairment in the value of investments	—	—

# Amount below rounding off norms as on March 31, 2022 - INR 145.00

\$ Amount below rounding off norms as on March 31, 2022 - INR 95.00

^ A subsidiary holds investment in Navin Fluorine International Limited of 102,975 equity shares, the fair value as on March 31, 2023 is INR 4,392.19 Lakhs. In accordance with the Securities Lending Scheme, 1997, subsidiary has, in the capacity as a lender, deposited 28,368 equity shares of the said company with National Security Clearing Corporation Limited (NSCCL) for the purpose of lending as per the Scheme. In terms of the agreement with NSCCL, the beneficial interest continues with the subsidiary including all the corporate benefits that shall accrue.

**NOTE 9. LOANS – NON-CURRENT**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Loans to employees	3.30	4.37
<b>Total</b>	<u><b>3.30</b></u>	<u><b>4.37</b></u>

**NOTE 10. OTHER NON-CURRENT FINANCIAL ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Margin Money deposits with maturity of more than twelve months (Refer Note 16)	4.58	4.26
Security deposits *	784.90	626.23
<b>Total</b>	<u><b>789.48</b></u>	<u><b>630.49</b></u>

\* Refer Note 46 for balance with a related party

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 11. OTHER NON-CURRENT ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
<u>Capital advances</u>		
Unsecured, considered good	62.92	40.35
Unsecured, considered doubtful	76.62	76.62
	139.54	116.97
Provision for doubtful capital advances	(76.62)	(76.62)
	62.92	40.35
Prepaid expenses	51.40	23.31
Balances with Government Authorities	46.00	55.49
<b>Total</b>	<b>160.32</b>	<b>119.15</b>

**NOTE 12. INVENTORIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials [including stock-in-transit INR Nil (March 31, 2022: INR 124.18 lakhs)]	6,654.07	9,444.06
Packing materials	120.41	155.59
Finished goods	2,803.65	2,444.20
Work-in-progress	2,900.46	3,578.78
Traded goods	73.87	102.14
Stores and spares (including fuel and coal)	591.81	797.81
<b>Total</b>	<b>13,144.27</b>	<b>16,522.58</b>

**Amounts recognised in the Statement of Consolidated Profit and Loss:**

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-downs of inventories to net realisable value as at the year end amounted to INR 336.01 lakhs (as at March 31, 2022 - INR 103.91 lakhs), including INR 60.57 lakhs pertaining to Environment and Biotech segment (Refer Note 55). These writedowns were recognised as an expense and included in 'cost of materials consumed' and 'changes in inventories of finished goods, stock-in-trade and work-in-progress' in the Statement of Consolidated Profit and Loss.

**NOTE 13. CURRENT INVESTMENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in Mutual Funds</b>		
<b>Quoted at FVPL</b>		
Nippon India ETF Nifty 1D rate Liquid BEES 5,648.908 (March 31, 2022: 2.932) units of INR 100 fully paid up	56.51	0.02
Nippon India ETF Nifty Bank BEES - Nil ( March 31, 2022: 846) units	—	3.09
Nippon India ETF Liquid BEES 192.450 (Reliance ETF Liquid BeEs March 31, 2022: 184.508) units of INR 100 fully paid up	2.04	1.88
	<b>58.55</b>	<b>4.99</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 13. CURRENT INVESTMENTS (Contd.)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Unquoted at FVPL</b>		
Edelweiss Liquid Fund - Direct Plan - IDCW* 1,978.287 (March 31, 2022: 1,928.850) units of INR 1,000 fully paid up	20.40	19.34
Kotak Liquid Direct Plan Daily - IDCW* 1,306.629 (March 31, 2022: 1,242.704) units of INR 1,000 fully paid up	15.97	15.20
Kotak Low Duration Fund Direct Growth 167,577.887 (March 31, 2022: Nil) units of INR 1,000 fully paid up	5,128.99	—
Kotak Liquid Fund Direct Plan Growth 812.714 (March 31, 2022: Nil) units of INR 1,000 fully paid up	36.97	—
Kotak Equity Arbitrage Fund - Direct Plan - IDCW* 876,429.812 (March 31, 2022: 7,775,422.916) units of INR 10 fully paid up	98.34	870.61
Kotak Overnight Fund Direct - Growth 5.500 (March 31, 2022: Nil) units of INR 10 fully paid up	0.07	—
ASK India 2025 Equity Fund 10,403.007 (March 31, 2022: 10,403.007) units of INR 10 fully paid up	154.57	171.96
IIFL Equity Opportunities Fund Class-A 999,950 (March 31, 2022: 499,975) units of INR 10 fully paid up	127.65	114.70
	<b>5,582.96</b>	<b>1,191.81</b>
<b>Total</b>	<b>5,641.51</b>	<b>1,196.80</b>
Aggregate amount of unquoted investments	5,582.96	1,191.81
Aggregate amount of quoted investments and market value thereof	58.55	4.99
Aggregate amount of impairment in the value of investments	—	—
* IDCW : Income Distribution cum Capital Withdrawal		

**NOTE 14. TRADE RECEIVABLES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Trade receivables from related parties (Refer Note 46)	5.70	0.46
Other trade receivables - Billed	15,772.49	20,088.37
Other trade receivables - Unbilled (Refer note (b) below)	47.01	146.91
Less: Allowance for doubtful debts / Expected credit loss	173.25	314.97
<b>Total</b>	<b>15,651.95</b>	<b>19,920.77</b>
Current portion	15,651.95	19,920.77
Non-current portion	—	—
<b>Break-up of security details</b>		
<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
— Secured, considered good	—	—
— Unsecured, considered good	15,755.77	20,144.36
— Receivables which have significant increase in credit risk	69.43	91.38
— Credit impaired	—	—
<b>Total</b>	<b>15,825.20</b>	<b>20,235.74</b>
Less: Allowance for doubtful debts / Expected credit loss	(173.25)	(314.97)
<b>Total</b>	<b>15,651.95</b>	<b>19,920.77</b>

Notes:

- (a) For credit risk and provision for loss allowance, Refer Note 42.
- (b) The receivable is 'unbilled' as the Group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because there is an unconditional right to consideration.
- (c) For aging of trade receivables, Refer Note 53.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 15. CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks:		
– in Current accounts	313.49	654.45
– in Exchange Earners' Foreign Currency ("EEFC") account	0.03	0.03
Cash on hand	1.14	3.70
Deposits with maturity of less than three months	42.56	2,372.58
<b>Total</b>	<b><u>357.22</u></b>	<b><u>3,030.76</u></b>

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

**NOTE 16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2023	As at March 31, 2022
Margin money deposits (Refer note below)	20.46	204.73
Unclaimed dividend account	87.41	81.53
Deposits with maturity of more than three months and less than twelve months	8,228.88	3,480.78
<b>Total</b>	<b><u>8,336.75</u></b>	<b><u>3,767.04</u></b>

Notes: Margin money deposits of INR 25.04 lakhs (March 31, 2022: INR 208.99 lakhs) have been given against Letter of Credit, Bank guarantees and other deposits (also Refer note 10).

**NOTE 17. LOANS – CURRENT**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Loans to a related party (Refer Note 46)	100.00	100.00
Loans to employees	21.66	32.44
<b>Total</b>	<b><u>121.66</u></b>	<b><u>132.44</u></b>

**NOTE 18. OTHER CURRENT FINANCIAL ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Interest accrued *	256.41	61.66
Foreign exchange forward contracts	—	13.71
Export benefit receivable	—	27.44
Security deposits	198.98	137.28
Insurance Receivables	79.58	—
Receivable from a related party (Refer Note 46)	44.35	—
Others	69.48	1.78
<b>Total</b>	<b><u>648.80</u></b>	<b><u>241.87</u></b>

\* Receivable from a related party - INR 7.65 lakhs (March 31, 2022: INR 2.05 lakhs), Refer Note 46.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 19. OTHER CURRENT ASSETS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, considered good (unless otherwise stated)</b>		
Balances with Government Authorities	171.17	1,880.45
Prepaid expenses	289.91	281.32
<b>Advances to suppliers</b>		
Unsecured considered good	257.39	492.88
Unsecured considered doubtful	163.56	164.56
	420.95	657.44
Provision for doubtful advances	(163.56)	(164.56)
	<b>257.39</b>	<b>492.88</b>
Export benefits receivable	58.19	380.11
Others	63.84	0.60
<b>Total</b>	<b>840.50</b>	<b>3,035.36</b>

**NOTE 20. EQUITY SHARE CAPITAL**

Particulars	No. of shares	Amount
<b>Authorised shares</b>		
<b>As at March 31, 2023</b>		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each	38,000,000	1,900.00
11% Cumulative Redeemable Preference Shares of INR 10/- each	850,000	85.00
Unclassified Shares of INR 5/- each	300,000	15.00
<b>Issued, subscribed and paid-up</b>		
<b>As at March 31, 2023</b>		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
<b>Total</b>	<b>12,570,692</b>	<b>628.53</b>
<b>As at March 31, 2022</b>		
Equity shares of INR 5/- each fully paid-up	12,570,692	628.53
<b>Total</b>	<b>12,570,692</b>	<b>628.53</b>

**(i) Movement in Equity Share Capital**

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	Nos. of Shares	Amount	Nos. of Shares	Amount
At the beginning of the year	12,570,692	628.53	12,570,692	628.53
<b>Outstanding at the end of the year</b>	<b>12,570,692</b>	<b>628.53</b>	<b>12,570,692</b>	<b>628.53</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20. EQUITY SHARE CAPITAL (Contd.)**

**(ii) Terms/ rights attached to equity shares**

The Company has one class of equity shares having par value of INR 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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 holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Details of shares held by shareholders holding more than 5% shares in the Company:**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	5,358,682	42.63%
Life Insurance Corporation of India	868,052	6.91%	883,613	7.03%

**(iv) Disclosure for shares of the Company held by parent / ultimate parent company:**

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Nos. of Shares	% of holding	Nos. of Shares	% of holding
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	5,358,682	42.63%

**(v)** There is no change in authorised share capital during the year ended March 31, 2023 and March 31, 2022.

**(vi) Details of shareholding of promoters/ promoter group:**

Name of the promoters / promoter group	As at March 31, 2023		% of change during the year
	Number of shares	% of total number of shares	
<b>Promoters</b>			
Ashwin Champraj Shroff	103,070	0.82%	0.00%
Atul Govindji Shroff	59,784	0.48%	0.00%
Abhay Sunil Saraiya	2,332	0.02%	0.00%
Ravi Ashwin Shroff	47,670	0.38%	0.00%
Hrishit Ashwin Shroff	47,669	0.38%	0.00%
Ami Kantisen Shroff	44,382	0.35%	0.00%
Shruti Atul Shroff	22,018	0.18%	0.00%
Anshul Amrish Bhatia	21,616	0.17%	0.00%
Preeti Dipesh Shroff	30,042	0.24%	84.40%
Hiral Tushar Dayal	10,034	0.08%	0.00%
Dipesh Kantisen Shroff	8,619	0.07%	0.00%
Chetana P Saraiya	10,643	0.08%	0.00%
Late Usha Ashwin Shroff	6,497	0.05%	0.00%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%	0.00%
Vishwa Atul Shroff	905	0.01%	0.00%
Tushar Charandas Dayal - HUF	1,310	0.01%	0.00%
<b>Promoter group</b>			
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	0.00%
Dipkanti Investments And Financing Private Limited	255,732	2.03%	0.00%
Transpek Industry Limited	156,650	1.25%	0.00%
Vibrant Greentech India Private Limited	149,991	1.19%	0.00%
Pritami Investments Private Limited	79,862	0.64%	0.00%
Hyderabad Chemical Products Private Limited	6,833	0.05%	0.00%
Shrodip Investments Private Limited	29,350	0.23%	0.00%
Dilipsinh G Bhatia	104,082	0.83%	0.00%
<b>Total</b>	<b>6,563,267</b>	<b>52.21%</b>	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 20. EQUITY SHARE CAPITAL** (Contd.)

Name of the promoters / promoter group	As at March 31, 2022		% of change during the year
	Number of shares	% of total number of shares	
<b>Promoters</b>			
Ashwin Champraj Shroff	103,070	0.82%	24.08%
Atul Govindji Shroff	59,784	0.48%	0.00%
Abhay Sunil Saraiya	2,332	0.02%	100.00%
Ravi Ashwin Shroff	47,670	0.38%	0.00%
Hrishit Ashwin Shroff	47,669	0.38%	0.00%
Ami Kantisen Shroff	44,382	0.35%	39.21%
Shruti Atul Shroff	22,018	0.18%	0.00%
Anshul Amrish Bhatia	21,616	0.17%	0.00%
Preeti Dipesh Shroff	16,292	0.13%	15.46%
Hiral Tushar Dayal	10,034	0.08%	0.00%
Dipesh Kantisen Shroff	8,619	0.07%	0.00%
Chetana P Saraiya	10,643	0.08%	23.61%
Late Usha Ashwin Shroff	6,497	0.05%	0.00%
Kantisen Chaturbhaj Shroff - HUF	5,494	0.04%	0.00%
Vishwa Atul Shroff	905	0.01%	0.00%
Tushar Charandas Dayal - HUF	1,310	0.01%	0.00%
<b>Promoter group</b>			
Anshul Specialty Molecules Private Limited	5,358,682	42.63%	0.00%
Dipkanti Investments And Financing Private Limited	255,732	2.03%	8.48%
Transpek Industry Limited	156,650	1.25%	0.00%
Vibrant Greentech India Private Limited	149,991	1.19%	0.00%
Pritami Investments Private Limited	79,862	0.64%	0.00%
Hyderabad Chemical Products Private Limited	6,833	0.05%	-85.41%
Shrodip Investments Private Limited	29,350	0.23%	0.00%
Dilipsinh G Bhatia	104,082	0.83%	0.00%
<b>Total</b>	<b>6,549,517</b>	<b>52.10%</b>	

No entities are identified as Core Investment Companies (CICs) as part of the Group.

