14th July, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001.
Scrip Code: 532830

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai – 400051.
Trading Symbol: ASTRAL

Dear Sir/Madam,

Sub.: Annual Report – 2023 & Notice of 27th Annual General Meeting

With reference to the captioned subject, we inform that 27th Annual General Meeting of the Company shall be held on Friday, 11th August, 2023 at 11 a.m. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015, we enclose herewith Annual Report for the FY 2022-23 and notice of 27th AGM. The said reports are being sent to the shareholders through e-mail and have been uploaded on the "investor relations" section of the website of the Company https://www.astralltd.com

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Astral Limited

Manan Chandraprakash Bhavsar
Digitally signed by Manan Chandraprakash Bhavsar
Date: 2023.07.14 16:13:55 +05'30'

Manan Bhavsar
Company Secretary

ASTRAL LIMITED

ASTRAL

Inherently resilient.

Incredibly agile.

ANNUAL REPORT

2022-23

We have made considerable *investments in our main business line over the past five years, enhancing our production capacities and priming us for future rewards.*

Read more : Pg. 12

Inside the Report

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Consolidated Financial Highlights

51,585
Revenue from Operation
(₹ IN MN)

FY22 43,940
FY23 **51,585**

26.01% 3 YEARS CAGR
17.40% Y-O-Y GROWTH

8,351
EBIDTA
(₹ IN MN)

FY22 7,883
FY23 **8,351**

22.58% 3 YEARS CAGR
5.94% Y-O-Y GROWTH

4,595
PAT
(₹ IN MN)

FY22 4,904
FY23 **4,595**

22.56% 3 YEARS CAGR
(6.30)% Y-O-Y GROWTH

Forward Looking Statement
This document contains statements about expected future events, financial and operating results of Astral Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis of Astral Limited's FY23 Annual Report.

Inherently resilient. Incredibly agile.

Innovative approach
Wide product range
Customer-centricity
Robust supply chain management
Skilled workforce

On the back of these strengths, Astral Limited (Astral) has consistently delivered high-quality products while adapting to ever-changing market conditions and customer demands. What stood us in good stead is our exceptional agility and resilience. These qualities have reflected time and again in our core strengths, that act as the growth propellers for our business:

1. Diverse product portfolio: Our offerings are not just restricted to pipes, but are rather diversified to Adhesives, Construction Chemicals and Sealants, water tanks, paints, sanitaryware, faucets and vales. We are committed to providing tailored solutions for all the large and small requirements of our clients. Read more about our innovative product offerings on *page 06.*

2. Competitive Advantage: Our extensive experience and solid foundation have equipped us with a profound understanding of the market, providing us with a distinct competitive advantage. A robust distribution network, strong capabilities in product innovation, both local and international certifications, a visionary management team, and the implementation of various loyalty programs for stakeholders are some of the key factors that differentiate us from our competitors. For more information about our competitive edge, please refer to *page 22.*

3. Customer-centricity: We take pride in providing exceptional customer service, from pre-sales consultation to after-sales support. Our team of experienced professionals ensures that customers receive the best solutions for their unique project requirements, while also keeping them updated about new products through creative branding strategies. Read more about our branding and marketing activities on *page 24.*

4. Contributing to society: Success, for us, is not just about financial profitability. Rather, it is about going beyond and ensuring inclusive growth. Through Astral Foundation, we regularly undertake initiatives in the areas of healthcare, environmental conservation and education, to bring about positive change in the lives of many. Read more about our social initiatives on *page 30.*

These core strengths, backed by our agility and resilience, have allowed us to emerge as a trusted partner in the industries where we operate, thus driving sustainable success for our business and all those associated with us.

The annual report is also available online

www.astralltd.com

ABOUT THE COMPANY

An Overview of Astral Limited

Astral Limited (Astral) has emerged as a powerhouse in India's building material sector. Known as the leading manufacturer of plastic pipes in India, our journey extends beyond this specialty, witnessing a steadfast foray into the adhesives and construction chemicals sector while concurrently accelerating our presence in the paints, faucets, sanitaryware, and valves markets.

Our incredible standing in the industry is underpinned by a robust foundation, combining our widespread manufacturing facilities, a diverse product suite, the widely recognised Astral brand, a comprehensive distribution network, and a seasoned team of industry experts.

Astral's growth trajectory has outpaced the industry average, securing us a distinguished spot amongst the country's top brands. With a core focus on innovation and customer-centricity, we continue to distinguish ourselves as a high-performing organisation that not only sets high standards of quality and commitment but consistently meets and exceeds them.

Key Differentiators

01 Innovation capabilities

02 Ability to set new trends in the piping industry

03 Leading by example

04 Compromise-free product quality

05 Always exceeding customer expectations

06 Innovative brand communication

07 Delivering on promises

08 Creating a commanding presence in the minds of customers

VISION

TO BE A TRULY GLOBAL, HIGH-PERFORMING ORGANISATION DELIVERING QUALITY PRODUCTS AND SERVICES TO ITS CUSTOMERS AND ATTAIN LEADERSHIP POSITION IN THE INDUSTRIES WE OPERATE IN.

OUR VALUES

Safety
- Strive to prevent accidents, injuries, and illness at work
- Provide products that meet the highest safety standards

Excellence
- Be trendsetters in the industry by delivering exceptional performance
- Deliver quality products and services to our customers

Integrity
- Be honest, fair, and do the right thing in the right way
- Operate in letter and spirit of the highest standards of corporate ethics

Equitability
- Be unbiased and respect individual contributions that stem from their diverse backgrounds
- Accept criticism and promote an open culture that enables sharing of ideas across the organisation

Teamwork
- Unleash hidden potential of employees by promoting a culture of teamwork across the organisation
- Leverage collective capabilities to achieve greater heights

ABOUT THE COMPANY

WHAT DEFINES US

Quality
We constantly strive to upgrade processes and materials, incorporating international developments in the building materials industry to benefit the customers.

Trust
We aim to achieve the vision of earning consumers' trust and delight. We have been operational in India since 1998, striving to serve consumers to the best of our abilities.

Innovation
We offer innovative product designs, created using extensive industry know-how, coupled with the latest technology to assure world-class quality.

Trendsetters

We have several industry-firsts to our credit.

1st

- To introduce CPVC piping system in India
- To introduce lead-free uPVC plumbing piping system in India
- To get National Sanitation Foundation (NSF) approval for CPVC piping
- To launch lead-free uPVC column pipe in India
- Lead-free uPVC pipes for potable water and column pipes for stream water in India
- To introduce polymer based industrial piping system in India
- To introduce NSF approved solvent cement in India
- To introduce CPVC piping for autometic fire sprinkler system in India

Astral in numbers

- **Revenue** (Consolidated) (₹ IN MN): **51,585**
- **Profit After Tax** (Consolidated)(₹ IN MN): **4,595**
- **Proudly serving our customers for more than**: **25 Years**
- **Production Capacity** (IN MTPA): **4,27,611**
- **Export Presence** (IN COUNTRIES): **25+**
- **State-of-the-art manufacturing facilities**: **22**
- **Dealers** (IN #): **1,93,000+**
- **Distributors** (IN #): **2,778+**
- **Depots** (IN #): **38**
- **Employees** (IN #): **8,200+**
- **CSR Spend** (₹ IN MN): **91.26**
- **Bathware showrooms & display centres** (IN #): **383**

PRODUCT PORTFOLIO

Adding Value to Life Everyday

At Astral, we leverage technology and our deep market understanding to cater to evolving customer requirements. Our products are made from high-quality materials and are subjected to rigorous quality control tests. We have a strong focus on research and development and are constantly innovating to improve our products.

At the core of our customer-centric approach lies our commitment to providing them with the best possible products. Presently, we operate across seven high-growth sectors, encompassing Pipes and Fittings, Water Tanks, Adhesives, Construction Chemicals and Sealants, Infrastructure, Faucets and Sanitaryware , Paints & Specialized Valves .

P

Pipes and Fittings

- Plumbing Systems
- Drainage System
- Cable Protection System
- Agriculture System
- Solvent Cements
- Specialized Fittings
- Ancillary Products
- Industrial Pipes
- CPVC Pipes for Fire Sprinkler System
- Insulation Tubes

A

Adhesives, Construction Chemicals and Sealants

- Stone & Plumbing Adhesives
- Wood Adhesives
- Instant Adhesives
- Gap Filling Glazing
- Automotive Adhesives
- Tiling Leveling & repair Mortars
- Waterproofing Systems
- Construction Care
- CPVC & PVC Plumbing Pipe Solvents
- Adhesive Tapes
- Application Tools

W

Water Tanks

- Roto Moulding Tanks
- Blow Moulding Tanks
- Loft Tanks

V

Specialized Valves

- True Union Ball Valve
- Compact True Union Ball Valve
- Single Union Ball Valve