- (vii) There are no shares (a) allotted as fully paid by way of bonus share or pursuant to contract without payment of being received in cash or (b) bought back during the period of 5 years immediately preceding the Balance Sheet date.

**NOTE 21. OTHER EQUITY**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Capital reserve	0.01	0.01
Securities premium	534.37	534.37
Capital redemption reserve	16.77	16.77
Statutory reserve	602.26	527.06
General reserve	49,587.32	44,587.32
Retained earnings	27,699.85	27,545.49
Other reserves	45,105.58	41,095.36
<b>Total</b>	<b>123,546.17</b>	<b>114,306.38</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 21. OTHER EQUITY (Contd.)**

**(i) Capital reserve**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	0.01	0.01
<b>Closing balance</b>	<b>0.01</b>	<b>0.01</b>

**(ii) Securities premium**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	534.37	534.37
<b>Closing balance</b>	<b>534.37</b>	<b>534.37</b>

**(iii) Capital redemption reserve**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	16.77	16.77
<b>Closing balance</b>	<b>16.77</b>	<b>16.77</b>

**(iv) Statutory reserve**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	527.06	500.59
Add: Amount transferred from retained earnings	75.20	26.47
<b>Closing balance</b>	<b>602.26</b>	<b>527.06</b>

**(v) General reserve**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	44,587.32	39,587.32
Add: Amount transferred from retained earnings	5,000.00	5,000.00
<b>Closing balance</b>	<b>49,587.32</b>	<b>44,587.32</b>

**(vi) Retained earnings**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	27,545.49	17,836.55
Profit for the year	7,993.55	16,120.25
Dividend paid	(2,828.41)	(1,414.21)
Transfer to general reserve	(5,000.00)	(5,000.00)
Transfer to statutory reserve	(75.20)	(26.47)
Items of Other Comprehensive Income (OCI) recognised directly in retained earnings:		
– Remeasurement of post employment benefits obligations (net of tax)	64.42	29.37
<b>Closing balance</b>	<b>27,699.85</b>	<b>27,545.49</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 21. OTHER EQUITY (Contd.)****(vii) Other reserves – FVOCI – Equity Investments**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	41,095.36	26,049.91
Change in fair value of FVOCI equity investments (Refer Note 8)	3,188.88	18,128.63
Tax on above	821.34	(3,083.18)
	<u>4,010.22</u>	<u>15,045.45</u>
<b>Closing balance</b>	<b><u>45,105.58</u></b>	<b><u>41,095.36</u></b>

**Nature and purpose of reserves****Capital reserve**

Capital reserve is utilised in accordance with provision of the Act.

**Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**Capital redemption reserve**

The Act requires that when a Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve. The reserve is utilised in accordance with the provisions of Section 69 of the Act.

**General reserve**

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

**Other reserves – FVOCI – Equity Investments**

The Group has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within FVOCI equity investments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**Statutory reserve**

The statutory reserve represents fund created out of profit of the year in accordance with requirement of Section 45IC(1) of Reserve Bank of India act, 1934.

**NOTE 22. LEASE LIABILITIES – NON-CURRENT**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 51)	178.09	178.33
<b>Total</b>	<b><u>178.09</u></b>	<b><u>178.33</u></b>

**NOTE 23. EMPLOYEE BENEFIT OBLIGATIONS - NON-CURRENT**

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefit obligations (Refer Note 40):		
Leave obligation	1,089.18	1,174.95
Medical voluntary retirement scheme	104.12	88.72
Long service award	119.72	157.76
<b>Total</b>	<b><u>1,313.02</u></b>	<b><u>1,421.43</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 24. TAXATION**

**(a) Income tax expense**

**Particulars**

**Current tax**

Current tax on profits for the year 2,608.47  
Adjustments to current tax in respect of earlier years (226.61)

**Total current tax expense**

Deferred tax 91.36  
Adjustments to current tax in respect of earlier years 110.05

**Total deferred tax expense/(benefit)**

**Total Income tax expense**

	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
	2,608.47	5,100.13
	(226.61)	—
	<b>2,381.86</b>	<b>5,100.13</b>
	91.36	125.00
	110.05	—
	<b>201.41</b>	<b>125.00</b>
	<b>2,583.27</b>	<b>5,225.13</b>

**(b) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates :**

**Particulars**

Profit before tax

**Tax at the Indian tax rate of 25.168% (previous year 25.168%)**

Add / (less) effects of :

Exempt Income (14.56)  
Expenses not deductible in determining taxable profits 134.26  
Adjustments in respect of earlier years (116.55)  
Others (90.93)

**Income tax expense**

	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
	10,612.89	21,345.38
	<b>2,671.05</b>	<b>5,372.21</b>
	(14.56)	(261.73)
	134.26	103.12
	(116.55)	—
	(90.93)	11.53
	<b>2,583.27</b>	<b>5,225.13</b>

**(c) Income tax expenses recognised in OCI:**

**Particulars**

**Current tax**

Gain/(Loss) on sale of equity instruments at FVOCI

**Deferred tax**

Remeasurement gains / (losses) on net defined benefit plans (21.67)  
Changes in fair value of equity instruments 852.27

	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
	(30.92)	—
	<b>(30.92)</b>	—
	(21.67)	0.17
	852.27	3,054.29
	<b>830.60</b>	<b>3,054.46</b>
	<b>799.68</b>	<b>3,054.46</b>

**(d) Deferred tax:**

The balance comprises temporary differences attributable to:

**Particulars**

**Deferred tax assets**

Liabilities / provisions that are deducted for tax purposes when paid 427.03  
Provision for doubtful receivables and advances 65.47

**Total deferred tax assets**

	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
	427.03	503.54
	65.47	139.91
	<b>492.50</b>	<b>643.45</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 24. TAXATION (Contd.)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax liabilities</b>		
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	4,113.77	4,004.30
Financial assets at fair value through Other Comprehensive Income	7,609.78	8,462.05
Other timing differences (net)	23.79	61.13
<b>Total deferred tax liabilities</b>	<b>11,747.34</b>	<b>12,527.48</b>
<b>Net deferred tax liabilities</b>	<b>11,254.84</b>	<b>11,884.03</b>

**Movement in deferred tax assets/(liabilities):**

Particulars	As at March 31, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2023
<b>For the year ended March 31, 2023</b>				
Liabilities / provisions that are deducted for tax purposes when paid	503.54	(54.84)	(21.67)	427.03
Provision for doubtful receivables and advances	139.91	(74.44)	—	65.47
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(4,004.30)	(109.47)	—	(4,113.77)
Financial assets at fair value through Other Comprehensive Income	(8,462.05)	—	852.27	(7,609.78)
Other timing differences (net)	(61.13)	37.34	—	(23.79)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(11,884.03)</b>	<b>(201.41)</b>	<b>830.60</b>	<b>(11,254.84)</b>

Particulars	As at March 31, 2021	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
<b>For the year ended March 31, 2022</b>				
Liabilities / provisions that are deducted for tax purposes when paid	400.37	103.34	(0.17)	503.54
Provision for doubtful receivables and advances	113.02	26.89	—	139.91
Additional depreciation/amortisation on tangible and intangible assets for tax purposes due to higher tax depreciation rate	(3,770.60)	(233.70)	—	(4,004.30)
Financial assets at fair value through Other Comprehensive Income	(5,407.76)	—	(3,054.29)	(8,462.05)
Other timing differences (net)	(39.60)	(21.53)	—	(61.13)
<b>Total Deferred tax assets/(liabilities)</b>	<b>(8,704.57)</b>	<b>(125.00)</b>	<b>(3,054.46)</b>	<b>(11,884.03)</b>

**NOTE 25. SHORT TERM BORROWINGS**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Cash credits (Refer Note (a) below)	89.08	3.41
Current maturities of long term borrowings (Refer Note (b) below)	—	0.55
<b>Unsecured</b>		
Post shipment banking facility (Refer Note (c) below)	—	519.57
<b>Total</b>	<b>89.08</b>	<b>523.53</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 25. SHORT TERM BORROWINGS (Contd.)**

**Notes:**

- (a) Cash credit loan from banks are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc. and is further secured by charge on the immovable property at Roha and Lote Parashuram units. The cash credit loan is repayable on demand and carries interest rates at 7.55% to 9.15% (March 31, 2022: 7.55% to 7.90%) per annum.
- (b) Term loan under vehicle finance from a financial institution amounting to INR 0.55 lakhs, which was secured by hypothecation of the vehicles, was fully repaid during the current year.
- (c) Post shipment banking facility amounting to INR 519.57 lakhs was repayable within 30 to 60 days and carried interest rate of SOFR + 1.68% p.a.
- (d) Refer Note 42(B) for liquidity risk.
- (e) The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current borrowings are as under:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade receivables	15,651.95	19,918.46
<b>Non Financial Assets</b>		
Inventories	13,144.27	16,522.58
<b>Total Current Assets Pledged as Security</b>	<b>28,796.22</b>	<b>36,441.04</b>
<b>Non Current Assets</b>		
Right of use assets	190.66	194.34
Freehold land	140.81	140.81
Buildings	3,237.20	3,282.05
Plant and machinery	24,753.05	24,015.36
Other property plant and equipment	1,638.47	1,695.48
<b>Total Non - current assets pledged as security</b>	<b>29,960.19</b>	<b>29,328.04</b>
<b>Total assets pledged as security</b>	<b>58,756.41</b>	<b>65,769.08</b>

**(f) Changes in Liabilities arising from Financing Activities**

Particulars	Liabilities from financing activities			Total
	Lease Liabilities	Non-current borrowings	Current borrowings	
<b>As at March 31, 2021</b>	<b>251.06</b>	<b>2.12</b>	<b>607.12</b>	<b>860.30</b>
Repayment	(53.14)	(1.57)	(84.14)	(138.85)
Finance cost	19.59	0.01	131.63	151.23
Finance cost paid	—	(0.01)	(131.63)	(131.64)
<b>As at March 31, 2022</b>	<b>217.51</b>	<b>0.55</b>	<b>522.98</b>	<b>741.04</b>
Repayment	(56.08)	(0.55)	(433.90)	(490.53)
Finance cost	16.90	—	141.24	158.14
Finance cost paid	—	—	(141.24)	(141.24)
<b>As at March 31, 2023</b>	<b>178.33</b>	<b>—</b>	<b>89.08</b>	<b>267.41</b>

**NOTE 26. TRADE PAYABLES**

Particulars	As at March 31, 2023	As at March 31, 2022
Total Outstanding due of micro and small enterprises	678.05	1,432.38
Total Outstanding due of creditors other than micro and small enterprises*	10,006.87	16,612.40
<b>Total</b>	<b>10,684.92</b>	<b>18,044.78</b>

\* Refer Note 46 for balance with related parties

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 26. TRADE PAYABLES (Contd.)****Notes:**

- (a) The Group has certain payables to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	678.05	1,432.38
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	113.87	233.81
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0.20	0.45
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	—	—
Interest accrued and remaining unpaid at the end of the accounting year	—	—
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	—	—

- (b) Refer Note 42 for information about liquidity risk and market risk of trade payables.  
(c) For aging of trade payables, refer note 54.

**NOTE 27. LEASE LIABILITIES – CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Lease liabilities (Refer Note 51)	0.24	39.18
<b>Total</b>	<b>0.24</b>	<b>39.18</b>

**NOTE 28. OTHER CURRENT FINANCIAL LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Unclaimed dividend	87.41	80.53
Unclaimed matured fixed deposits	0.58	4.83
Unclaimed interest on matured fixed deposits	0.38	0.90
Creditors for capital goods	353.37	273.03
Sundry deposits:		
From related parties (Refer Note 46)	8.00	8.00
Others	10.10	10.10
Foreign exchange forward contracts	18.66	12.93
Others	74.61	66.30
<b>Total</b>	<b>553.11</b>	<b>456.62</b>

**Note:**

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end except for amount aggregating to INR 0.33 lakhs (March 31, 2022 INR 0.33 lakhs), which is held in abeyance due to dispute / pending legal cases.

**NOTE 29. EMPLOYEE BENEFIT OBLIGATIONS - CURRENT**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<u>Provision for employee benefit obligations (Refer Note 40):</u>		
Leave obligation	211.85	144.12
Gratuity	225.45	315.10
Medical voluntary retirement scheme	43.26	36.77
Long service award	20.06	14.17
<b>Total</b>	<b>500.62</b>	<b>510.16</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 30. OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues including provident fund and tax deducted at sources	328.65	268.87
Contract liabilities (refer note below):		
Advances from customers	92.12	81.47
Other payables	10.61	10.21
<b>Total</b>	<b>431.38</b>	<b>360.55</b>

**Note:**

The Contract liabilities outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2023 upon satisfaction of performance obligation.

There has been no significant change in the contract liabilities.

**NOTE 31. REVENUE FROM OPERATIONS**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue from contracts with customers:</b>		
<b>a) Sale of products</b>		
Finished Goods	104,129.36	112,826.47
Traded Goods	1,970.46	437.66
<b>b) Sale of services</b>		
Processing charges	1,157.16	1,939.99
Others (refer note (c) below)	1,105.13	2,029.81
	<b>108,362.11</b>	<b>117,233.93</b>
<b>Other operating revenue:</b>		
a) Export incentives	131.03	153.05
b) Scrap sales	488.76	415.00
	<b>619.79</b>	<b>568.05</b>
<b>Total</b>	<b>108,981.90</b>	<b>117,801.98</b>
<b>Revenue from contracts with customers disaggregated based on geography:</b>		
Domestic	85,754.71	87,258.24
Exports	22,607.40	29,975.69
<b>Total Revenue from customers</b>	<b>108,362.11</b>	<b>117,233.93</b>
Add: Other operating revenue	619.79	568.05
<b>Total</b>	<b>108,981.90</b>	<b>117,801.98</b>

**Reconciliation of Gross revenue with the revenue from contracts with customers**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Gross revenue from operations	108,503.77	117,310.54
Less: Discounts	141.66	76.61
<b>Net revenue recognised from contracts with customers</b>	<b>108,362.11</b>	<b>117,233.93</b>

**Notes:**

- (a) The Group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.
- (b) There are no material contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.
- (c) Sale of services - Others predominantly include freight and insurance on exports which are identified as separate performance obligation under Ind AS 115.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 32. OTHER INCOME**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Interest income from financial assets at amortised cost</b>		
Bank deposits	478.82	219.36
Inter corporate deposit	12.30	9.27
Others	39.52	28.02
	<b>530.64</b>	<b>256.65</b>
<b>Dividend income</b>		
From non current investments (Refer note (a) below)	255.39	1,005.66
From current investments designated at FVPL	34.89	141.03
	<b>290.28</b>	<b>1,146.69</b>
<b>Others</b>		
Rent (Refer Note 5)	76.24	71.74
Gain on fair valuation of current investments measured at FVPL	86.77	13.00
Profit on sale of current investments measured at FVPL	80.43	42.62
Insurance Claims	117.26	—
Others (Refer note (b) below)	104.96	32.93
	<b>465.66</b>	<b>160.29</b>
<b>Total</b>	<b>1,286.58</b>	<b>1,563.63</b>

**Note:**

- (a) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. Dividend income of INR 0.23 lakhs (March 31, 2022: Nil) relating to investments derecognised during the reporting period.
- (b) Includes sales tax refund of INR 31.51 lakhs (March 31, 2022: Nil) accounted during the year.

**NOTE 33. COST OF MATERIALS CONSUMED**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>a. Raw materials</b>		
Inventory at the beginning of the year	9,444.06	1,218.33
Add: Purchases	56,825.47	68,428.17
	<b>66,269.53</b>	<b>69,646.50</b>
Less: Inventory at the end of the year	6,654.07	9,444.06
<b>Total cost of Raw materials consumed</b>	<b>59,615.46</b>	<b>60,202.44</b>
<b>b. Packing materials</b>		
Inventory at the beginning of the year	155.59	145.44
Add: Purchases	1,804.56	1,945.39
	<b>1,960.15</b>	<b>2,090.83</b>
Less: Inventory at the end of the year	120.41	155.59
<b>Total cost of Packing materials consumed</b>	<b>1,839.74</b>	<b>1,935.24</b>
<b>Total</b>	<b>61,455.20</b>	<b>62,137.68</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 34. PURCHASE OF STOCK-IN-TRADE**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Chemicals and others	1,277.12	452.56
<b>Total</b>	<b>1,277.12</b>	<b>452.56</b>

**NOTE 35. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Inventories at the end of the year</b>		
Finished goods	2,803.65	2,444.20
Work-in-progress	2,900.46	3,578.78
Stock in trade	73.87	102.14
	<b>5,777.98</b>	<b>6,125.12</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	2,444.20	1,693.54
Work-in-progress	3,578.78	2,427.77
Stock in trade	102.14	103.86
	<b>6,125.12</b>	<b>4,225.17</b>
<b>Total</b>	<b>347.14</b>	<b>(1,899.95)</b>

**NOTE 36. EMPLOYEE BENEFIT EXPENSES**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	8,819.50	8,990.55
Contribution to provident and other funds (Refer Note 40)	648.57	635.50
Gratuity (Refer Note 40)	278.41	283.39
Workman and staff welfare expenses	742.00	710.21
<b>Total</b>	<b>10,488.48</b>	<b>10,619.65</b>

**NOTE 37. DEPRECIATION AND AMORTISATION EXPENSES**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, plant and equipment (Refer Note 3)	3,044.36	2,977.95
Depreciation on Right of use assets (Refer Note 51)	70.98	67.43
Depreciation on Investment property (Refer Note 5)	1.92	1.92
Amortisation of Intangible assets (Refer Note 6)	18.93	18.20
<b>Total</b>	<b>3,136.19</b>	<b>3,065.50</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 38. OTHER EXPENSES**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Consumption of stores and spares	73.59	103.73
Processing charges	112.10	104.67
Power and fuel	8,056.67	7,742.72
Effluent expenses	1,704.89	2,161.57
Rent (Refer Note 51)	345.05	455.79
Rates and taxes	87.29	136.81
Bank charges	122.98	113.67
Contractor's labour charges	461.58	499.70
Water charges	302.88	304.12
Sales commission	268.39	123.27
Insurance	365.21	318.48
<b>Repairs and maintenance on:</b>		
Plant and machinery	2,894.76	2,759.35
Buildings	134.25	126.25
Others	245.33	233.46
Corporate Social Responsibility ('CSR') expenditure (Refer Note 49)	289.10	299.98
Travelling and conveyance	245.71	147.03
Legal and professional fees	1,088.04	1,155.45
Directors' sitting fees (Refer Note 46)	47.40	21.30
Non Executive Directors' Commission (Refer Note 46)	70.00	119.00
Auditor's Remuneration	80.14	67.38
Bad debts / sundry debit balances written off (net):		
Bad Debts written off during the year	27.62	—
Less: Utilisation from Provision for doubtful debts	(27.62)	—
	—	—
Expected credit loss / Provision for doubtful receivables (net)	(114.10)	26.08
Provision for doubtful advances to supplier	(1.00)	80.78
Freight outward and forwarding expenses	3,631.82	4,662.42
Charity and donations	243.56	109.76
Net foreign exchange loss	187.48	32.69
Net loss on sale / discard of property, plant and equipment	124.38	30.38
Miscellaneous expenses	1,601.28	1,515.16
<b>Total</b>	<b>22,668.78</b>	<b>23,451.00</b>

**NOTE 39. FINANCE COSTS**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Interest expenses on financial liabilities measured at amortised cost	89.86	87.87
Interest and finance charge on lease liabilities (Refer Note 51)	16.90	19.59
Interest on deferred consideration	—	41.15
Interest on income tax	60.05	1.41
Other borrowing costs	50.64	43.77
<b>Total</b>	<b>217.45</b>	<b>193.79</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40. EMPLOYEE BENEFIT OBLIGATIONS**

**(i) Leave Obligation**

The Leave obligation cover Group's liability for earned leave. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation not expected to be settled within next 12 months (non - current)	1,089.18	1,174.95
Obligation expected to be settled within next 12 months (current)	211.85	144.12
<b>Total</b>	<b>1,301.03</b>	<b>1,319.07</b>

As per the leave policy of the Group, an employee is entitle to be paid / adjust the accumulated leave balance on separation. Considering the unconditional right available with the Group to defer leave availment, the Group presents provision for leave obligation as current and non-current, based on actuarial valuation considering estimates of availment of leave, separation etc.

**(ii) Post-employment obligations**

**Gratuity**

**(a)** The Group provides for gratuity (a defined benefit plan) for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is calculated at specified number of days (15 days/22 days) of last drawn salary depending upon the tenure of service for each year of completed service. The gratuity plan is a funded plan and the Group makes contribution to recognised fund.

**(b) The amounts recognised in balance sheet and the movement in the gratuity over the year are as follows:**

Particulars	Fair value of Plan Assets	Present Value of Obligations	Net amount
<b>Balance as at March 31, 2021</b>	<b>4,507.77</b>	<b>5,068.26</b>	<b>560.49</b>
Current service cost	—	244.89	244.89
Interest expense or cost	—	341.86	341.86
Investment income	303.36	—	(303.36)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>303.36</b>	<b>586.75</b>	<b>283.39</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in financial assumptions	—	8.70	8.70
– experience variance	—	3.04	3.04
– Return on plan assets, excluding amount recognised in net interest expense	22.20	—	(22.20)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>22.20</b>	<b>11.74</b>	<b>(10.46)</b>
Benefits paid through plan assets	(260.55)	(260.55)	—
Benefits paid directly by the Group	—	(28.32)	(28.32)
Employer's contribution	490.00	—	(490.00)
<b>Balance as at March 31, 2022</b>	<b>5,062.78</b>	<b>5,377.88</b>	<b>315.10</b>
Current service cost	—	255.74	255.74
Interest expense or cost	—	386.93	386.93
Investment income	364.26	—	(364.26)
<b>Total amount recognised in Statement of Profit and Loss</b>	<b>364.26</b>	<b>642.67</b>	<b>278.41</b>
Re-measurement (or Actuarial) (gain) / loss arising from:			
– change in demographic assumptions	—	(14.01)	(14.01)
– change in financial assumptions	—	(63.19)	(63.19)
– experience variance	—	(17.25)	(17.25)
– return on plan assets, excluding amount recognised in net interest expense	(8.37)	—	8.37
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(8.37)</b>	<b>(94.45)</b>	<b>(86.08)</b>
Benefits paid through plan assets	(361.94)	(361.94)	—
Employer's contribution	269.00	—	(269.00)
Employer's contribution for earlier period credited in current year by LIC	12.98	—	(12.98)
<b>Balance as at March 31, 2023</b>	<b>5,338.71</b>	<b>5,564.16</b>	<b>225.45</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)****(c) The net liability disclosed above related to funded and unfunded plans are as follows:**

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligation	5,564.16	5,377.88
Fair value of plan assets	5,338.71	5,062.78
<b>Deficit of funded plan</b>	<b>225.45</b>	<b>315.10</b>
Unfunded plans	—	—
<b>Deficit of Gratuity plan</b>	<b>225.45</b>	<b>315.10</b>

**(d) Assumptions:**

The principal financial assumptions used in valuation of Gratuity are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate (per annum)	7.40%	7.20%
Salary growth rate (per annum) *	7.00%	7.00%
Attrition rate (derived based on age)	7.00%	1.00% to 5.00%
Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)

\* The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market.

**(e) The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:**

Particulars	As at March 31, 2023			As at March 31, 2022		
	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Increase (Decrease) in DBO	Change in Assumption	Increase in Rate / Increase (Decrease) in DBO	Decrease in Rate / Increase (Decrease) in DBO
Discount rate	1.00%	(4.00%)	4.40%	1.00%	(5.60%)	6.30%
Salary growth rate	1.00%	5.00%	(4.60%)	1.00%	6.80%	(6.20%)
Attrition rate @	50.00%	(0.20%)	0.20%	50.00%	(0.20%)	0.20%

@ Represent increase or decrease in Attrition rate by 50%

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. When 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 method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

**(f) The major categories of plan assets are as follows:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount	%	Amount	%
Insurer Managed funds	5,338.71	100%	5,062.78	100%

**(g) Defined benefit liability and employer contributions:**

The weighted average duration of the defined benefit obligation is 4 years (March 31, 2022 - 6 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
1 year	1,358.41	1,041.75
2-5 years	2,671.96	1,870.47
6-10 years	2,293.76	2,864.22
More than 10 years	1,751.63	3,362.52

**NOTE 40. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)**

**(h) Expected Contribution to post-employment benefit plans for next year : INR 457.12 lakhs (March 31, 2022 INR 552.87 Lakhs)**

**(i) Risk Exposure (funded plan):**

Through its defined benefit plans, the Group is exposed to number of risks, the most significant of which are detailed below:

**Assets Volatility:** 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. Most of the plan assets has investments in insurer managed funds. Hence, assets are considered to be secured.

**Change in bond yields:** A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in value of plan's bond holdings.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate in future. Deviation in the rate of increase of salary in future from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Interest Rate risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the benefit and will thus result in an increase in the value of the liability.