Pa

Paints

- Protective Coatings
- Industrial Coatings
- Decorative Coatings

F

Faucets & Sanitaryware

- Faucets
- Sanitaryware
- Cisterns
- Showers
- Bathroom Accessories

I

Infrastructure

- Drainage
- Cable Protection
- PT Duct System

MANUFACTURING PRESENCE

Strategic Presence that Enables Efficiencies

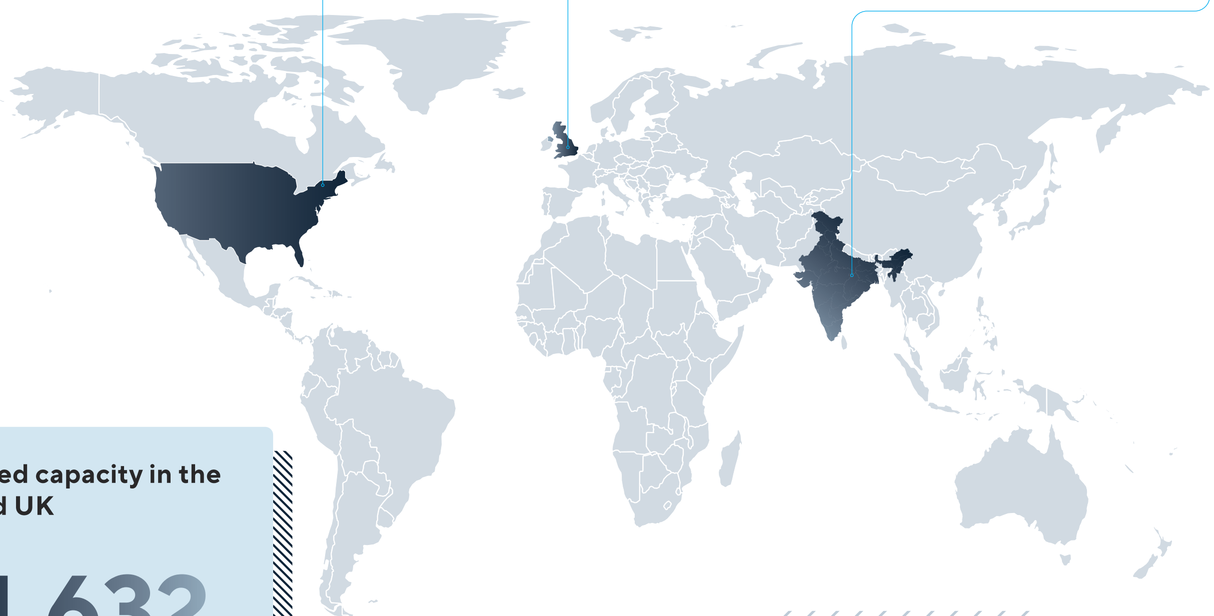
We have several manufacturing facilities that are located strategically across the country, which allows us to cater to the diverse needs of our customers in different regions and industries. Our plants are equipped with state-of-the-art technology and machinery, which allows us to develop high-quality products.

Modern manufacturing infrastructure, combined with our commitment to quality control, allows us to stay ahead of the curve and maintain our leadership position in the market.

Global Facilities


SEAL IT, USA


SEAL IT, UK



Installed capacity in the US and UK
(IN MT)

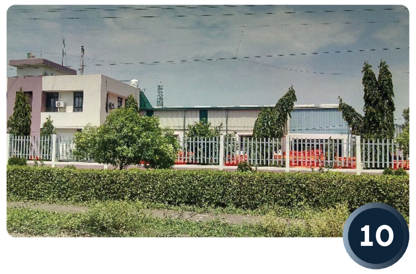
31,632

Production capacity in India
(IN MT)

3,95,979

(3,46,686 MT in FY22)

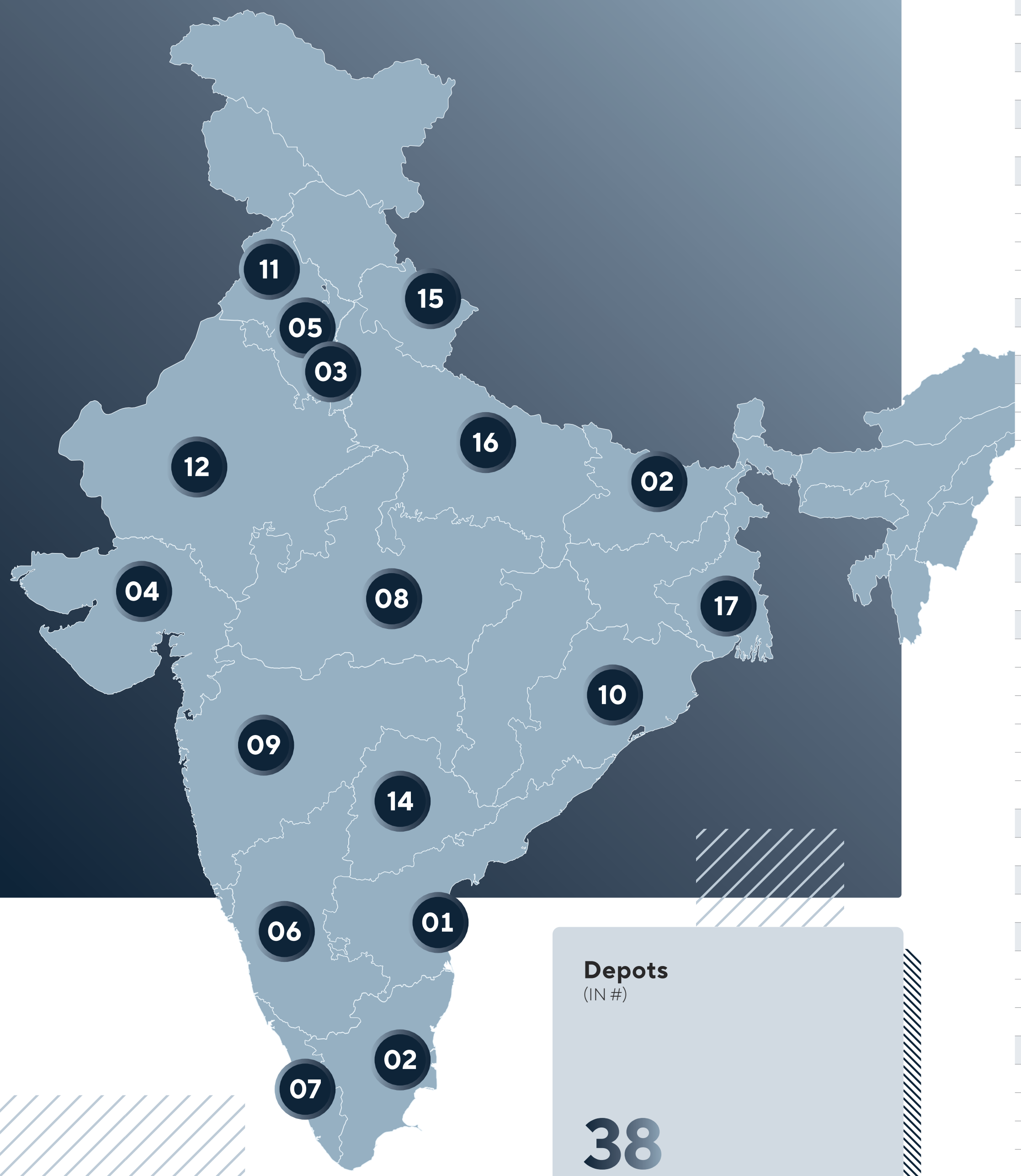
Domestic Facilities



	LOCATIONS	ADHESIVES AND SEALANTS	WATER TANKS AND PIPES	PIPES	FAUCETS
1	Aurangabad	-	11,687 MT	-	-
2	Bhubaneshwar (Cuttack)	-	21,365 MT	-	-
3	Dholka	-	-	55,314 MT	-
4	Ghiloth	-	37,053 MT	-	-
5	Hosur	-	49,454 MT	-	-
6	Jamnagar	-	-	-	336 MT
7	Rania	24,271 MT	-	-	-
8	Sangali	-	-	36,088 MT	-
9	Santej (9A & 9B)	28,374 MT	73,804 MT	-	-
10	Sitarganj	-	-	5,076 MT	-
11	Unaao	17,158 MT	-	-	-
	Dahej *(Under trial run)*	30,000 MT	-	-	-

** Although both Plant 9A and Plant 9B are located in Santej, they serve as separate manufacturing sites*

MANUFACTURING PRESENCE



Depots
(IN #)
38

Dealers
(IN #)
1,93,000+

Distributors
(IN #)
2,778+

PLACE		PIPES			ADHESIVES & SEALANTS			WATER TANKS	PAINTS	
		Plants	Depots	Branch Office	Plants	Depots	Branch Office	Plants	Plants	Depots
01	ANDHRA PRADESH									
	Vijayawada	-	✓	-	-	-	-	-	-	✓
02	BIHAR									
	Patna	-	✓	-	-	✓	-	-	-	-
03	DELHI									
	New Delhi	-	✓	✓	-	✓	-	-	-	-
04	GUJARAT									
	Ahmedabad	-	-	✓	-	-	-	-	-	-
	Dahej *(Under trial run)*	-	-	-	✓	-	-	-	-	-
	Dholka	✓	-	-	-	-	-	-	-	-
	Santej	✓	-	-	✓	-	-	✓	-	-
05	HARYANA									
	Ambala	-	✓	-	-	-	-	-	-	-
06	KARNATAKA									
	Bengaluru	-	-	✓	-	✓	-	-	✓	✓
	Hubballi	-	-	-	-	-	-	-	-	✓
	Mangaluru	-	-	-	-	-	-	-	-	✓
	Mysuru	-	-	-	-	-	-	-	-	✓
07	KERALA									
	Kochi	-	-	✓	-	-	-	-	-	✓
08	MADHYA PRADESH									
	Indore	-	✓	✓	-	✓	-	-	-	-
09	MAHARASHTRA									
	Aurangabad	✓	-	-	-	-	-	✓	-	-
	Kolhapur	-	✓	-	-	-	-	-	-	-
	Mumbai	-	-	✓	-	-	✓	-	-	-
	Nagpur	-	✓	-	-	-	-	-	-	-
	Pune	-	-	✓	-	-	-	-	-	-
	Sangli	✓	-	-	-	-	-	-	-	-
10	ODISHA									
	Cuttack	✓	-	-	-	-	-	✓	-	-
11	PUNJAB									
	Mohali	-	-	-	-	✓	-	-	-	-
12	RAJASTHAN									
	Ghiloth	✓	-	-	-	-	-	✓	-	-
	Jaipur	-	✓	✓	-	✓	-	-	-	-
	Udaipur	-	✓	-	-	-	-	-	-	-
13	TAMIL NADU									
	Chennai	-	-	✓	-	-	-	-	-	✓
	Coimbatore	-	✓	-	-	-	-	-	-	✓
	Hosur	✓	-	-	-	-	-	✓	-	✓
	Madurai	-	-	-	-	-	-	-	-	✓
14	TELANGANA									
	Hyderabad	-	✓	✓	-	✓	-	-	-	-
15	UTTARAKHAND									
	Sitarganj	✓	-	-	-	-	-	-	-	-
16	UTTAR PRADESH									
	Lucknow	-	✓	✓	-	-	-	-	-	-
	Kanpur	-	-	-	-	-	✓	-	-	-
	Rania	-	-	-	✓	-	-	-	-	-
	Unnao	-	-	-	✓	-	-	-	-	-
	Varanasi	-	✓	-	-	-	-	-	-	-
17	WEST BENGAL									
	Kolkata	-	✓	✓	-	✓	-	-	-	-

CHAIRMAN'S MESSAGE

Progressing with Agility

Dear Shareholders,

I am thrilled to share with you that Astral marks its 25th anniversary this October 2023, a milestone that commemorates legacy of innovation, connectivity, brand building, wide distribution reach, and strong production capabilities across the country. Moreover, it represents our unwavering commitment to creating sustainable value for all our stakeholders. As one of the pioneers in the Indian CPVC market, our pride rests not only in our contributions to this rapidly growing polymer sector, but also in our sustained ability to lead, innovate, and expand in various products in building material category.