**(iii) Defined Contribution Plan:**

**(a) Provident fund and employee's state insurance corporation:**

The Group's provident fund scheme and employee's state insurance (ESI) fund scheme are defined contribution plans. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due.

**(b) Superannuation:**

Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the statement of profit and loss in the period when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Group has recognised following amounts as expense in the Statement of Profit and Loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Included in Contribution to provident and other funds (Refer note 36):		
Provident fund	533.62	496.70
ESI Contribution	4.42	5.57
Superannuation fund	110.53	133.23
<b>Total</b>	<b>648.57</b>	<b>635.50</b>

**(iv) Medical Voluntary retirement scheme (MVRS):**

**(a)** The Group has a termination benefit plan for its employees, viz., voluntary early separation scheme on account of continued ill-health not amounting to occupational disease and thereby unable to perform normal duties of their post. The benefit computed as per scheme will be given to such employees for a maximum period upto 10 years or age of retirement, whichever is earlier. In case of early death of the employee, the legal heir of the employee shall get 50% of separation benefit for the rest of the benefit period. The costs of providing benefits under the said plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognised in full in the period in which they occur in the Statement of Profit and Loss. This Scheme is not funded.

**(b) Amount recognised in the balance sheet is as under:**

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation not expected to be settled within next 12 months (non - current)	104.12	88.72
Obligation expected to be settled within next 12 months (current)	43.26	36.77
<b>Total</b>	<b>147.38</b>	<b>125.49</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 40. EMPLOYEE BENEFIT OBLIGATIONS (Contd.)****(v) Long Service Award:**

The Group provides for long service award to eligible employees upon completion of certain years of service. Amount recognised in the balance sheet is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation not expected to be settled within next 12 months (non - current)	119.72	157.76
Obligation expected to be settled within next 12 months (current)	20.06	14.17
<b>Total</b>	<b>139.78</b>	<b>171.93</b>

**NOTE 41. FAIR VALUE MEASUREMENTS****(i) Financial instruments by category**

Particulars	Note	As at March 31, 2023			As at March 31, 2022		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
<b>Financial assets</b>							
Equity investments*	8	56,603.81	—	—	53,465.75	—	—
Investments in mutual funds	13	—	5,641.51	—	—	1,196.80	—
Trade receivables	14	—	—	15,651.95	—	—	19,920.77
Cash and cash equivalents	15	—	—	357.22	—	—	3,030.76
Bank balances other than cash and cash equivalents	16	—	—	8,336.75	—	—	3,767.04
Loans	9 and 17	—	—	124.96	—	—	136.81
Other financial assets	10 and 18	—	—	1,438.28	—	13.71	858.65
<b>Total financial assets</b>		<b>56,603.81</b>	<b>5,641.51</b>	<b>25,909.16</b>	<b>53,465.75</b>	<b>1,210.51</b>	<b>27,714.03</b>
<b>Financial liabilities</b>							
Borrowings	25	—	—	89.08	—	—	523.53
Trade payables	26	—	—	10,684.92	—	—	18,044.78
Other financial liabilities	28	—	18.66	534.45	—	12.93	443.69
<b>Total financial liabilities</b>		<b>—</b>	<b>18.66</b>	<b>11,308.45</b>	<b>—</b>	<b>12.93</b>	<b>19,012.00</b>

\* The Group had acquired certain equity instrument for the purpose of holding for a longer duration and not for the purpose of selling in near term for short term profit. Such instruments have been categorised as FVOCI.

**(ii) Fair value of Financial assets and liabilities measured at amortised cost**

Particulars	Notes	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Trade receivables	14	15,651.95	15,651.95	19,920.77	19,920.77
Cash and cash equivalents	15	357.22	357.22	3,030.76	3,030.76
Bank balances other than cash and cash equivalents	16	8,336.75	8,336.75	3,767.04	3,767.04
Loans	9 and 17	124.96	124.96	136.81	136.81
Other financial assets	10 and 18	1,438.28	1,438.28	858.65	858.65
<b>Total Financial Assets</b>		<b>25,909.16</b>	<b>25,909.16</b>	<b>27,714.03</b>	<b>27,714.03</b>
<b>Financial liabilities</b>					
Borrowings	25	89.08	89.08	523.53	523.53
Trade payables	26	10,684.92	10,684.92	18,044.78	18,044.78
Other financial liabilities	28	534.45	534.45	443.69	443.69
<b>Total Financial Liabilities</b>		<b>11,308.45</b>	<b>11,308.45</b>	<b>19,012.00</b>	<b>19,012.00</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, current loans and other current financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of non-current loans and other financial assets are not expected to be materially different than their fair values.

**NOTE 41. FAIR VALUE MEASUREMENTS (Contd.)**

**(iii) Derecognition of Investments in Equity Instruments designated at FVOCI**

Particulars	March 31, 2023		March 31, 2022	
	Fair value on the date of derecognition	Cumulative gain or (loss) on disposal	Fair value on the date of derecognition	Cumulative gain or loss on disposal
Investment in equity instrument - Quoted	276.29	183.81	—	—

**(iv) 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 Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**(a) Financial asset and liabilities measured at fair value - recurring fair value measurements:**

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>					
<b>Financial asset</b>					
<b>Financial investment at FVOCI</b>					
Equity investments	8	29,983.69	26,520.06	—	56,503.75
<b>Financial investment at FVPL</b>					
Equity investments	8	—	301.25	—	301.25
Investments in mutual funds	13	5,641.51	—	—	5,641.51
Other financial assets	18	—	—	—	—
<b>Total Financial Assets</b>		<b>35,625.20</b>	<b>26,821.31</b>	<b>—</b>	<b>62,446.51</b>
<b>Financial Liabilities</b>					
Other financial liabilities	28	—	18.66	—	18.66
<b>Total Financial Liabilities</b>		<b>—</b>	<b>18.66</b>	<b>—</b>	<b>18.66</b>

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2022</b>					
<b>Financial asset</b>					
<b>Financial investment at FVOCI</b>					
Equity investments	8	32,892.78	20,472.91	—	53,365.69
<b>Financial investment at FVPL</b>					
Equity investments	8	—	100.06	—	100.06
Investments in mutual funds	13	1,196.80	—	—	1,196.80
Other financial assets	18	—	13.71	—	13.71
<b>Total Financial Assets</b>		<b>34,089.58</b>	<b>20,586.68</b>	<b>—</b>	<b>54,676.26</b>
<b>Financial Liabilities</b>					
Other financial liabilities	28	—	12.93	—	12.93
<b>Total Financial Liabilities</b>		<b>—</b>	<b>12.93</b>	<b>—</b>	<b>12.93</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 41. FAIR VALUE MEASUREMENTS (Contd.)****(b) Fair value disclosure of Financial Assets and Financial Liabilities measured at amortised cost:**

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2023</b>					
<b>Financial assets</b>					
Trade receivables	14	—	—	15,651.95	15,651.95
Cash and cash equivalents	15	—	—	357.22	357.22
Bank balances other than cash and cash equivalents	16	—	—	8,336.75	8,336.75
Loans	9 and 17	—	—	124.96	124.96
Other financial assets	10 and 18	—	—	1,438.28	1,438.28
<b>Total Financial Assets</b>		<b>—</b>	<b>—</b>	<b>25,909.16</b>	<b>25,909.16</b>
<b>Financial liabilities</b>					
Borrowings	25	—	—	89.08	89.08
Trade payables	26	—	—	10,684.92	10,684.92
Other financial liabilities	28	—	—	534.45	534.45
<b>Total Financial Liabilities</b>		<b>—</b>	<b>—</b>	<b>11,308.45</b>	<b>11,308.45</b>

Particulars	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2022</b>					
<b>Financial assets</b>					
Trade receivables	14	—	—	19,920.77	19,920.77
Cash and cash equivalents	15	—	—	3,030.76	3,030.76
Bank balances other than cash and cash equivalents	16	—	—	3,767.04	3,767.04
Loans	9 and 17	—	—	136.81	136.81
Other financial assets	10 and 18	—	—	858.65	858.65
<b>Total Financial Assets</b>		<b>—</b>	<b>—</b>	<b>27,714.03</b>	<b>27,714.03</b>
<b>Financial liabilities</b>					
Borrowings	25	—	—	523.53	523.53
Trade payables	26	—	—	18,044.78	18,044.78
Other financial liabilities	28	—	—	443.69	443.69
<b>Total Financial Liabilities</b>		<b>—</b>	<b>—</b>	<b>19,012.00</b>	<b>19,012.00</b>

The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

- Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.
- Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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 considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.
- Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Group carries such instruments at cost less impairment, if applicable.

**(v) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- Investments in quoted equity instruments are valued using the closing price at National Stock Exchange (NSE) at the reporting period.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with the Authorised Dealers dealing in foreign exchange.
- the Net Assets Value ('NAV') for valuation of mutual fund investment represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors at the reporting period.
- Fair value of investment in unquoted equity shares is arrived based on Comparable Company Market ('CCM') Multiples Method by applying EV/EBITDA multiple or Price / Earning ('PE') multiple of comparable listed companies on maintainable operating EBITDA/earnings of the investee companies. The same is further adjusted, as appropriate, for surplus assets (cash and cash equivalent, investments, interest accrued on deposits), debts, deferred tax assets/ liabilities and contingent liabilities.

- (vi)** Increase in EV / EBITDA multiple or PE multiple, as applicable by 5% would increase fair value of unquoted equity shares by INR 1,192.02 lakhs (March 31, 2022: INR 961.80 lakhs). Decrease in such multiple by 5% would have equal and opposite impact on fair value of unquoted equity shares of INR 26,289.36 lakhs (March 31, 2022: INR 20,467.66 lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FINANCIAL RISK MANAGEMENT**

In the course of its business, the Group is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Group's objectives, policies and processes for managing its financial risk. The key risks and mitigating actions are also placed before the Board of Directors of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group manages the risk through the finance department that ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to:

- protect the Group's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group's financial investments, while maximising returns.

The note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

**(A) Credit Risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed.

Credit risk arises from cash and cash equivalents, balances with banks and financial institutions and favourable derivative financial instruments, credit exposures to customers and other outstanding receivables such as security deposits, loans to employees etc.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

For banks and financial institutions, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, past experience, analysis of historical bad debts, ageing of financial assets and other factors. Individual risk limits are set and periodically reviewed on the basis of such information. For certain trade receivables, the Group also obtains security in the form of guarantees, deed of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

The Group has assessed its loans and other financial assets including security deposits and other receivables as high quality, negligible credit risk. The Group periodically monitors the recoverability and credit risks of its other financial assets. The Group evaluates 12 months expected credit losses for all the financial assets (other than trade receivable and contract assets) for which credit risk has not increased. In case credit risk has increased significantly, the Group considers lifetime expected credit losses for the purpose of impairment provisioning.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix by taking into consideration payment profiles of chemical sales over a period of 24 months and Environment and Biotech sales over a period of 36 months before the reporting date and the corresponding historical credit loss experience within this period. The historical loss rates are adjusted to reflect the current and forward looking information on macro economic factors affecting the ability of customers to settle receivables. The expected credit loss is based on aging of days, the receivables due and the expected credit loss rate. In addition, in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provision are made after evaluating the relevant facts and expected recovery. The provision matrix at the end of the reporting period is as follows:

**(i) Summary of trade receivables and provision with aging as at March 31, 2023**

Particulars	Gross carrying amount	Average expected loss %	Expected credit losses	Specific loss allowance	Net carrying amount
Not due (including unbilled)	11,412.48	0.04%	4.06	—	11,408.42
0-90 days	3,521.06	0.39%	13.74	0.15	3,507.17
091-180 days	620.68	4.07%	25.29	—	595.39
181-270 days	116.10	9.55%	11.09	—	105.01
271-360 days	12.95	11.60%	1.50	0.02	11.43
361-730 days	26.48	23.28%	6.12	0.19	20.17
> 730 days	115.45	90.60%	42.02	69.07	4.36
<b>Total</b>	<b>15,825.20</b>		<b>103.82</b>	<b>69.43</b>	<b>15,651.95</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FINANCIAL RISK MANAGEMENT** (Contd.)**(ii) Summary of trade receivables and provision with aging as at March 31, 2022**

Particulars	Gross carrying amount	Average expected loss %	Expected credit losses	Specific loss allowance	Net carrying amount
Not due (including unbilled)	15,235.81	0.05%	7.52	—	15,228.29
0-90 days	4,121.34	0.46%	18.76	—	4,102.58
091-180 days	369.99	8.35%	30.90	—	339.09
181-270 days	167.18	15.40%	25.74	—	141.44
271-360 days	23.38	20.83%	4.87	—	18.51
361-730 days	216.77	36.34%	48.78	82.54	85.45
> 730 days	101.27	94.14%	87.02	8.84	5.41
<b>Total</b>	<b>20,235.74</b>		<b>223.59</b>	<b>91.38</b>	<b>19,920.77</b>

**(iii) Reconciliation of loss allowance provision-Trade receivables**

Particular	Year ended March 31, 2023	Year ended March 31, 2022
Loss allowance at the beginning of the year	314.97	288.89
Add: Provision made	—	26.08
Less: Provision utilised	(27.62)	—
Less: Provision reversed	(114.10)	—
<b>Loss allowance at the end of the year</b>	<b>173.25</b>	<b>314.97</b>

Of the trade receivables balance as at March 31, 2023, INR 1,644.61 lakhs (as at March 31, 2022: INR 2,346.43 lakhs) is due from a single customer. There are no other customer who represent more than 10% of trade receivables.