In our journey towards further expansion and progress, I am confident that our agility and resilience will consistently propel us towards maintaining our industry leadership, achieving greater growth, and enlarging our scale of operations.

Looking back on FY23, I would like to provide an overview of our accomplishments and growth over the last year.

This was a year when our businesses exhibited tremendous resilience and steady growth.

We successfully navigated through significant fluctuations in polymer and chemical prices, allowing us to achieve substantial profitability and value growth in both the Pipe segment (12% growth) and the Adhesive segment (35% growth), resulting in an increased market share. Strategic resource management and talent acquisition have enabled us to successfully diversify into sectors such as faucets, sanitaryware, paints, and valves, without compromising the growth of our core businesses.

Over the years, we have witnessed a strong response in our Silencio product, and more recently, our DrainPro product has also garnered significant attention and positive feedback. The success of these products has inspired us to introduce another exciting addition to our portfolio, Rainway. We are confident that this will further enhance our offerings in the pipes segment.

In addition to our pipes segment, we are also expanding our product range in the valve category. Valves serve as a crucial component in various applications, and we recognize the immense potential they hold. We are actively focusing on developing and offering high-quality valves as import substitutes. We are currently on the trajectory of expanding these product lines and have initiated the process of doubling the capacity for both. As part of our growth strategy for the faucets and sanitaryware segment, we are focused on network expansion and have completed 383 Showrooms/display centres across various states, with more under construction.

Our adhesives business displayed robust growth. Amid industry-wide consolidation, our strategic expansion into new geographies, reinforced dealer networks, and innovative product launches underpinned our strong growth. With the continuous shift from unorganised to organised players, we expect further market capture from regional players. Sustained demand from UK and US markets further promises a positive outlook for this vertical.

Additionally, during the year, we expanded the Bondtite brand umbrella to incorporate two additional adhesive offerings: Cyanoacrylate instant adhesive, and Polyvinyl Acetate (PVA) under Bondtite.

These concerted efforts culminated in a robust consolidated performance for the year, yielding a PBT of ₹6,170 million and an EBITDA of ₹8,351 million.

During the year, we undertook several steps to ensure a solid foundation for our business.

Believing in the pivotal role of strong leadership, we onboarded a CHRO and a CTO to streamline our human resources and technology strategies. This move will significantly contribute towards the realization of Astral's strategic vision and mission, solidifying our place as an industry leader. Further, we are leveraging technology to boost our cross-selling opportunities once our new business verticals gain solid ground and are confident that the new leadership will guide and direct the business towards progress.

We reinforced our brand recall by engaging Allu Arjun as our brand ambassador to bolster our pipe business in South India. Further, we launched various TVCs and magazine advertisements to forge stronger connections with our customers. In the 2023 edition of the IPL, we extended our brand visibility by co-sponsoring a total of four teams. Astral Pipes proudly served as co-sponsors for three teams: Chennai Super Kings, Mumbai Indians, and Gujarat Titans. Furthermore, our adhesives brand, Bondtite, stepped in as a sponsor for the Lucknow Super Giants.

We have always had a community-first attitude.

While profitability is our goal, it is not without the recognition of the importance of community empowerment. We understand that our business thrives when our community thrives. Therefore, we aim to strike a balance between achieving our financial objectives and making meaningful contributions to the communities in which we operate. This dual focus is integral to our business model and long-term sustainability.

Our social initiatives encompass a wide range of areas, from education to healthcare, providing growth opportunities and fostering self-sufficiency and resilience. We strive to light the way towards knowledge and skill development, enabling individuals to realise their full potential. We are also committed to environmental sustainability, as we advocate for eco-friendly practices and lead innovative projects that safeguard our planet's delicate ecosystems.

The Astral Foundation, our guiding light, facilitates collaboration by connecting us with implementation partners who share our passion for making a difference. Together, we forge partnerships that break barriers and transform aspirations into tangible realities, ultimately creating a brighter future for all.

I am pleased to inform you that we've received multiple accolades for our distinguished project films. Our Ranthambore project film, titled "Ranthambore - The Jungle Story," and the innovative "Ice Stupas in Ladakh" project film, have been decorated with gold awards. Additionally, our "Hiwali Pipeline Project" film has also been recognized with an award. Renowned Organisations, Digies, ABBY, and Afaqs, have graciously recognized our contributions.

As we end FY23, we are motivated to do more in the years to come.

We have made considerable investments in our main business line over the past five years, enhancing our production capacities and priming us for future rewards. We are confident that our investment of ~₹1,000 Crore in capex in the last 5 years will yield results in the upcoming years. Our upcoming launch of two advanced pipe plants in Guwahati and Hyderabad, and an adhesives plant in Dahej will fortify our market presence and provide opportunities in new markets, supporting our ambitious expansion plans.

In closing, I would like to extend my heartfelt gratitude to each one of you. To our valued shareholders and investors, thank you for placing your trust in us and supporting our vision. Your faith in our Company's potential has been instrumental in propelling us forward. To our dedicated employees, your unwavering commitment, hard work, and innovation are the driving forces behind our success.

I assure you all that we will continue to strive for growth and profitability while maintaining our commitment to corporate responsibility. As we look towards the future, I am confident that we will remain a resilient and successful business that consistently offers good returns.

Thank you once again for trusting in us and for being a part of our growth journey. Together, we will build an even brighter future for our Company.

Best wishes,
Sandeep Engineer
CHAIRMAN & MANGING DIRECTOR

CFO'S MESSAGE

Resilience in the Midst of Adversity

"The expansion of our geographical reach, particularly in the eastern region, has yielded substantial growth in FY23. Looking ahead, we expect this momentum to continue as we prepare to introduce our complete product range from the newly established plant in that region.

Dear Shareholders,

I am delighted to share with you the results of Astral's performance during the financial year 2023. Our diligent efforts and strategic planning have translated into substantial profitability, which is reflected in our impressive FY23 results.

The dynamic macro-economic environment and our performance

Before I talk about your Company's performance, it is important to take a look at the macroeconomic environment in which the business operated during FY23. The pipes industry was dominated by volatility in polymer prices, resulting in challenges for small and unorganised players. The adhesives and sealants industry witnessed higher chemical prices. The booming construction industry contributed to the growth of the paints segment; however, the fluctuating raw material prices posed challenges.

Against these trends, Astral exhibited significant resilience and recorded a revenue of ₹51,585 million, up by 17.4% over FY22. Our PBT and EBITDA stood at ₹6,170 million and ₹8,351 million, respectively. We made a net cash profit of ₹6,376 million, up by 3.29% over FY22.

Over the past two years, we recorded a CAGR growth

35.50% In Adhesives & Sealants business

24.81% In Pipes business

Individually, our plumbing and paints and adhesives business performed well. Our plumbing business recorded a revenue growth of 11.93% over last year at ₹37,675 million. EBITDA stood at ₹6,419 million, up by 1.41%, while PBT stood at ₹4,850 million, witnessing a marginal fall of 6.6%. We recorded a strong production growth of 22.15% as our production volume stood at 1,73,940 MT for the year. Our paints and adhesives business boomed during the year, with revenue growing by 35.28% over last year to ₹13,910 million and EBITDA growing by 24.40% to ₹1,932 million. This business, thus, accounted for 27% of our revenue compared to 23% in FY22.

The factors that contributed to our growth

Despite facing several challenges, our business has exhibited remarkable resilience, leading to strong growth. Both our pipes and adhesives & sealants segments have witnessed robust volumetric growth and gained market share. The successful introduction of value-added products and the decentralized plant operations have contributed to favorable margins, even in the face of raw material volatility. Moreover, the recent launches of innovative products in both segments have further accelerated growth and profitability.

We have also made significant strides in capturing market share from both unorganized and organized players, solidifying our position in the market.

The expansion of our geographical reach, particularly in the eastern region, has yielded substantial growth in FY23. Looking ahead, we expect this momentum to continue as we prepare to introduce our complete product range from the newly established plant in that region.

A future full of opportunities

Over the past few years, our management team has meticulously strategized and executed a number of investments and initiatives, all with a focus on long-term sustainability and profitability. Our financial health has been meticulously maintained, and we are in a robust position to leverage emerging opportunities in our industry. We are confident that our ₹1,000 crore capex investment done over the last 5 years will empower us to not only grow our existing portfolio but also expand our revenues in the coming years.

Over the past two years, we recorded a CAGR growth of 24.81% for our pipes business, despite operating in a challenging environment. Similarly, for the adhesives business, we have delivered a CAGR growth of 35.50% over the past two years. Having set the benchmark ourselves, we are confident that our pipes and adhesives business will continue growing at a CAGR of 15% in the next 5 years. We plan to grow both our businesses by entering into new geographies, launching new products and adding new dealers, distributors and plumbers to our family. Moreover, the upcoming plants in Guwahati, Dahej and Hyderabad will also serve as major growth drivers in future.

Astral is a robust brand that has garnered the trust of millions of Indian consumers. Our strategy moving forward will be to capitalize on our accumulated knowledge and to harness our exceptional distribution capabilities as we expand into various categories. Our commitment to brand enhancement remains unwavering, and we will continue to invest in a wide range of channels to ensure this. Presently, we stand as a fortified Company with a diversified and expanding portfolio, adeptly applying our learnings across all our endeavours. Despite the challenges that lie ahead, I am steadfast in my belief that our strategic plans and initiatives will lead us towards industry-leading growth.

As we launch ourselves into a renewed journey of growth, I would like to assure our shareholders and investors that we remain committed to delivering strong financial returns. Our strategic decisions and investments are aimed at ensuring sustainable growth and profitability, and we are optimistic about the financial trajectory of our business. Your trust and support fuel our pursuit of financial excellence, and we are dedicated to rewarding your faith in us with healthy returns on your investments.

I would like to express my deep gratitude to our devoted employees. Your unwavering commitment, hard work, and dedication have played a pivotal role in achieving this impressive growth for our organization.

Let's take Astral to new heights together.

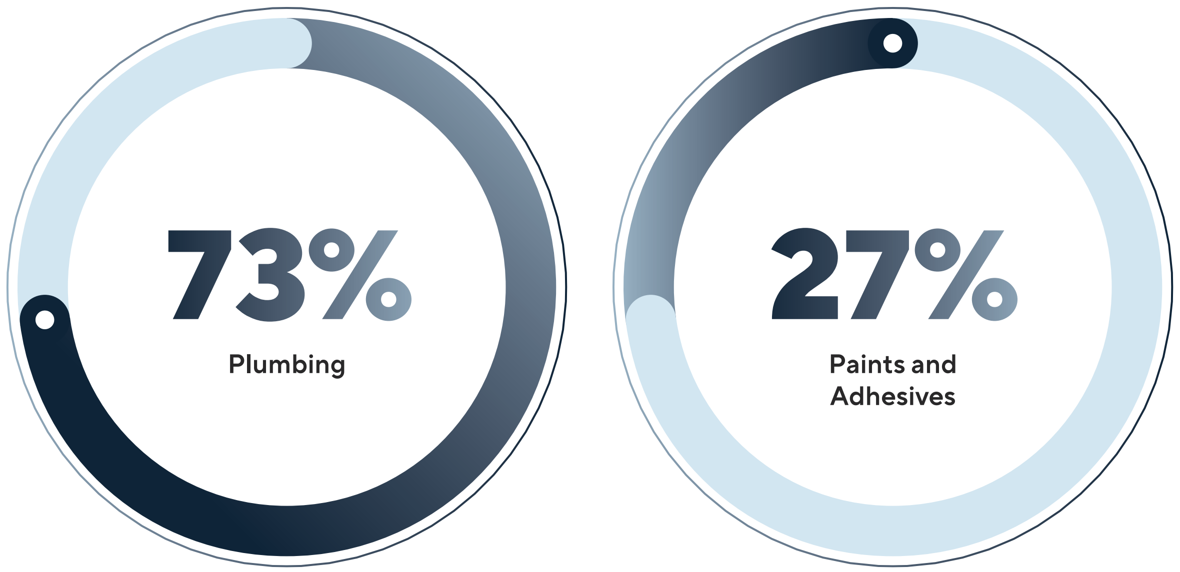
Best regards,
Hiranand Savlani
CHIEF FINANCIAL OFFICER

KEY PERFORMANCE INDICATORS

Performance that Exhibits Resilience

Despite the volatility in polymer and chemical prices, which are vital raw materials for our business, we have managed to outperform the industry and deliver exceptional financial performance. We demonstrated resilience by promptly addressing supply chain disruptions, skillfully managing market dynamics and pricing, and minimizing inventory losses. Our exceptional working capital management, supported by a resilient distribution network and a solid brand reputation in the market, has been instrumental in our success. Even in the face of reduced realizations caused by the decline in polymers and chemicals, we have achieved remarkable growth in terms of topline, volumes, and margins. Our ability to thrive under challenging circumstances truly set us apart.

Group Revenue Breakup
(IN %)



Consolidated Financial Highlights

Revenue from Operation
(₹ IN MN)

51,585

FY20	25,779
FY21	31,763
FY22	43,940
FY23	**51,585**

26.01% 3 YEARS CAGR | 17.40% Y-O-Y GROWTH

Profit After Tax
(₹ IN MN)

4,595

FY20	2,496
FY21	4,082
FY22	4,904
FY23	**4,595**

22.56% 3 YEARS CAGR | (6.30)% Y-O-Y GROWTH

Profit Before Tax
(₹ IN MN)

6,170

FY20	3,061
FY21	5,330
FY22	6,485
FY23	**6,170**

26.32% 3 YEARS CAGR | (4.86)% Y-O-Y GROWTH

EBITDA
(₹ IN MN)

8,351

FY20	4,534
FY21	6,626
FY22	7,883
FY23	**8,351**

22.58% 3 YEARS CAGR | 5.94% Y-O-Y GROWTH

Cash Profit
(₹ IN MN)

6,376

FY20	3,575
FY21	5,247
FY22	6,173
FY23	**6,376**

21.27% 3 YEARS CAGR | 3.29% Y-O-Y GROWTH

Earnings per Share
(IN ₹)

17.00

FY20	9.26
FY21	15.10
FY22	18.01
FY23	**17.00**

22.45% 3 YEARS CAGR | (5.61)% Y-O-Y GROWTH

Despite the decrease in revenue, mainly due to reduced realisation, we have achieved substantial growth in terms of volume and margins.

BUSINESS MODEL

Maximising Value with a Growth Enhancing Model

During the year, our capacity to create value was put to the test by the constantly changing business landscape. However, our business model enabled us to withstand the difficulties and demonstrated the effectiveness of our concerted efforts towards both sustainability and long-term profitability.

01 Our resources

Resilient performance

- Net worth: ₹ 27,100 million
- Capital expenditure: ₹ 3,041 million
- Net cash: ₹ 4,108 million

(Consolidated figures)

Strong manufacturing and distribution

- Manufacturing units:
  - Pipes: 8
  - Adhesives and sealants: 6
  - Water tanks: 5
  - Paints: 3
  - Faucets and sanitaryware: 1
- Distributors: 2,778+
- Dealers: 1,93,000+
- Depots: 38

Skilled workforce

- Employees: 8,200+
- Training hours: 17,500+
- Reward and recognition programme

Environmental stewardship

- Investment in energy conservation: ₹ 15.03 million
- Growth in CSR spend: 46% over FY22

02 How we create value

Strategic priorities

- Boost brand worth
- Fortify dealer and distribution channels
- Broaden product range by leveraging our current network
- Continuing to decentralise capacity
- Cultivating future-ready workforce

Read more : Pg. 20

Competitive advantage

1. Visionary leadership with in-depth industry know-how
2. Robust manufacturing and distribution capabilities
3. Innovative branding and marketing strategies
4. A steady balance sheet
5. Innovation strength
6. Leadership position in the piping industry & getting strong foothold in new segments

Read more : Pg. 22

Branding and marketing

Read more : Pg. 24

Stakeholder engagement

- Investors and shareholders
- Customers
- Suppliers
- Employees
- Communities

Read more : Pg. 28

03 The value we create

Resilient performance

- Revenue from operations: ₹51,585 million
- PBT: ₹6,170 million
- EBITDA: ₹ 8,351 million
- EPS: ₹17

(Consolidated figures)

Robust manufacturing footprint

- Revenue contribution:
  - Plumbing: 73%
  - Paints and adhesives: 27%
- Capacity:
  - Pipes and water tanks: 2,90,176 MTPA
  - Adhesives and sealants: 1,01,435 MTPA
  - Paints: 36,006 MTPA
- Reduced logistics cost

Committed workforce

- Upskilled and motivated employees
- Reduced attrition
- Certified Great Place to Work

Committed to the society

- Renewable energy consumption: 18% in Santej and 20% in Dholka
- Increase in use of solar energy: 19%
- Reduced carbon footprint
- Increase in the solar energy capacity: 11%

STRATEGIC PRIORITIES

Strategies that Enable Sustainable Growth

We have set some key focus areas that guide our decision-making. They align with our vision and mission and allow us to continue maintaining our competitive edge. Moreover, they set a clear roadmap for us to achieve our long-term goals. We also regularly review our strategic priorities based on changes in the business environment to ensure continued success and growth.

01

Boost brand worth

The Astral brand has established a solid connection with prominent celebrities and high-profile sporting events, contributing to heightened brand awareness and immediate recognition. This, in turn, bolsters the brand's overall value. To further augment our brand appeal, we plan to fortify current collaborations and develop new alliances. Moreover, we will allocate resources to marketing initiatives spanning both conventional and contemporary platforms, aiming to connect with channel partners, influencers and consumers alike.

FY23 INITIATIVES

- We continued our association with Ranveer Singh as the brand ambassador for Astral Pipes and welcomed Allu Arjun as a new addition to our brand ambassador lineup.
- To commemorate the 25th anniversary of Astral, we launched several communications and online campaigns aimed at celebrating our milestone and raising awareness among customers about the issue of adulteration in pipes and fittings products.
- As part of our commitment to sports and brand promotion, we proudly cosponsored four IPL teams: Chennai Super Kings, Gujarat Titans, Mumbai Indians, and Lucknow Super Giants.
- We are diligently working on expanding our product offerings in the Adhesive category to bring them under our Umbrella Brand BONDTITE.
- Our faucets and sanitaryware products were effectively advertised through a magazine and various social media platforms.