**(iv)** Financial assets at FVTPL and at FVTOCI: The Group is also exposed to credit risks in relation to financial assets that are measured at FVTPL or at FVTOCI. The maximum exposure at the end of the reporting period is the carrying amount of these assets.

**(B) Liquidity risk**

The Group determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long term needs.

The Group manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain financial assets (including mutual funds and deposits with banks) which provide flexibility to liquidate at short notice and are included in current investments and cash equivalents. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required, which are reviewed periodically.

The Group has plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

**(i) Financing Arrangement**

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particular	Year ended March 31, 2023	Year ended March 31, 2022
Cash Credit and other working capital facilities – Fixed rate	—	—
Cash Credit and other working capital facilities – Floating rate	8,610.92	8,176.47
	<b>8,610.92</b>	<b>8,176.47</b>

Undrawn limit has been calculated based on the available drawing power and sanctioned amount at each reporting date. The working capital facilities may be drawn at any time.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FINANCIAL RISK MANAGEMENT (Contd.)**

**(ii) Maturities of financial liabilities**

The Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total	Carrying Amount
<b>As at March 31, 2023</b>							
Borrowings	25	89.08	—	—	—	89.08	89.08
Lease liabilities	22 and 27	14.00	14.00	14.00	693.00	735.00	178.33
Trade payables	26	10,684.92	—	—	—	10,684.92	10,684.92
Other financial liabilities	28	534.45	—	—	—	534.45	534.45
<b>Total non-derivative liabilities</b>		<b>11,322.45</b>	<b>14.00</b>	<b>14.00</b>	<b>693.00</b>	<b>12,043.45</b>	<b>11,486.78</b>
Forward contracts for hedge purpose	28	18.66	—	—	—	18.66	18.66
<b>Total derivative liabilities</b>		<b>18.66</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>18.66</b>	<b>18.66</b>

Particulars	Notes	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total	Carrying Amount
<b>As at March 31, 2022</b>							
Borrowings	25	523.53	—	—	—	523.53	523.53
Lease liabilities	22 and 27	56.08	14.00	14.00	707.00	791.08	217.51
Trade payables	26	18,044.78	—	—	—	18,044.78	18,044.78
Other financial liabilities	28	443.69	—	—	—	443.69	443.69
<b>Total non-derivative liabilities</b>		<b>19,068.08</b>	<b>14.00</b>	<b>14.00</b>	<b>707.00</b>	<b>19,803.08</b>	<b>19,229.51</b>
Forward contracts for hedge purpose	28	12.93	—	—	—	12.93	12.93
<b>Total derivative liabilities</b>		<b>12.93</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12.93</b>	<b>12.93</b>

**(C) Market risk**

The market risk for the Group comprises of risk from movements in foreign currency exchange rates, interest rates and market prices.

**(i) Foreign exchange risk**

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and a portion of its business is transacted in multiple currencies and therefore the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group takes decision to hedge by forming view after discussions with its advisors and as per policies set by Management.

**Foreign exchange derivatives and exposures outstanding as at Balance Sheet date**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FINANCIAL RISK MANAGEMENT (Contd.)****The Group's exposure to foreign currency risk at the end of the reporting period:**

Particulars	Currency	In Foreign Currency in Lakhs	In INR Lakhs	In Foreign Currency in Lakhs	In INR Lakhs
<b>(i) Financial assets</b>					
Export receivables	USD	21.46	1,763.37	70.77	5,362.95
Export receivables	EURO	7.30	653.13	21.29	1,791.55
Bank balances	USD	—*	0.03	—*	0.03
Less: Exposure hedged through foreign currency forward contracts					
Export receivables	USD	15.07	1,237.91	44.79	3,393.87
Export receivables	EURO	6.72	600.84	14.06	1,182.78
<b>Foreign currency exposure (net of forward contracts)</b>					
Export receivables	USD	6.39	525.46	25.98	1,969.08
Export receivables	EURO	0.58	52.29	7.23	608.77
Bank balances	USD	—*	0.03	—*	0.03
<b>(ii) Financial liabilities</b>					
Import payables	USD	36.79	3,023.40	102.22	7,746.23
Less: Exposure hedged through foreign currency forward contracts					
Import payables	USD	27.44	2,254.89	90.10	6,828.90
<b>Foreign currency exposure (net of forward contracts)</b>					
Import payables	USD	9.35	768.51	12.12	917.33

\* As at March 31, 2023 balance is of USD 37.31 (March 31, 2022: USD 37.31)

The Group has unhedged USD foreign currency payable of INR 525.46 lakhs (March 31, 2022: INR 917.33 lakhs) which will be offset by an equal amount of foreign currency receivable in the next financial year.

**Foreign currency risk sensitivity**

The table below summarises impact of increase / decrease in the exchange rate on the Group's profit or loss:

Particulars	Change in exchange rate	Increase in FC conversion rate		Decrease in FC conversion rate	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
USD / INR	5%	(12.15)	52.59	12.15	(52.59)
EURO / INR	5%	2.61	30.44	(2.61)	(30.44)
<b>Increase/(decrease) in profit or loss</b>		<b>(9.54)</b>	<b>83.03</b>	<b>9.54</b>	<b>(83.03)</b>

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Group borrows at variable as well as fixed interest rates and the same is managed by the Group by constantly monitoring the trends and expectations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 42. FINANCIAL RISK MANAGEMENT (Contd.)**

**Exposure to interest rate risk**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Variable rate borrowings	89.08	522.98
Fixed rate borrowings	—	0.55
<b>Total borrowings</b>	<b>89.08</b>	<b>523.53</b>

**Interest rate sensitivity**

**A change of 50bps in interest rates would have following impact on profit before tax**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Interest rates - increase by 50 basis point (50 bps)	(0.45)	(2.61)
Interest rates - decrease by 50 basis point (50 bps)	0.45	2.61

**(iii) Price Risk**

The Group's exposure to price risks arises from movement in market price of investments in quoted equity instruments and mutual funds, which are classified either as FVTOCI or FVTPL.

<b>Particulars</b>	<b>Increase Rate / Price</b>	<b>For the year ended</b>			
		<b>Year ended March 31, 2023</b>		<b>Year ended March 31, 2022</b>	
		<b>Gain/ (Loss) in Statement of Profit and Loss before tax</b>	<b>Gain/ (Loss) in Other Components of Equity before tax</b>	<b>Gain/ (Loss) in Statement of Profit and Loss before tax</b>	<b>Gain/ (Loss) in Other Components of Equity before tax</b>
Investments in quoted equity instruments	1%	—	299.84	—	328.93
Investments in mutual funds	1%	56.42	—	11.97	—

Decrease in prices by 1% will have equal and opposite impact in financial statements. Sensitivity analysis has been computed by stress testing the market price of the underlying price index on the investment portfolio as on the reporting date by assuming all other factors constant.

**NOTE 43. CAPITAL MANAGEMENT**

**(a) Risk Managements**

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. For achieving this, the requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing. Debt (total borrowings + lease liabilities) to equity ratio is used to monitor capital. No changes were made to the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. During the year, the Group has invested excess funds generated in fixed deposits with banks with intention to use it for purpose other than to meet short term cash commitments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 43. CAPITAL MANAGEMENT** (Contd.)

The debt equity ratio highlights the ability of a business to repay its debts.

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Total Debt (total borrowings + lease liabilities)	267.41	741.04
Total equity	124,174.70	114,934.91
Debt to equity ratio	0.22%	0.64%

**(b) Dividend**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>(i) Equity Shares</b>		
Final dividend for the year ended March 31, 2022 - INR 22.50 (March 31, 2021 - INR 11.25) per fully paid equity share, paid during the year	2,828.41	1,414.21
<b>(ii) Dividend not Recognised at the end of reporting period</b>		
In addition to the above dividend, at year end the directors have recommended the payment of final dividend of INR 11.25 (March 31, 2022 - INR 22.50) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,414.20	2,828.41

**NOTE 44. SEGMENT INFORMATION****(a) Description of segments and principal activities**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Chairman and Managing Director of the Company. The Group operates in following business segment as per Indian Accounting Standard 108 "operating segments":

- (a) **Chemicals** - Comprising of Industrial and Specialty Chemicals, Pesticides Intermediates, Polymer and Pharma Intermediates
- (b) **Environment and Biotech** - Comprising of Soil enricher, Bio-pesticides and other Bio products (E&BT).

Segment revenue includes sales, export incentives, processing charges and scrap sales.

Segment Revenue in the geographical segments considered for disclosure are as follows:

- (a) Revenue within India includes sales to customers located within India.
- (b) Revenue outside India includes sales to customers located outside India.

Segment Revenue, Results, Assets and Liabilities includes the respective amounts identifiable to each of segments and amounts allocated on a reasonable basis.

**(b) Segment Result:**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Segment Results</b>		
Chemicals	14,933.17	24,827.19
Environment and Biotech	(297.82)	256.88
<b>Total Segment Result</b>	<b>14,635.35</b>	<b>25,084.07</b>
Less: Finance Cost	217.45	193.79
Other unallocable expenditure (net of unallocable income)	3,805.01	3,544.90
Share in profit / (loss) of equity accounted investments in associates (net)	36.07	—
<b>Profit before tax</b>	<b>10,576.82</b>	<b>21,345.38</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 44. SEGMENT INFORMATION (Contd.)**

**(c) Segment Revenue:**

The segment revenue is measured in the same way as in the Statement of Consolidated Profit and Loss.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Segment Revenue (Revenue from operations)</b>		
Chemicals	106,709.99	115,253.96
Environment and Biotech	2,271.91	2,548.02
<b>Total Segment Revenue</b>	<b>108,981.90</b>	<b>117,801.98</b>
Less: Inter segment revenue	—	—
<b>Total Segment Revenue</b>	<b>108,981.90</b>	<b>117,801.98</b>
<b>Revenue from external customers:</b>		
India	85,754.71	87,258.24
Other countries	22,607.40	29,975.69
<b>Total Revenue from customers</b>	<b>108,362.11</b>	<b>117,233.93</b>
Add: Other operating revenue	619.79	568.05
<b>Total Segment Revenue</b>	<b>108,981.90</b>	<b>117,801.98</b>

**(d) Segment Assets:**

Segment assets are measured in the same way as in the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Segment Assets:</b>		
Chemicals	71,137.95	78,735.62
Environment and Biotech	1,886.22	1,986.31
Unallocated	76,233.52	67,942.65
<b>Total assets as per balance sheet</b>	<b>149,257.69</b>	<b>148,664.58</b>
Total assets of Group broken down by location of the assets, is shown below:		
India	146,841.16	141,510.05
Other countries	2,416.53	7,154.53
<b>Total Assets</b>	<b>149,257.69</b>	<b>148,664.58</b>

**(e) Segment liabilities:**

Segment liabilities are measured in the same way as in the consolidated financial statements. These liabilities are allocated based on the operations of the segment.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Segment Liabilities:</b>		
Chemicals	11,209.49	18,556.07
Environment and Biotech	498.14	467.60
Unallocated	13,375.36	14,706.00
<b>Total liabilities as per balance sheet</b>	<b>25,082.99</b>	<b>33,729.67</b>
Total liabilities of Group broken down by location of the liabilities, is shown below:		
India	22,059.59	25,983.44
Other countries	3,023.40	7,746.23
<b>Total Liabilities</b>	<b>25,082.99</b>	<b>33,729.67</b>

The Group has a customer based in India which accounted for more than 10% of the Group's total revenue. Total revenue for this customer is INR 12,584.94 lakhs. These revenues are attributed to Chemical Segment. The Group does not have any such customer accounting for more than 10% of total revenue for the year ended March 31, 2022.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45. INTEREST IN OTHER ENTITIES****(a) Subsidiaries**

The Group's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / incorporation	Ownership interest held by the Company as at	
		March 31, 2023	March 31, 2022
Excel Bio Resources Limited	India	100%	100%
Kamaljyot Investments Limited (Refer Note below)	India	100%	100%

**Note:**

The Directions under Chapter IV, Paragraph 70, and Chapter V of Master Directions - Non Banking Financial Company - Non Systematically Important Non Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India on September 1, 2016 and as updated on February 17, 2020, is not applicable to Kamaljyot Investments Limited ("Kamaljyot") since it has not accessed any public Funds and do not have any customer Interface. Hence, as per management, Kamaljyot need not comply with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable in terms of Non-Banking financial company- Non Systematically important Non Deposit taking Company (Reserve Bank) Directions, 2016.

**(b) Non-Controlling Interest (NCI)**

No NCI as group is holding 100% ownership in all subsidiaries.