02

Fortify dealer and distribution channels

Our enterprise thrives on collaboration with an extensive network of dealers and distributors. Throughout the year, we witnessed significant growth in our dealer network, which expanded from over 180,000 in FY22 to more than 193,000 in FY23. To further strengthen our network, we actively engaged with our dealers and influencers through regular meetings and various engagement initiatives. Additionally, we implemented promotional plans and incentives that rewarded dealers with valuable reward points. Our Astral loyalty programme stands out as one of the most comprehensive and transparent in the industry, offering dealers and influencers the opportunity to access rewards conveniently through our mobile app.

FY23 INITIATIVES

- We effectively leveraged our existing network of dealers to expand our operations.
- We also welcomed a significant number of new dealers and distributors to our ever-growing family.

03

Broaden product range by leveraging our current network

To expedite growth, we will continue introducing innovative products and venturing into categories that can leverage our established brand and distribution channels. Furthermore, we plan to employ our distribution network to promote these novel offerings and engage in cross-selling opportunities with existing clients.

FY23 INITIATIVES

- We have expanded our pressure pipe and fitting segment by introducing a wide range of new fittings and SKUs.
- Our product range of casing pipes has been enhanced through the addition of new SKUs.
- We are proud to announce the launch of a new series of Drain Pro brand PP drainage pipes and fittings.
- In both our plumbing and Industrial Divisions, we have enriched our product range by introducing numerous SKUs in uPVC fittings.
- We are excited to introduce Astral Rainway to our product portfolio.
- Furthermore, we have added the Astral Specialized Industrial Valves Range to our offerings.

04

Continuing to decentralise capacity

In recent years, our Company has purposefully directed investments towards decentralisation strategies, which are now poised to yield results. Moving forward, the emphasis will be on maximising asset utilization across all facilities, which will in turn lead to a reduction in per-unit operational expenses. These efforts will not only help us lower logistic costs but also increase our market share in the respective zones where new capacities have been established. Over the long run, we anticipate that these collective endeavors will significantly contribute to the enhancement of our return metrics.

FY23 INITIATIVES

- The Cuttack plant in Orissa is now fully operational, enabling us to cater to the East and South East regions.
- We have commenced PVC pipe production at our Sangli plant.
- The Aurangabad plant has initiated PVC pipe production.
- Additionally, fittings production has commenced at our Hosur plant.

05

Cultivating future-ready workforce

In recent years, our Company has purposefully directed investments towards decentralisation strategies, which are now poised to yield results. Moving forward, the emphasis will be on maximising asset utilization across all facilities, consequently reducing per-unit operational expenses. As supply chain conditions stabilise, we also plan to decrease inventory levels, optimising working capital requirements in the process. These efforts are expected to contribute to the enhancement of our return metrics.

FY23 INITIATIVES

- We strengthened our Employee Value Proposition (EVP) to attract top talent to Astral.
- We established structures to enhance institutional capabilities and meet evolving learning requirements.
- We enhanced performance centricity throughout Astral by implementing an evolved recognition platform, deepening our performance management practices, and placing specific emphasis on high-potential employees.
- We embedded Astral Values into all HR practices.
- We restructured the HR department to align with the aforementioned objectives.

COMPETITIVE ADVANTAGE

Leveraging Our Robust Fundamentals

In a competitive industry like ours, it is crucial to differentiate ourselves and gain a competitive edge in the market. To achieve this, we continually strive to enhance our strengths, implement global best practices, and develop robust growth strategies. These efforts have significantly bolstered our market presence, expanded our supply chain network, and elevated the quality of our products. Moreover, they have enabled us to maintain cost-effective operations, provide superior customer service, and ensure consistent profitability.

01 Visionary leadership with in-depth industry know-how

Our team of leaders consists of seasoned professionals with diverse and extensive industry knowledge. Through their collective experience in various aspects of the industry, they equip the Company with valuable insights and expertise that can be leveraged for future growth and expansion. Additionally, our management is committed to upholding the Company's original vision and mission, cultivating a culture of innovation and high performance that drives us toward new opportunities for growth.

02 Robust manufacturing and distribution capabilities

Our extensive distribution network, comprising over 1,93,000+ dealers and 2,778+ distributors, provides us with a significant competitive edge. To effectively serve this vast network of partners, we have an in-house marketing team dedicated to delivering exceptional service. Many of our dealers and distributors have been long-standing partners, contributing to our market dominance over the years. Our expertise in distribution and enduring partnerships have played a vital role in our success.

While our journey began in the western part of India, we have strategically expanded our operations across all four zones of the country. As part of our decentralization strategy, we have established additional plants in the south, north, and east regions. This strategic expansion allows us to enhance our service levels for distributors while effectively managing the high logistics costs associated with pipes and fittings.

03 Innovative branding and marketing strategies

In recent years, Astral has established itself as a prominent brand known for its unwavering commitment to quality and exceptional customer service. Our strong legacy in the industry has been further bolstered by sustained investments in marketing and brand promotional activities, aimed at increasing brand awareness and customer loyalty. With a focus on innovation, we have leveraged both digital and traditional marketing channels to enhance our brand positioning. Our brand is now widely recognized for exceeding customer expectations, and we are dedicated to upholding this reputation through our continued efforts to expand and innovate.

We have consistently received recognition from prominent agencies for our outstanding brand accreditation.

04 A steady balance sheet

In FY23, our Company exhibited a strong financial position with exceptionally healthy financial ratios. Our Debt-Equity ratio stands at 0.02, indicating a low level of debt in relation to equity. Furthermore, our Current Asset ratio stands at 1.72, highlighting a healthy working capital position, while our Cash & Bank Balances reached ₹ 682 crores.

Net Asset Turnover stands at 3.24 times with a 60% plant utilization rate. There is potential for further improvement in capacity utilization, which could lead to even higher ratio. Notably, our Total Assets have experienced rapid growth, increasing from ₹ 3387 crores to ₹ 4373 crores in the past year.

Additionally, our receivable and Inventory Days are significantly below industry averages, with receivables at 25 days and inventory at 62 days. This indicates efficient management of receivables and inventory levels.

05 Innovation strength

Our focus on innovation has been instrumental in driving product differentiation and providing consumers with a distinctive value proposition. Our dedication to continuous innovation and improving customer engagement has resulted in sustained investments in manufacturing, R&D, information technology, and sustainability. The allocation of capital towards these areas has ensured that these investments support our business growth objectives while generating a sustainable return on investment for our shareholders. Our commitment to innovation has enabled us to introduce new and exciting products and services while maintaining a focus on sustainability, ensuring that we remain at the forefront of our industry.

As a result, we can proudly state that we have successfully introduced numerous innovative products for the first time in our country in the pipe and adhesive segments.

06 Leadership position in the piping industry & getting strong foothold in new segments

As one of the leading piping solutions providers in India, we serve the needs of the real estate, infrastructure and agricultural industries with a wide range of product offerings. Our state-of-the-art manufacturing facilities are designed to enable operational synergies and meet the evolving demands of our customers.

With a strong emphasis on leveraging our distribution strengths, scale, and the valuable insights gained from our piping business, we achieved significant growth in our Adhesive and Sealant Business. Building upon this success, we are fully committed to rapidly expanding our operations in newer product categories as well. Our objective is to utilize our expertise and industry-leading manufacturing capabilities to venture into new product lines, thereby broadening our reach and making a greater impact across diverse industries.

MARKETING AND BRANDING INITIATIVES

Strengthening Our Brand Recall

Our teams are relentlessly dedicating their energy towards fortifying the image of our brands. This is achieved by curating relatable marketing campaigns, fostering strong partnerships with sports entities, and by arranging high-impact events. These activities, designed with a keen sense of relevance to our consumers' needs and desires, span across a diverse spectrum of both physical and digital platforms.

Our strategic efforts not only create a powerful visual presence but also foster substantial interaction and engagement. This ensures a comprehensive coverage of every individual involved in our value chain, from the consumers who benefit from our products to the dealers and distributors who form an essential part of our commercial network.

Moving forward, we plan to intensify these initiatives to amplify our brand recognition and loyalty further. We are cognizant of the evolving market dynamics and consumer preferences, and our strategies will continue to be refined and adapted accordingly. Our future endeavours will involve increased collaborations, innovative events, and progressive marketing campaigns that stay ahead of the curve, demonstrating our commitment to providing value to all stakeholders in our business ecosystem.

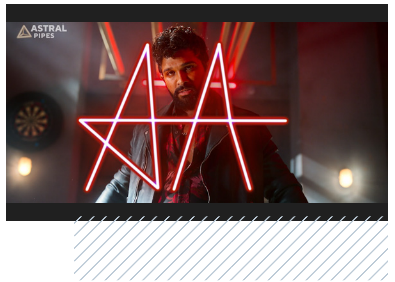
Brand ambassadors

ALLU ARJUN
Onboarded Allu Arjun as brand ambassador, leveraging his massive following to strengthen the pipe business in Southern India and drive sales

RANVEER SINGH
The face of Astral Pipes – India's trusted pipe

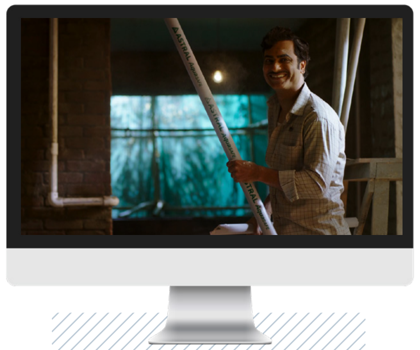
Television and online campaigns

The TVC launched with famous actor Allu Arjun helped us increase the brand share and top-of-mind recall in the South Indian markets.



Clik here to view the video

To educate customers about potential adulteration in pipes and fittings products, we launched a campaign informing them of the ISI Standards that Astral follows.