**(c) Interest in Associates and Joint Venture (Refer Note 7)**

(i) Set out below are the associates and joint venture of the group as at March 31, 2023, accounted using equity method. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business / incorporation	% of ownership interest		Relationship	Carrying Amount	
		March 31, 2023	March 31, 2022		March 31, 2023	March 31, 2022
MobiTrash Recycle Ventures Private Limited*	India	39.98%	39.98%	Associate	13.42	—
Climacrew Private Limited#	India	45.37%	33.33%	Associate	—	0.10
Wexsam Limited, Hongkong**	Hong Kong	33%	33%	Joint Venture	—	—
<b>Total</b>					<b>13.42</b>	<b>0.10</b>

\* As at March 31, 2022, gross investment value was INR 0.40 lakhs and the same was fully adjusted from share of loss from associate till March 31, 2022.

# Gross Investment value as at March 31, 2023 is INR 49.49 lakhs and the same is fully adjusted from share of loss from associate.

\*\* There were no activities in Wexsam Limited, Hong Kong for past many years. Further, this entity was dissolved on July 15, 2016 and accordingly, the proportionate interest of the group in the said jointly controlled entity has not been considered in the consolidated financial statements. Further, the Group does not have any liability or contingent liability, which needs to be accounted with respect to the said jointly controlled entity.

(ii) There are no commitments and contingent liabilities in respect of associates and joint venture.

(iii) Summarised financial information for associates

Summarised balance sheet	MobiTrash Recycle Ventures Private Limited		Climacrew Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total non-current assets	76.23	115.23	5.87	—
Total current assets	478.85	99.27	31.94	0.80
Total non-current liabilities	—	—	35.00	—
Total current liabilities	521.51	276.68	4.19	5.77
<b>Net assets</b>	<b>33.57</b>	<b>(62.18)</b>	<b>(1.38)</b>	<b>(4.97)</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 45. INTEREST IN OTHER ENTITIES (Contd.)**

Reconciliation to carrying amount	MobiTrash Recycle Ventures Private Limited		Climacrew Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening net assets	(62.18)	(62.92)	0.30	—
Equity share issued by the associates	—	—	108.78	0.30
Profit / (loss) for the year	95.75	0.74	(110.46)	—
Other comprehensive income	—	—	—	—
Dividends paid	—	—	—	—
<b>Closing net assets</b>	<b>33.57</b>	<b>(62.18)</b>	<b>(1.38)</b>	<b>0.30</b>
Group's share in %	39.98%	39.98%	45.37%	33.33%
Group's share in INR (refer note below)	13.42	—	—	0.10
<b>Carrying amount of investments in associates</b>	<b>13.42</b>	<b>—</b>	<b>—</b>	<b>0.10</b>

Note: The Company has accounted its share of losses in associates to the extent of investment value as it doesn't have any legal or constructive obligations on behalf of associates.

Summarised statement of profit and loss	MobiTrash Recycle Ventures Private Limited		Climacrew Private Limited	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue	659.17	235.90	0.19	—
Total expenses	519.29	242.78	105.38	5.27
Tax expenses	44.14	(7.62)	—	—
Profit / (loss) for the year	95.74	0.74	(105.19)	(5.27)
Other comprehensive income	—	—	—	—
Total comprehensive income	95.74	0.74	(105.19)	(5.27)
Dividends received	—	—	—	—
Group's share of profit / (loss) from associates	13.42	—	(49.49)	—

**NOTE 46. RELATED PARTY DISCLOSURES AS PER IND AS 24**

**1. Name of related parties and nature of relationship:**

**(a) Parent entity**

The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest as at	
			March 31, 2023	March 31, 2022
Anshul Specialty Molecules Private Limited	Immediate and Ultimate Parent Company	India	42.63%	42.63%

**(b) Associates**

Climacrew Private Limited (with effect from January 7, 2022)

Mobitrash Recycle Ventures Private Limited



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)****(c) Key Management Personnel (KMP)****— Executive Directors**

Mr. Ashwin C. Shroff (Executive Chairman)  
 Late Mrs. Usha A. Shroff (Executive Vice Chairperson upto April 29, 2019)  
 Mr. Ravi A. Shroff (Managing Director)  
 Mr. Hrishit A. Shroff (Executive Director)

**— Non-Executive Directors (Independent Directors)**

Mr. Ramchandra N. Bhogale (Independent Director)  
 Mr. Harish N. Motiwala (Independent Director)  
 Mr. Priyam S. Jhaveri (Independent Director)  
 Mr. Madhukar B. Parekh (Independent Director)  
 Mr. Shailesh S. Vaidya (Independent Director)  
 Mr. Rajeev M. Pandia (Independent Director)  
 Mr. Dipesh K. Shroff (Non-Executive Director)  
 Mr. Atul G. Shroff (Non-Executive Director)  
 Mrs. Dr. Meena A. Galliarra (Non-Executive Director)  
 Mr. Collu Vikas Rao (Nominee Director - LIC, w.e.f. March 25, 2022 upto March 24, 2023)  
 Mr. Dinesh Bhagat (Nominee Director - LIC, w.e.f. March 24, 2023)

**(d) Relatives of KMP with whom transactions have taken place:**

Mrs. Anshul A. Bhatia (Daughter of Mr. Ashwin C. Shroff)

**(e) Enterprise over which KMP or their relative have significant influence and transactions have taken place:**

Agrocel Industries Private Limited  
 Anshul Life Sciences  
 C C Shroff Research Institute  
 Chromosome Labs Private Limited  
 Divakar Techno Specialities & Chemicals Private Limited  
 Indian Centre for Climate and Societal Impact Research  
 Mibiome Therapeutics LLP  
 Pidilite Industries Limited  
 Rashtriya Seva Trust  
 Shree Vivekanand Research and Training Institute  
 Shroff Family Charitable Trust  
 Shroff Foundation Trust  
 Shrujan Creations  
 Shrujan Trust  
 TML Industries Limited  
 Transchem Agritech Private Limited  
 Transpek Industry (Europe) Limited  
 Transpek Industry Limited

**(f) Other related parties with whom there are transactions during the year:**

Excel Industries Limited, Employees Group Gratuity Fund - Post-employment benefits plan

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

**2. Related Party Transaction**

**Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Particulars	Sale of goods	Rent Income	Interest re-ceived	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commis-sion	Reimburse-ment of Expenses from	Contri-bution to fund	Salary, Bonus, contribution to PF & Commission	Deposit u/s. 160 of Companies Act 2013	Director's Sitting fees	CSR / Donation Expendi-ture
<b>Parent entity</b>													
Anshul Specialty Molecules Private Limited	14.69	55.27	—	11.92	8.50	1,205.70	—	—	—	—	—	—	—
	0.32	52.63	—	3.57	9.38	602.85	—	—	—	—	—	—	—
<b>Associate</b>													
Mobitrash Recycle Ventures Private Limited	0.52	0.26	—	0.02	—	—	—	44.35	—	—	—	—	—
	—	0.14	—	—	—	—	—	—	—	—	—	—	—
<b>Enterprises controlled or significantly influenced by key management personnel or their relatives</b>													
Agrocel Industries Private Limited	15.63	—	—	—	—	—	—	—	—	—	—	—	—
	3.43	—	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry Limited	—	—	—	—	—	35.25	—	—	—	—	—	—	—
	—	—	—	—	—	17.62	—	—	—	—	—	—	—
Divakar Techno Specialities & Chemicals Private Limited	—	—	—	—	—	—	32.72	—	—	—	—	—	—
	—	—	—	—	—	—	28.24	—	—	—	—	—	—
C C Shroff Research Institute	—	0.09	—	—	—	—	—	—	—	—	—	—	—
	0.90	0.14	—	—	—	—	—	—	—	—	—	—	—
Transpek Industry (Europe) Limited	—	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	(0.65)	—	—	—	—	—	—	—	—
TML Industries Limited	—	—	12.30	—	—	—	—	—	—	—	—	—	—
	—	—	12.30	—	—	—	—	—	—	—	—	—	—
Shree Vivekanand Research and Training Institute	0.64	—	—	—	—	—	—	—	—	—	—	—	192.60
	0.37	—	—	—	—	—	—	—	—	—	—	—	198.05
Rashtriya Seva Trust	—	—	—	—	—	—	—	—	—	—	—	—	20.00
	—	—	—	—	—	—	—	—	—	—	—	—	—
Shroff Family Charitable Trust	—	4.05	—	—	—	—	—	—	—	—	—	—	—
	—	3.86	—	—	—	—	—	—	—	—	—	—	—
Shrujan Trust	—	—	—	—	—	—	—	—	—	—	—	—	25.00
	—	—	—	—	—	—	—	—	—	—	—	—	15.00
Shrujan Creations	—	—	—	0.57	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Indian Centre for Climate and Societal Impact Research	—	—	—	—	—	—	—	—	—	—	—	—	40.00
	—	—	—	—	—	—	—	—	—	—	—	—	50.00
Shroff Foundation Trust	—	—	—	—	—	—	—	—	—	—	—	—	25.00
	—	—	—	—	—	—	—	—	—	—	—	—	40.00
Pidilite Industries Limited	2.86	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Anshul Life Sciences	—	—	—	—	13.23	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Chromosome Labs Private Limited	—	—	—	—	5.97	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Mibiome Therapeutics LLP	—	—	—	—	0.24	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Transchem Agritech Private Limited	—	—	—	—	0.15	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

Particulars	Sale of goods	Rent Income	Interest received	Purchase of traded goods	Purchase of Services	Dividend Paid	Sales commission	Reimbursement of Expenses from	Contribution to fund	Salary, Bonus, contribution to PF & Commission	Deposit u/s. 160 of Companies Act 2013	Director's Sitting fees	CSR / Donation Expenditure
<b>Other related parties with whom there are transactions during the year:</b>													
Excel Industries Limited, Employees Group Gratuity Fund	—	—	—	—	—	—	—	—	<b>269.00</b>	—	—	—	—
	—	—	—	—	—	—	—	—	<i>490.00</i>	—	—	—	—
<b>Key management personnel and their relatives</b>													
Mr. Ashwin C. Shroff	—	—	—	—	—	<b>23.19</b>	—	—	—	<b>343.66</b>	<b>1.00</b>	—	—
	<i>0.05</i>	—	—	—	—	<i>9.35</i>	—	—	—	<i>443.11</i>	<i>1.00</i>	—	—
Late Mrs. Usha A. Shroff	—	—	—	—	—	<b>1.46</b>	—	—	—	—	—	—	—
	—	—	—	—	—	<i>0.73</i>	—	—	—	—	—	—	—
Mr. Ravi A. Shroff	—	—	—	—	—	<b>10.73</b>	—	—	—	<b>414.99</b>	—	—	—
	—	—	—	—	—	<i>5.36</i>	—	—	—	<i>544.43</i>	—	—	—
Mr. Hrishit A. Shroff	—	—	—	—	—	<b>10.73</b>	—	—	—	<b>261.02</b>	—	—	—
	—	—	—	—	—	<i>5.36</i>	—	—	—	<i>338.23</i>	—	—	—
Mr. Ramchandra N. Bhogale	—	—	—	—	—	—	—	—	—	<b>8.00</b>	—	<b>7.00</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>3.70</i>	—
Mr. Harish N. Motiwala	—	—	—	—	—	—	—	—	—	<b>8.00</b>	—	<b>9.10</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>4.50</i>	—
Mr. Priyam S. Jhaveri	—	—	—	—	—	—	—	—	—	<b>8.00</b>	—	<b>5.60</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>2.80</i>	—
Mr. Madhukar B. Parekh	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>2.40</b>	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>0.80</i>	—
Mr. Shailesh S. Vaidya	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>3.50</b>	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>1.40</i>	—
Mr. Rajeev M. Pandia	—	—	—	—	—	—	—	—	—	<b>10.00</b>	—	<b>7.80</b>	—
	—	—	—	—	—	—	—	—	—	<i>14.00</i>	—	<i>3.20</i>	—
Mr. Dipesh K. Shroff	<b>0.04</b>	—	—	—	—	<b>1.94</b>	—	—	—	<b>6.00</b>	—	<b>3.30</b>	—
	—	—	—	—	—	<i>0.97</i>	—	—	—	<i>10.50</i>	—	<i>1.40</i>	—
Mr. Atul G. Shroff	—	—	—	—	—	<b>13.45</b>	—	—	—	<b>6.00</b>	—	<b>2.50</b>	—
	—	—	—	—	—	<i>6.73</i>	—	—	—	<i>10.50</i>	—	<i>1.20</i>	—
Dr. Meena Gallilara	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>4.20</b>	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>1.70</i>	—
Mr. Praveen Kumar Molri	—	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	<i>10.50</i>	—	<i>0.40</i>	—
Mr. Collu Vikas Rao	—	—	—	—	—	—	—	—	—	<b>6.00</b>	—	<b>1.50</b>	—
	—	—	—	—	—	—	—	—	—	—	—	<i>0.20</i>	—
Mr. Dinesh Bhagat	—	—	—	—	—	—	—	—	—	—	—	<b>0.50</b>	—
	—	—	—	—	—	—	—	—	—	—	—	—	—
Mrs. Anshul A. Bhatia	—	—	—	—	—	<b>4.86</b>	—	—	—	—	—	—	—
	—	—	—	—	—	<i>2.43</i>	—	—	—	—	—	—	—

Amount in bold represent the amount of March 31, 2023 and amount in italics represent amount of March 31, 2022.

\* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are not determinable. Further, remuneration to key managerial personnel includes INR 45.48 lakhs (March 31, 2022: INR 40.99 lakhs) towards contribution to provident fund and other funds. The remaining remuneration to KMPs are in nature of short term employment benefit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 46. RELATED PARTY DISCLOSURES AS PER IND AS 24 (Contd.)**

**3. Outstanding Balances**

Particulars	As at March 31, 2023	As at March 31, 2022
The following balances are outstanding at the end of the reporting period in relation to transactions with related parties		
<b>Trade receivables:</b>		
Anshul Specialty Molecules Private Limited	5.45	—
C C Shroff Research Institute	0.04	—
Mobitrash Recycle Ventures Private Limited	0.02	—
Agrocel Industries Private Limited	0.19	0.16
<b>Other receivables:</b>		
Mobitrash Recycle Ventures Private Limited	44.35	—
Agrocel Industries Private Limited	10.00	10.00
TML Industries Limited (including interest accrued of INR 7.65 lakhs (March 31, 2022: INR 2.05 lakhs))	107.65	102.05
<b>Trade payables:</b>		
Anshul Specialty Molecules Private Limited	14.07	—
Divakar Techno Specialities & Chemicals Private Limited	13.65	9.19
Mr. Ashwin C. Shroff	115.41	225.02
Mr. Ravi A. Shroff	175.49	329.39
Mr. Hrishit. A. Shroff	119.27	208.79
Mr. Ramchandra N. Bhogale	8.00	14.00
Mr. Harish N. Motiwala	8.00	14.00
Mr. Priyam S. Jhaveri	8.00	14.00
Mr. Madhukar B. Parekh	6.00	10.50
Mr. Shailesh S. Vaidya	6.00	10.50
Mr. Rajeev M. Pandia	10.00	14.00
Mr. Dipesh K. Shroff	6.00	10.50
Mr. Atul G. Shroff	6.50	10.50
Mrs. Dr. Meena A. Galliara	6.00	10.50
Mr. Praveen Kumar Molri	—	10.50
Mr. Collu Vikas Rao	6.00	—
<b>Other payables:</b>		
Anshul Specialty Molecules Private Limited	7.00	7.00
Mr. Ashwin C. Shroff	1.00	1.00

**(4) Additional disclosure for loans and advances in terms of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 and as per Section 186(4) of the Companies Act, 2013**

Particulars	Purpose of Loan	As at March 31, 2023	As at March 31, 2022
<b>Loans to - TML Industries Limited (by subsidiaries)</b>			
Balance as at year end (Principal)	<b>Business</b>	100.00	100.00
Maximum amount outstanding at any time during the year (Principal)	<b>Purpose</b>	100.00	100.00

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 47. CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS****(a) Contingent Liabilities:**

<b>Particular</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Income tax	14.80	321.91
Excise duty	39.86	39.86
Sales tax	—	17.89
Custom duty	144.88	144.88
Claims against the Group not acknowledged as debts	36.28	36.28
Liability in respect of claims made by workers and contract labourers	Amount not ascertainable	Amount not ascertainable

- (i) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities pending resolution of the respective proceedings as it is determinable only on the receipt of judgments / decisions pending with various forums / authorities.
- (ii) The Group does not except any reimbursements in respect of the above contingent liabilities.
- (iii) The Group's pending litigation comprises of claims against the Group made by workers / others and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities, where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements.

**(b) Contingent Assets:**

The Group did not have any contingent assets as at the end of the year.

**(c) Commitments:**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>(i) Capital commitments</b>		
Capital expenditure contracted at the end of reporting period but not recognised as liabilities is as follows:		
Gross capital commitment	393.71	712.08
Less: Capital advance (Refer Note 11)	62.92	40.35
<b>Net capital commitments</b>	<b>330.79</b>	<b>671.73</b>
<b>(ii) Other commitments</b>		
For other commitments relating to lease arrangements - (Refer Note 42(B)(ii))		

**NOTE 48. EARNINGS PER SHARE**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Earnings per equity share attributable to the equity holders (in INR)</b>		
(a) Basic earnings per share	63.59	128.24
(b) Diluted earnings per share	63.59	128.24
<b>Earnings used in calculating earnings per share</b>		
<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>Basic earnings per share</b>		
Profit / (Loss) attributable to the equity holders used in calculating basic earnings per share	7,993.55	16,120.25
<b>Diluted earnings per share</b>		
Profit / (Loss) attributable to the equity holders used in calculating basic earnings per share	7,993.55	16,120.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 48. EARNINGS PER SHARE (Contd.)**

**Weighted average number of shares used as the denominator**

Particulars	Year ended March 31, 2023 Number of shares	Year ended March 31, 2022 Number of shares
Weighted average number of equity shares used as the denominator in calculating basic earning per share	12,570,692	12,570,692
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	12,570,692	12,570,692

**NOTE 49. DISCLOSURE IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>a) Details related to spent / unspent obligations:</b>		
i) Contribution to charity foundations	289.10	299.98
ii) Contribution to slum rehabilitation program	—	—
iii) Accrual towards unspent obligations in relation to:		
— Ongoing project	—	—
— Other than ongoing project	—	—
<b>Total</b>	<b>289.10</b>	<b>299.98</b>
b) Gross amount required to be spent by the Group during the year	285.00	289.01
c) Amount spent during the year on:		
i) Construction/acquisition of any asset	—	—
ii) On purposes other than (i) above	289.10	299.98

**Details of ongoing CSR projects under Section 135(6) of the Act**

Particulars	Balance at the beginning of the year		Amount required to be spent during the year	Amount spent during the year		Balance at the end of the year	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
For the year ended March 31, 2023	—	—	—	—	—	—	—
For the year ended March 31, 2022	—	—	—	—	—	—	—

**Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects**

Particulars	Balance unspent at the beginning of the year	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year
For the year ended 31 March 2023	—	—	285.00	289.10	—
For the year ended 31 March 2022	—	—	289.01	299.98	—

Note: The Group does not wish to carry forward excess amount spent during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 50. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013**

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
<b>Excel Industries Limited</b>								
March 31, 2023	79.86%	99,171.84	98.14%	7,845.11	21.66%	882.46	72.32%	8,727.57
March 31, 2022	81.15%	93,272.68	99.35%	16,015.92	47.00%	7,085.57	74.05%	23,101.49
<b>Subsidiaries</b>								
<b>Excel Bio Resources Limited</b>								
March 31, 2023	0.06%	69.56	0.03%	2.38	0.00%	—	0.02%	2.38
March 31, 2022	0.06%	67.18	0.02%	2.46	0.00%	—	0.01%	2.46
<b>Kamaljyot Investments Limited</b>								
March 31, 2023	20.45%	25,391.24	2.78%	222.13	78.34%	3,192.18	28.29%	3,414.31
March 31, 2022	19.16%	22,016.92	0.88%	141.87	53.00%	7,989.25	26.07%	8,131.12
<b>Associate and Joint venture</b>								
March 31, 2023	0.00%	—	—0.45%	(36.07)	0.00%	—	—0.30%	(36.07)
March 31, 2022	0.00%	—	0.00%	—	0.00%	—	0.00%	—
<b>Consolidation elimination</b>								
March 31, 2023	—0.37%	(457.94)	—0.50%	(40.00)	0.00%	—	—0.33%	(40.00)
March 31, 2022	—0.37%	(421.87)	—0.25%	(40.00)	0.00%	—	—0.13%	(40.00)
<b>Total</b>								
March 31, 2023	100%	124,174.70	100%	7,993.55	100%	4,074.64	100%	12,068.19
March 31, 2022	100%	114,934.91	100%	16,120.25	100%	15,074.82	100%	31,195.07

**NOTE 51. DISCLOSURE IN RELATION TO IND AS 116**

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 5. The Group leases various lands and buildings (residential premises). Rental contracts are made for 33 to 99 years in case of land and 3 years for building as per respective lease agreement, but may have extension options as described in (iii) below.

**(i) Amounts recognised in balance sheet**

Particulars	Building	Land	Total
<b>Year ended March 31, 2023</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	92.53	92.30	184.83
Depreciation charged for the year	30.84	40.14	70.98
<b>Closing accumulated depreciation</b>	<b>123.37</b>	<b>132.44</b>	<b>255.81</b>
<b>Net carrying amount</b>	<b>1.78</b>	<b>2,149.31</b>	<b>2,151.09</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 51. DISCLOSURE IN RELATION TO IND AS 116** (Contd.)

<b>Particulars</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	125.15	2,281.75	2,406.90
Addition	—	—	—
<b>Closing gross carrying amount</b>	<b>125.15</b>	<b>2,281.75</b>	<b>2,406.90</b>
<b>Accumulated depreciation</b>			
Opening accumulated depreciation	61.69	55.71	117.40
Depreciation charged for the year	30.84	36.59	67.43
<b>Closing accumulated depreciation</b>	<b>92.53</b>	<b>92.30</b>	<b>184.83</b>
<b>Net carrying amount</b>	<b>32.62</b>	<b>2,189.45</b>	<b>2,222.07</b>

The following is the break-up of current and non-current lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Lease Liability</b>		
Non-current (Refer Note 22)	178.09	178.33
Current (Refer Note 27)	0.24	39.18
	<b>178.33</b>	<b>217.51</b>

The following is the movement in lease liabilities.

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Opening balance	217.51	251.06
Additions	—	—
Finance charge accrued during the year	16.90	19.59
Deduction	—	—
Payment of lease liability	(56.08)	(53.14)
<b>Closing balance as at year end</b>	<b>178.33</b>	<b>217.51</b>

**(ii) Amounts recognised in the statement of consolidated profit and loss**

Following are the expenses recognised in the Statement of Consolidated Profit and Loss :

<b>Particulars</b>	<b>Notes</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Depreciation charge of right-of-use assets			
Building	37	30.84	30.84
Land	37	40.14	36.59
Interest expense on lease liabilities	39	16.90	19.59
Expenses relating to short-term leases (Included in Other expenses)	38	299.52	403.09
Expenses relating to leases of low-value assets that are not shown above as short-term leases (Included in Other expenses)	38	45.53	52.53

The total cash outflow for leases for the year ended March 31, 2023 was INR 56.08 lakhs (March 31, 2022 INR 53.14 lakhs)

**(iii) Extension and termination options**

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. All extension options held are exercisable by the Group and termination rights are held by the Group and lessor both as per the respective lease agreements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 52. AGING OF CAPITAL WORK-IN-PROGRESS****(a) Aging of CWIP :**

Particulars	Amount of capital work-in-progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>					
(i) Projects in progress	1,427.86	492.94	0.56	10.00	1,931.36
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,427.86</b>	<b>492.94</b>	<b>0.56</b>	<b>10.00</b>	<b>1,931.36</b>
<b>As at 31 March 2022</b>					
(i) Projects in progress	1,301.43	808.82	10.00	—	2,120.25
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>1,301.43</b>	<b>808.82</b>	<b>10.00</b>	<b>—</b>	<b>2,120.25</b>

**(b) Completion schedule for capital work-in-progress whose completion is overdue as compared to its original plan:**

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>					
(i) Projects in progress New Research and Development facility, Mumbai	464.91	—	—	—	464.91
(ii) Projects temporarily suspended	—	—	—	—	—
<b>Total</b>	<b>464.91</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>464.91</b>

As at March 31, 2023, there were no projects which has exceeded its cost compared to original plan. As at March 31, 2022, there were no projects whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTE 53. AGING OF TRADE RECEIVABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date					Total
			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>								
Undisputed Trade Receivables considered good	47.01	11,365.47	4,141.59	129.03	26.29	20.75	25.63	15,755.77
which have significant increase in credit risk	—	—	0.15	0.02	0.19	59.68	9.39	69.43
credit impaired	—	—	—	—	—	—	—	—
Disputed Trade receivables considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>47.01</b>	<b>11,365.47</b>	<b>4,141.74</b>	<b>129.05</b>	<b>26.48</b>	<b>80.43</b>	<b>35.02</b>	<b>15,825.20</b>
<b>As at 31 March 2022</b>								
Undisputed Trade Receivables considered good	146.91	15,088.90	4,491.33	190.56	134.23	39.18	53.25	20,144.36
which have significant increase in credit risk	—	—	—	—	82.54	8.84	—	91.38
credit impaired	—	—	—	—	—	—	—	—
Disputed Trade receivables considered good	—	—	—	—	—	—	—	—
which have significant increase in credit risk	—	—	—	—	—	—	—	—
credit impaired	—	—	—	—	—	—	—	—
<b>Total</b>	<b>146.91</b>	<b>15,088.90</b>	<b>4,491.33</b>	<b>190.56</b>	<b>216.77</b>	<b>48.02</b>	<b>53.25</b>	<b>20,235.74</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023  
(All amounts in INR lakhs, unless otherwise stated)

**NOTE 54. AGING OF TRADE PAYABLES**

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2023</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	517.68	156.64	3.73	—	—	678.05
Others	993.21	7,411.23	1,597.83	1.25	0.99	2.36	10,006.87
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>993.21</b>	<b>7,928.91</b>	<b>1,754.47</b>	<b>4.98</b>	<b>0.99</b>	<b>2.36</b>	<b>10,684.92</b>
<b>As at 31 March 2022</b>							
Undisputed Trade Payables							
Micro enterprises and small enterprises	—	1,431.55	0.83	—	—	—	1,432.38
Others	1,493.82	13,791.05	1,317.14	7.52	1.49	1.38	16,612.40
Disputed Trade Payables							
Micro enterprises and small enterprises	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—
<b>Total</b>	<b>1,493.82</b>	<b>15,222.60</b>	<b>1,317.97</b>	<b>7.52</b>	<b>1.49</b>	<b>1.38</b>	<b>18,044.78</b>

**NOTE 55.**

The Group has given closure notice of Municipal Solid Waste (MSW) processing plant to Ahmedabad Municipal Corporation effective from October 1, 2023. Accordingly, the Group has recognized impairment loss of INR 65.23 lakhs on property, plant and equipment and inventory write off of INR 60.57 lakhs pertaining to Environment and Biotech segment for the year ended March 31, 2023.