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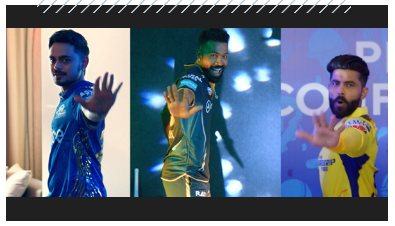
We launched a campaign to celebrate 25 years of Astral.



Clik here to view the video

BondTite quick campaign

Clik here to view the video

Bathware magazine advertisement

Co-sponsoring top-tier cricket franchises

MANAGING RISKS

A Proactive Approach to Mitigate Risks

Effective risk management helps us identify, assess and prioritise risks that may affect our business. It allows us to develop strategies and contingency plans to mitigate those risks and ensure we can continue to operate and achieve our goals even in adverse circumstances. By managing risks effectively, we are able to create sustainable value for all those associated with us and build their trust and confidence.

Risk management process

Risk identification → Assessment and evaluation → Response to risks → Review and monitoring

Risk Management Committee

The Chairman and Managing Director, Chief Financial Officer and other Independent Directors are part of Astral's Risk Management Committee. The Committee reviews material risks annually and deploys strategies to mitigate risks on a strategic and operational level.

Nature of Risk	Impact	Mitigation Strategy
Commodity risk	Unanticipated fluctuations in commodity prices and supply may have an effect on business margins and the capacity to service demand. Input prices have experienced significant fluctuations over the past few years, which has posed challenges to industries reliant on these materials.	We have well-defined norms for building strategic inventory positions as a hedge against price volatility. We purchase commodities in line with business requirements and in accordance with inventory policy and do not encourage speculative buying or trading of any commodity either in physical form or in exchanges. Further, we have also adapted our strategies for sourcing, production and pricing to maintain profitability and competitiveness.
Competition risk	Increase in the number of competing brands in the marketplace and aggressive pricing by competitors could result in a loss in market share.	We have strategically diversified our product offerings and entered newer categories (such as paints, faucets and sanitaryware) to reduce the likelihood of market disruption by competition. We prioritise volume protection over short-term profitability and continue to invest in brand-building initiatives to ensure a strong brand recall.
Supply chain risk	Inability to obtain or procure products from our suppliers and vendors in a timely and cost-effective manner could materially impact our operations.	We work closely with our suppliers to ensure supply reliability and business continuity. We have also established a reliable network of multiple alternative suppliers to ensure supply chain diversification and reduce the risk of over-dependence.
People risk	Attrition of key talent may adversely impact our ability to pursue our growth strategies.	To attract and retain the right talent, we foster a culture of diversity, inclusion and transparency while also providing a challenging and rewarding work environment. We ensure that compensation and other benefits are periodically aligned with industry standards. We have also issued ESOPs to retain the right talent and align the long-term interest of the employees with the organisational goals.
Safety risk	The Company's manufacturing processes necessitate employee interaction with plant, machinery, and equipment, all of which pose an inherent risk of injury	Our plants are designed to ensure inherent safety in accordance with various applicable standards. In addition, we adhere to highest safety standards and ensure the highest operational standards for material handling at the plants.
Foreign currency risk	Fluctuations in foreign exchange rates may result in price volatility of raw materials, thereby negatively affecting our operations.	We consistently follow the policy defined by the Board, which helps us in getting average rate of currency and mitigate the risk.
Risk of change in consumer preference	A shift in consumer preference can adversely impact the demand and business performance.	We identify emerging consumer trends and swiftly respond with innovative product offerings that meet consumers' everchanging demands.
Obsolescence risk	A product, process or technology used by us may become obsolete and decrease the brand's competitiveness in the market.	In addition to conducting regular product portfolio reviews and market research to track current trends, we invest in emerging technologies to create a first-mover advantage and provide differentiated offerings. Additionally, In our existing products the risk of obsolescence is very low.

STAKEHOLDER ENGAGEMENT

Encouraging Engagement to Gain Insights

At Astral, we promote transparent and consistent communication among our stakeholders. We believe it is important to foster a positive relationship based on trust with them while understanding their expectations and aligning our business goals accordingly.

Investors and shareholders

WHY THEY MATTER

Ensuring consistent returns to shareholders and investors is one of our top priorities. We do this by conducting our operations strategically, transparently and ethically, while strengthening our core business segments and expanding our footprint in other markets.

ENGAGEMENT METHODS

- Investor presentations
- Earnings call
- Investor conferences
- AGM
- Frequent interactions through virtual calls

MATTERS RELEVANT TO THEM

- Leadership in our product segments
- Strengthening of our brand value
- Corporate governance and integrity
- Capital allocation decisions

Customers

WHY THEY MATTER

Our customers are our priority and form the centre of everything we do. They are essentially our growth drivers and we strive to fulfil their needs with innovative, sustainable and best-in-class products at the right price.

ENGAGEMENT METHODS

- Customer servicing
- Feedback
- Marketing initiatives
- Online engagement via social media and website
- Other offline channels

MATTERS RELEVANT TO THEM

- Product quality
- Quality materials
- Customer centricity
- Brand recognition

Suppliers

WHY THEY MATTER

We believe in the inclusive growth of our vendors and suppliers and positively reinforce them to reduce waste material and enable efficient waste recycling. They play a significant role in helping us drive positive value creation together.

ENGAGEMENT METHODS

- Supplier meetings
- Contract negotiations

MATTERS RELEVANT TO THEM

- Technical know-how
- Long term business relations
- Skill development support

Employees

WHY THEY MATTER

Our people are our backbone and their personal and professional development is our priority. We strive to build a workplace that is open and fair while inspiring a culture of diversity, equality and inclusion.

ENGAGEMENT METHODS

- Internal communications
- Internal newsletters
- Training and safety programmes
- Rewards and recognitions
- Other employee engagement initiatives

MATTERS RELEVANT TO THEM

- Learning opportunities
- Career progression path
- Safety and health
- Fair remuneration

Communities

WHY THEY MATTER

Communities play a vital role in influencing our business operations. They offer us the social license to operate and in turn, we undertake several initiatives to empower them.

ENGAGEMENT METHODS

- Social contributions and CSR initiatives
- Complaints and grievance mechanisms

MATTERS RELEVANT TO THEM

- Employment opportunities
- Social development, including healthcare, education and infrastructure development

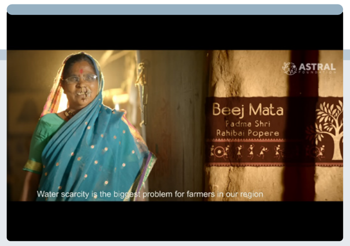
CORPORATE SOCIAL RESPONSIBILITY

Contributing to a Better Society

We firmly believe that the growth of our business is intricately linked to the overall prosperity of the communities we serve. With a deep sense of empathy and understanding, we are committed to empowering these communities by ensuring access to essential necessities.

Recognizing our social responsibilities, we tirelessly strive to enhance community well-being through meaningful partnerships and collaborations. To further solidify our commitment, we have established the 'Astral Foundation', which actively engages with implementation partners to support various initiatives in areas such as Health, Education, Environment, and Wildlife Conservation. Through these endeavors, we demonstrate our unwavering dedication to enriching the lives of these communities.

Green Co Gold, LEED Platinum and Green Pro Certification	ISO 9001:2015 certification	LEED certification by US Green Building Council (USGBC)	GRIHA Council certification
For Silencio division	For quality management system implementation at Sangli-Kanadwadi plant	For reducing carbon footprint through efficient operation and maintenance of the building	For CPVC pipes



Infrastructure Development

In collaboration with 'Beej Mata', Padma Shri Rahibai Popere, we've implemented a water supply system to ensure year-round cultivation on her organic farms. This initiative further supports her efforts towards seed preservation and sustainable farming.

We donated firefighting uniforms to the Ahmedabad Fire & Emergency Services team to help them fight fires more effectively. This initiative was taken to honour and support the brave firemen who put their lives at risk to save others.

We partnered with N. Desai Papers Private Limited to construct a new water room at Khatripur primary school under the school development project. The inauguration was done by Mr. Prakashbhai Vankar, Taluka primary education officer of Dholka. The new water room will ensure that the students have access to clean and safe drinking water. It is a significant step towards providing safe drinking water to the people.

We donated school bags and education kits for the 17th edition of the 'Shala Praveshotsav' drive to enroll students in class one across Gujarat. The Foundation distributed the kits to the newly enrolled students during the recently concluded Shala Praveshotsav and Kanya Kelvani Mahotsav.

Healthcare

We partnered with JDF Rajkot and supported children suffering from juvenile diabetes by organizing medical camps to provide insulin, medicines, and glucometer strips. They also organized a two-day mega health check-up camp for type 1 juvenile diabetics patients, which was inaugurated by Mr. Sandeep Engineer, Chairman and MD, Astral Limited.

Education

We collaborated with Manthan Education Programme Society, India, to develop a science museum at KHOJ, Sabarmati Riverfront, Ahmedabad. The project promotes interactivity with Science, Art, and Innovation. It provides a space for young minds to understand complex concepts easily, express their ideas, and develop them into reality. The museum encourages innovation and new ideas, which are essential for development.

Wildlife Conservation

We supported the Wildlife Trust of India in conducting capacity-building workshops for Markhor watchers at Limber wildlife sanctuary. The objective was to sustain the two remaining viable populations of Markhor in India. Astral Foundation provided waterproof jackets and high-altitude trekking shoes to the watcher group for daily patrolling. The Foundation is exploring and converging existing development programs with direct conservation development linkage for effective biodiversity conservation in protected areas.

Women Empowerment

We conducted a programme on International Women's Day in Khatraj village, aimed at promoting women's health and hygiene. The programme, supported by the district health department and Sevakunj charitable trust, sensitised adolescent girls and their mothers about menstrual hygiene and provided valuable information related to pregnancy and government schemes. Sanitary pads were also distributed to maintain menstrual hygiene. This programme proved to be a valuable platform for women to learn and share information, ultimately contributing towards the empowerment of women in the community.