**NOTE 56.**

During the year ended March 31, 2023 the Group has reclassified following comparative. This reclassification is primarily to conform to the current years classification, which do not have material impact on consolidated financial statements.

Description	Previously reported amount	Revised amount	Change	Purpose
Intangible assets	1,918.99	—	(1,918.99)	For better presentation
Goodwill (Refer Note 6)	—	1,885.28	1,885.28	For better presentation
Other intangible assets (Refer Note 6)	—	33.71	33.71	For better presentation

**NOTE 57. OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts. During the year, the Group did not have any borrowings from the financial institutions on the basis of security of current assets.

(iii) Wilful defaulter

The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

Name of Struck off company	Nature of Transaction with Struck off company	Outstanding as at March 31, 2023	Outstanding as at March 31, 2022	Relationship with the struck off company
Vaishak Shares Limited	Dividend Paid on 1 equity share	—	—	Shareholder

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in INR lakhs, unless otherwise stated)

**NOTE 57. OTHER REGULATORY INFORMATION REQUIRED BY SCHEDULE III (Contd.)**

- (v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

- (vi) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

- (vii) Utilisation of borrowed funds and share premium

The Group 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 Group (Ultimate Beneficiaries) or

- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group 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 Group 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 books of account.

- (ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

- (x) Valuation of property, plant and equipment, right of use assets, intangible asset and investment property;

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

- (xi) Utilisation of borrowings availed from banks and financial institutions;

The borrowings obtained by the Group from banks and financial institutions, have been applied for the purpose for which such loans were taken.

- (xii) 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 statutory period.

- (xiii) Title deeds of immovable properties not held in name of the Group;

The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 - Property, plant and equipment, Note 4 - Right-of-use assets and Note 5 - investment property are held in the name of the Group.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No.: 012754N/N500016

BHAVESH GADA  
Partner  
Membership No.: 117592

Place : Mumbai  
Date: May 16, 2023

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
Executive Chairman  
DIN: 00019952

N.R. KANNAN  
Chief Executive Officer

Place : Mumbai  
Date: May 16, 2023

RAVI A. SHROFF  
Managing Director  
DIN: 00033505

DEVENDRA P. DOSI  
Chief Financial Officer

HRISHIT A. SHROFF  
Executive Director  
DIN: 00033693

SURENDRA K. SINGHVI  
Company Secretary

## Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

#### PART A - Subsidiaries

₹ in lakhs

Sr. No.	Particulars	Name of the Subsidiary	
		Kamaljyot Investments Limited	Excel Bio Resources Limited
1	The date on which the subsidiaries were incorporated	August 9, 1983	December 18, 2007
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	NA	NA
4	Share capital	199.98	51.00
5	Reserves and Surplus	3,131.35	18.56
6	Total Assets	3,363.53	70.44
7	Total Liabilities	32.21	0.88
8	Investments (total)	3,209.94	0.20
9	Turnover	30.47	3.79
10	Profit before taxation	450.08	3.29
11	Provision for taxation	74.07	0.91
12	Profit after taxation	376.01	2.38
13	Proposed Dividend	—	—
14	% of shareholding	100%	100%

#### Notes –

- Names of Subsidiaries which are yet to commence operations – Both the aforesaid subsidiaries have commenced operations. There is no other subsidiary, which is yet to commence operations.
- Names of the subsidiaries which have been liquidated or sold during the year – No subsidiary has been liquidated or sold during the year.

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
**Executive Chairman**  
DIN: 00019952

RAVI A. SHROFF  
**Managing Director**  
DIN: 00033505

HRISHIT A. SHROFF  
**Executive Director**  
DIN: 00033693

N.R. KANNAN  
**Chief Executive Officer**

DEVENDRA P. DOSI  
**Chief Financial Officer**

SURENDRA K. SINGHVI  
**Company Secretary**

**Place : Mumbai**  
**Date : May 16, 2023**

**Form AOC 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**PART B - Associates**

₹ in lakhs

Sr. No.	Name of the Associates	MobiTrash Recycle Ventures Private Limited	Climacrew Private Limited*
1	Latest Audited Balance Sheet date	March 31, 2023	March 31, 2022
2	Date of Acquisition / Incorporation	October 15, 2015	January 7, 2022
3	Shares of Associate held by the Company on the year end		
	(a) No. of Shares held	By Excel Bio-Resources Limited – 1999 shares By Kamaljyot Investments Limited – 1999 shares	By Kamaljyot Investments Limited – 4,94,900 shares as at 31.03.2023
	(b) Amount of Investment in Associates	0.40	49.49
	(c) Extent of Holding %	39.98%	45.37%
4	Description of how there is significant influence	Shares held by Subsidiaries	Shares held by Subsidiary
5	Reason why Associates not consolidated	N.A.	N.A.
6	Net worth attributable to shareholding as per latest audited Balance Sheet	33.57	(1.38)
7	Profit / (Loss) for the year		
	i. Considered in Consolidation	95.74	(110.46)
	ii. Not considered in Consolidation	—	—

**Notes –**

- Names of associates which are yet to commence operations – The aforesaid associate company has commenced operations. There is no other associate, which is yet to commence operations.
- Names of the associates which have been liquidated or sold during the year – No associate has been liquidated or sold during the year.
- \* As per Unaudited Balance Sheet as at March 31, 2023.

For and on behalf of the Board of Directors of Excel Industries Limited

ASHWIN C. SHROFF  
**Executive Chairman**  
DIN: 00019952

RAVI A. SHROFF  
**Managing Director**  
DIN: 00033505

HRISHIT A. SHROFF  
**Executive Director**  
DIN: 00033693

N.R. KANNAN  
**Chief Executive Officer**

DEVENDRA P. DOSI  
**Chief Financial Officer**

SURENDRA K. SINGHVI  
**Company Secretary**

**Place : Mumbai**  
**Date : May 16, 2023**

FIVE-YEAR FINANCIAL HIGHLIGHTS - STANDALONE

	(₹ in lacs except otherwise stated)				
	2022-23	2021-22	2020-21	2019-20	2018-19
<b>I. CAPITAL ACCOUNTS</b>					
A. Fixed Assets (Net)	<b>44,691.46</b>	44,808.44	40,572.27	38,595.59	24,627.39
B. Non-Current Investments	<b>30,603.69</b>	28,587.31	20,048.69	14,726.14	19,209.86
C. Other Non-Current Assets	<b>3,001.48</b>	2,539.00	2,649.09	2,154.89	2,037.44
D. Current Assets	<b>44,181.72</b>	47,242.99	32,070.44	26,793.10	30,683.45
E. Assets classified as held for Sale	–	–	–	–	1,328.66
F. Total Assets	<b>122,478.35</b>	123,177.74	95,340.49	82,269.72	77,886.80
G. Share Capital	<b>628.53</b>	628.53	628.53	628.53	628.53
H. Reserves	<b>98,543.31</b>	92,644.15	70,956.87	59,486.39	58,421.35
I. Shareholders' Funds (G+H)	<b>99,171.84</b>	93,272.68	71,585.40	60,114.92	59,049.88
J. Non-Current and Current Borrowings	<b>89.08</b>	523.53	607.67	2,128.27	621.63
K. Deferred Tax Liability (Net)	<b>9,511.42</b>	8,079.19	6,503.73	4,937.42	5,994.91
L. Other Non-Current Liabilities	<b>1,491.11</b>	1,599.76	1,513.78	2,413.65	1,133.83
M. Other Current Liabilities	<b>12,214.90</b>	19,702.58	15,129.91	12,675.46	10,782.35
N. Liabilities classified as held for Sale	–	–	–	–	304.20
O. Capital Employed (I+J+K)	<b>108,772.34</b>	101,875.40	78,696.80	67,180.61	65,666.42
P. Debt-Equity Ratio	<b>0:1</b>	0.01:1	0.01:1	0.04:1	0.01:1
<b>II. REVENUE ACCOUNTS</b>					
A. Total Income	<b>110,037.80</b>	119,223.10	75,772.38	71,056.31	82,936.24
B. Profit/(Loss) before Taxes	<b>10,395.15</b>	21,210.03	9,970.28	11,220.52	23,276.45
% of Total Income	<b>9.45%</b>	17.79%	13.16%	15.79%	28.07%
C. Profit/(Loss) after Taxes	<b>7,845.11</b>	16,015.92	7,018.95	9,347.34	15,206.47
% of Total Income	<b>7.13%</b>	13.43%	9.26%	13.15%	18.34%
D. Return on Shareholders' Funds %*	<b>8.15%</b>	19.43%#	10.66%#	15.69%#	29.50%#
<b>III. EQUITY SHAREHOLDERS' EARNINGS</b>					
A. Earning per Equity Share (in INR)**	<b>62.41</b>	127.41	55.84	74.36	120.97
B. Dividend per Equity Share (in INR)**	<b>11.25</b>	22.50	11.25	10.00	18.75
C. Equity Dividend	<b>1,414.20</b>	2,828.41	1,414.19	1,257.06	2,357.00
D. Net Worth per Equity Share (in INR)**	<b>788.92</b>	741.99	569.47	478.22	469.74
E. Market Rate as on 31 <sup>st</sup> March (in INR)	<b>795.05</b>	1,371.10	843.55	446.85	1,147.00
* Based on Net Profits after taxes and Average Shareholder's Equity					
# Recalculated based on Net Profits after taxes and Average Shareholder's Equity					
** Face Value of Equity Share - ₹ 5/-					

# Corporate Information

## CHAIRMAN EMERITUS

**G. Narayana**

## BOARD OF DIRECTORS

**Ashwin C. Shroff,**  
*Executive Chairman*

**Ravi A. Shroff,**  
*Managing Director*

**Hrishit A. Shroff,**  
*Executive Director*

**Atul G. Shroff,**  
*Non-Executive Director*

**Dipesh K. Shroff,**  
*Non-Executive Director*

**H. N. Motiwalla,**  
*Independent Director*

**P. S. Jhaveri,**  
*Independent Director*

**R. N. Bhogale,**  
*Independent Director*

**R. M. Pandia,**  
*Independent Director*

**M. B. Parekh,**  
*Independent Director*

**S. S. Vaidya,**  
*Independent Director*

**Dr. Meena A. Galliara,**  
*Independent Director*

**C V Rao,**  
Nominee Director (upto September 26, 2022)

**Dinesh Bhagat,**  
Nominee Director (w.e.f March 24, 2023)

## CHIEF EXECUTIVE OFFICER

**N. R. Kannan**

## CHIEF FINANCIAL OFFICER

**Devendra Dosi**

## COMPANY SECRETARY

**Surendra K. Singhvi**

## AUDITORS

Price Waterhouse Chartered Accountants LLP

## BANKERS

Bank of India

State Bank of India

Axis Bank Limited

HDFC Bank Limited

Citibank

## REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited  
C-101, 247 park, L.B.S. Marg, Vikhroli (W),  
Mumbai 400 083

**Tel:** +91 22 49186000, Fax: +91 22 49186060

**e-mail:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**web:** <http://www.linkintime.co.in>

## REGISTERED OFFICE

184-87, Swami Vivekanand Road, Jogeshwari  
(West),

Mumbai 400 102

**Tel:** 6646 4200

**e-mail:** [investors@excelind.com](mailto:investors@excelind.com)

**web:** <http://www.excelind.co.in>

## FACTORIES

M.I.D.C. Area, Roha, Maharashtra.

M.I.D.C. Area, Lote Parshuram, Maharashtra.

Atchutapuram, Visakhapatnam, Andhra Pradesh.



## **Excel Industries Limited**

**CIN: L24200MH1960PLC011807**

**Registered Office: 184-87, S. V. Road, Jogeshwarl (West),**

**Mumbal 400 102, India Tel: 022 66464200**

**Email: investors@excelind.com Website: www.excelind.co.in**