MD&A

Management Discussion and Analysis

Global economy

The global economy has been steadily navigating through recent challenges, and projected growth rates reflect a resilient outlook. Despite a slight dip from an estimated 3.4% in 2022 to 2.9% in 2023, we anticipate a gradual recovery to 3.1% in 2024. While the current economic climate has been influenced by various factors, including central bank rate hikes to address inflation and the ongoing conflict in Ukraine, there are positive developments to highlight as well.

Notably, the rapid reopening of the Chinese economy following the containment of COVID-19 has paved the way for a faster-than-expected recovery. This encouraging trend has contributed to renewed optimism for global economic growth.

Although inflationary pressures remain a concern, we expect inflation rates to gradually decrease from 8.8% in 2022 to 6.6% in 2023 and further to 4.3% in 2024. While these levels remain above pre-pandemic levels, it is important to recognize the progress made in managing inflation.

As we look ahead, the balance of risks is becoming more favorable, with the potential for stronger boosts from pent-up demand in several economies and a more rapid decline in inflation. It is crucial to acknowledge these positive factors alongside the potential challenges we may face, such as the possibility of a severe COVID-19 outbreak in China or geopolitical tensions. Overall, the global economy is demonstrating resilience and adaptability in the face of uncertainties, paving the way for a brighter future.

In conclusion, the global economy is projected to witness a modest growth rate in FY23, with several factors influencing the outlook. Despite the challenges posed by inflationary pressures and geopolitical tensions, there is hope that pent-up demand in many economies and a gradual fall in inflation will stimulate growth. However, downside risks remain a concern, and policymakers are skilfully navigating the challenges posed by inflation and other geopolitical uncertainties. With proactive and effective strategies in place, the global economy is on its way to a brighter economic future.

Indian economy

Following an 8.7% growth in FY22, the Indian economy is expected to continue its impressive growth trajectory in FY23, with a projected real GDP growth rate of 7%. With agencies worldwide predicting India to remain the fastest-growing major economy at 6.5-7.0% in FY23, the country's economic success story shows no signs of slowing down.

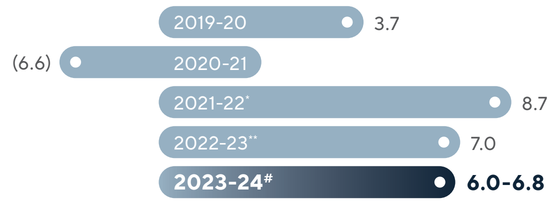
Fueling this growth is a combination of private consumption, capital formation, and a government-led capital expenditure cycle. These factors have generated employment opportunities, as seen in the declining urban unemployment rate and faster net registration in the Employee Provident Fund. Additionally, India's massive vaccination drive, which has administered over 2 billion doses, has lifted consumer sentiment and aided in the rebound of consumption. With private capex expected to take a leadership role in job creation, the Indian economy is poised for further expansion in the coming years.

Despite the challenges faced by the Indian economy, the country's policymakers have demonstrated remarkable resilience in steering it towards sustained growth. The government and RBI have taken proactive measures to rein in inflation and ease global commodity prices, bringing retail inflation below the RBI's upper tolerance target in November 2022. As a result, growth is expected to remain brisk in FY24, with a focus on credit disbursal, capital investment, and strengthening the balance sheets of corporate and banking sectors. The expansion of public digital platforms and innovative measures such as PM GatiShakti, the National Logistics Policy, and Production-Linked Incentive schemes are expected to further support the country's economic growth in the years to come.

The recent government announcement of ₹10 trillion for infrastructure spending is expected to significantly bolster the economy. This substantial investment will have a considerable impact on various sectors, particularly in lifting the housing sector. With a notable decrease in housing inventory, there is a high probability of a significant boost to new construction activities in residential areas.

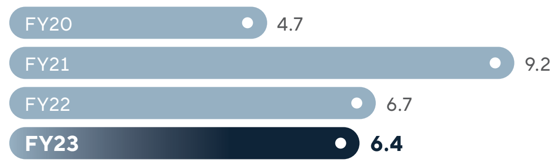
Indian Economy a Snapshot

GDP Growth
(AT CONSTANT PRICES, IN %)



*Note: *Provisional Estimates (PE) | **1st Advance Estimates (AE) | #Projected*

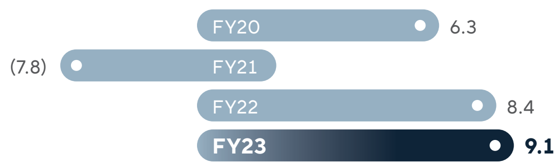
Fiscal Deficit
(% OF GDP)



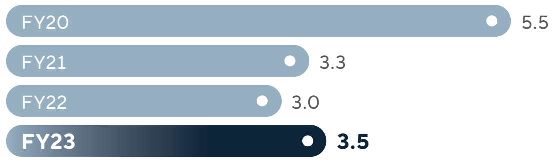
Foreign Exchange Reserves
(IN USD BN)

Inflation
(AVERAGE, IN%)

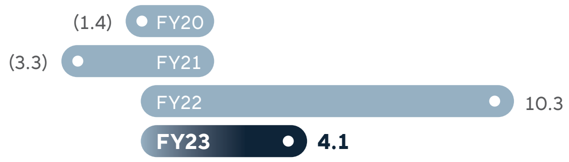
Services
(AVERAGE, IN%)



Agriculture and Allied Activities
(% OF GDP)



Industrial Growth
(AVERAGE, IN%)



Source: *https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=SURVEY%20POINTS%20TO%20THE%20LOWER,1.0%20PER%20CENT%20IN%202023&text=by%20PIB%20Delhi-,India%20to%20witness%20GDP%20growth%20of%206.0%20per%20cent%20to,economic%20and%20political%20developments%20globally.*

Industry overview

Indian plastic pipe industry

The future of the Indian plastic pipe market is illuminated with opportunities in key sectors such as potable water supply, wastewater supply, electrical and telecommunication cable protection, agriculture, chemicals, and oil and gas. As the country steadily marches towards development, the market is expected to grow at an impressive CAGR of 10.3% from 2022 to 2027, reaching a valuation of $10.9 billion. This growth can be attributed to a myriad of factors, including government investment in infrastructure, an uptick in residential and commercial construction, industrial expansion, the irrigation sector, and the replacement of deteriorating pipes. The production of PVC pipes has registered a record-breaking growth of 35% in FY22, as reported by CRISIL, lending credence to the optimistic outlook of the market.

Undeterred by the challenges posed by the pandemic, the polymer pipes sector has emerged as a shining star in India's new normal. The demand for metal to polymer pipes has experienced a noticeable shift across various industries, particularly in plumbing and piping applications within the construction industry. CPVC pipes have also witnessed a surge in demand in the hot- and cold-water plumbing industry in recent years. As the Indian economy continues to march forward, the plastic pipe market is poised for an impressive growth trajectory, spearheading a new era of infrastructure development in the country.

uPVC pipes

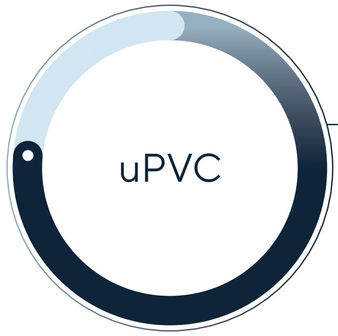
Within the realm of agriculture and plumbing, UPVC pipes have gained prominence as a key material used for the supply of potable water and sewerage. The notable advantage of UPVC pipes is their long lifespan and affordability, rendering them a popular replacement for galvanised iron pipes. As per a CRISIL report, the market for UPVC pipes is poised to undergo a 11-12% CAGR growth trajectory till 2024, propelled by an increase in demand for durable and reliable pipes that can withstand wear and tear.

GROWTH DRIVERS

The Indian plastic pipe industry is on the cusp of an exciting growth trajectory, fueled by a combination of direct and indirect government policies. The following points highlight the key drivers of growth for the industry:

- The Indian government's unwavering support for the sector has been a key growth catalyst. Direct policies, such as the Jal Jeevan Mission and Har Ghar Jal Yojna, have created new demand avenues for the industry, while indirect policies have amplified its development.
- The Jal Jeevan Mission (JJM) initiative is a game-changer for the industry. With a target of providing tap water connections to all rural households by 2024, it has created a massive opportunity for plastic pipe manufacturers to cater to the increasing demand for potable water supply.
- The government's imposition of Anti-Dumping Duty on CPVC resin/compound imports from China and Korea from 2020 to 2025 has benefited local players directly, helping them gain market share and further strengthening the domestic industry.
- The government's focus on infrastructure development has led to a massive surge in demand for polymer pipes. The National Infrastructure Pipeline (NIP) goals have resulted in the allocation of a capital expenditure of 5.5 trillion for FY22, creating opportunities for the industry.
- The expansion of railways, airports, roadways and highways, the agricultural sector, and the affordable housing sector, among others, is driving the demand for polymer pipes in India. These sectors are creating new markets for polymer pipes, presenting significant growth opportunities.

Plastic pipes are made of different types of polymers. The four key types are:



72-76%

Unplasticised Polyvinyl Chloride (UPVC)
Which represents 72-76% of industry demand

13-15%

Chlorinated Polyvinyl Chloride (CPVC)
Which represents 13-15% of the industry demand

06-08%

High Density Polyethylene (HDPE)
Representing 06-08% of the industry demand

03-05%

Polypropylene (PPR)
Representing 03-05% of the industry demand

Moreover, the robust demand growth of UPVC pipes can be attributed to the benefits they offer, such as being resistant to corrosion, abrasion, and chemicals. The versatile nature of UPVC pipes also enables their use across diverse industries, including water treatment, oil and gas, chemical, and wastewater management. As the market continues to burgeon, industry experts predict that UPVC pipes will play an even more critical role in India's infrastructure development, particularly as the nation strives to provide reliable and efficient access to water resources.

CPVC pipes

Amid the burgeoning Indian plastic pipe industry, CPVC pipes, renowned for their exceptional durability, fire and corrosion resistance, and ability to withstand extreme temperatures, are carving out a prominent niche in the hot and cold potable water distribution systems plumbing segment. Indeed, their meteoric ascent in the market has been nothing short of remarkable, with demand outpacing that of all other plastic pipes in recent years.

Although the CPVC pipe market in India is still in its early stages, its growth potential is nothing short of staggering. Propelled by a favourable landscape characterised by longevity, lead-free composition, and exceptional performance, CPVC pipes are poised to capture a significant share of the overall plastic pipes market, with a predicted growth rate that is set to exceed a remarkable 20% by 2024, according to CRISIL. As such, this burgeoning segment is expected to leave an indelible mark on the Indian plumbing landscape, making it an area to watch for all stakeholders involved in the rapidly evolving plastic pipe industry.

HDPE pipes

As for HDPE pipes, they have become a highly sought-after solution in various fields, such as irrigation, drainage, city gas distribution, and chemical and processing industries. They hold a substantial 6-8% share of the plastic pipes industry, and are increasingly preferred over traditional metal and cement pipes due to their superior build and quality. The use of HDPE pipes ensures optimal performance and long-lasting durability, which translates into cost savings and lower maintenance requirements over time.

According to a CRISIL report, the HDPE pipes market is poised for impressive growth in the coming years, with a projected CAGR of 12-13% until 2024. This is mainly driven by the growing demand for reliable and efficient piping systems across multiple applications, particularly in emerging economies such as India. Additionally, HDPE pipes offer a range of benefits, including excellent resistance to corrosion, chemicals, and weather, as well as flexibility and ease of installation.

These features make HDPE pipes a versatile and highly desirable solution for modern infrastructure and construction projects, further fueling the expansion of this market segment.

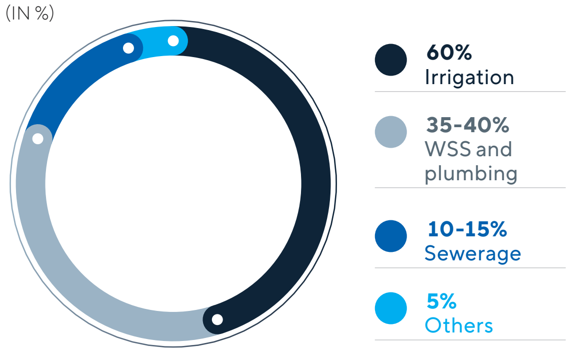
PPR pipes

Polypropylene Random Copolymer (PPR) pipes, renowned for their durability and versatility, have established a niche market in various industrial sectors, constituting 3-5% of the total demand for plastic pipes. The relatively higher cost of PPR pipes as compared to other plastic pipes, however, has limited their widespread adoption and use.

According to a report by CRISIL, the demand for PPR pipes is projected to grow at a steady pace of 6-7% CAGR until 2024, owing to their superior chemical resistance, impact strength, and thermal stability, making them ideal for use in harsh industrial environments. As industrialization continues to advance and evolve, PPR pipes are poised to play a critical role in a range of industrial applications.

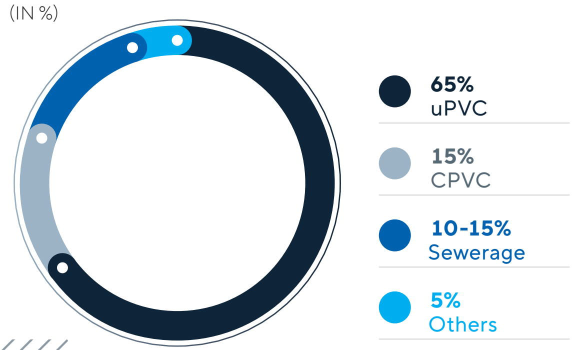
Industry break-up in terms of applications

(IN %)



Industry break-up in terms of polymer type

(IN %)



Indian water tank industry

The Indian water tank market is set for a steady growth trajectory between 2021 and 2025, owing to a range of factors including rising construction activities, increasing government regulations on wastewater, ageing water infrastructure, and the growing demand for treated and soft water in various sectors. These tanks, typically made of polyethylene or polypropylene materials, offer a convenient storage solution for various applications such as drinking water, irrigation, chemical manufacturing, fire suppression, and food preparation.

The Asia Pacific region, particularly India, has emerged as the largest revenue-generating market for water tanks, thanks to the growing construction of households, public places, and new buildings. While the market is currently dominated by unorganised regional firms that service up to 70% of the industry, the major Indian pipes businesses are expanding their manufacturing base, which has resulted in an effective pan-India presence with overlapping distribution networks. This development bodes well for the prominent pipe players in the market, as the distribution network of water tanks overlaps with that of pipes, making it a logical extension for any pipe player.

The Indian water tank market is estimated to be worth around ₹45-50 billion, with a projected growth rate of 5-6% CAGR. Plastic storage tanks are expected to continue their healthy demand trend, given the increasing building activity, concerns about water conservation, growing population, and ageing water infrastructure. Overall, the India water tank market represents a significant opportunity for players in the industry who can navigate the challenges posed by transportation costs and logistics, while leveraging emerging opportunities in government regulations and new market segments.

India's need for effective water storage

Access to water in some parts of India is a rising concern due to long and unpredictable dry growing seasons caused by global warming. As a result, water storage tanks have become an indispensable solution to address the growing concern of water scarcity. These tanks are used to provide storage of water for a wide range of applications, including drinking water, irrigation agriculture, livestock water for animals, chemical manufacturing, food preparation, and many other uses.

Irrigation tanks have been a traditional method in India for many years. These water storage tanks are typically filled with natural water resources like rainfall and then stored for use in agricultural purposes, domestic uses, and other uses. With groundwater depletion and erratic monsoons becoming increasingly prevalent, water tank harvesting has become crucial for industries like agriculture, food processing, or construction.

In addition to the aforementioned end uses, water storage tanks have a significant impact on the environment and economy. These tanks play a vital role in mitigating the effects of drought and water scarcity by providing a reliable source of water for both agricultural and domestic purposes. Furthermore, India's burgeoning population has driven rapid industrialisation and urbanisation, leading to a promising outlook for the water tank industry. As construction activities continue to soar, water tanks have become an essential component of modern society's infrastructure. This growth is further fuelled by the exponential increase in construction activities worldwide, particularly in India, where demand for water tanks is steadily rising.

The increasing demand for water storage tanks has led to the emergence of new and innovative technologies, such as rainwater harvesting and solar-powered tanks, which have further expanded the usage and application of these tanks. With technological advancements, water storage tanks are becoming more affordable and efficient, enabling access to clean water for more people in India. With no signs of slowing down, the industry is poised for impressive growth, presenting an attractive opportunity for investors looking to capitalize on the country's expanding infrastructure needs.

Indian adhesive and sealants industry

The burgeoning Indian adhesives and sealants market is poised for impressive growth, with an estimated valuation of over USD 2,400 million by the end of FY23. The industry is anticipated to register a robust CAGR of over 7% between 2023 and 2028, driven by the increasing demand from the packaging industry and the growing aerospace sector in the country, including a myriad of other growth drivers propelling it forward.

The Indian adhesives and sealants market is thriving, marked by a diverse and fragmented landscape where the top five players account for 32.96% of the industry. The COVID-19 pandemic has caused severe disruptions to the Indian economy, leaving no industry unscathed, including the adhesives and sealants market. Nevertheless, the market has shown remarkable resilience, bouncing back to pre-pandemic levels and forging ahead with steady momentum towards new horizons.

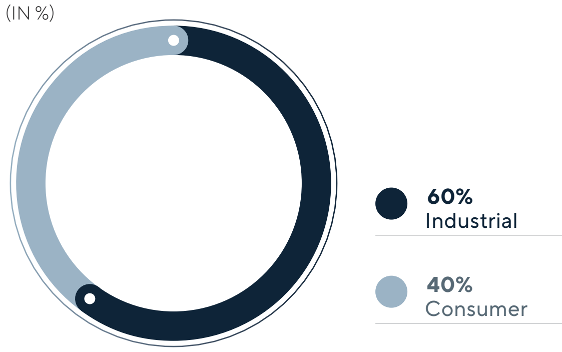
The industry can be bifurcated into two key segments, namely:

1. Industrial adhesives: former caters to a variety of B2B industries such as Packaging, Footwear, Paints, Automotive, and many more
2. Consumer adhesives: serves industries such as Furniture/Woodwork, Building Construction, Arts and Crafts, Electrical fittings, among others.

With a dynamic and ever-evolving market landscape, the Indian adhesives and sealants industry is poised to continue its upward trajectory for the foreseeable future, providing ample opportunities for growth and innovation.

Market Share

(IN %)



Market Summary

(US$ IN MN)

7.0%
CAGR Growth

Note: For further details, please refer to point number 4 in the sources provided on page 40.

GROWTH DRIVERS

The Indian adhesives and sealants market has been bolstered by several key drivers in recent years, each of which underscores the industry's enduring growth prospects. Let's delve deeper into these growth drivers:

- The soaring aerospace industry in India has been a major driver of demand for adhesives and sealants. With the civil aviation and defence sectors experiencing an unprecedented surge in activity, demand for adhesives and sealants is poised to rise steadily in tandem. Furthermore, as India's capital expenditure spending on defence continues to soar, the aerospace industry will likely continue to grow, providing ample opportunities for both new and existing players in the adhesives and sealants market.
- The packaging industry is a rapidly growing sector, driven by cutting-edge design and technology that enhances product safety and longevity. As the fifth-largest sector in India's economy, the packaging industry owes its impressive growth trajectory to the rising middle-class population, improved supply-chain systems, and the growing popularity of e-commerce. The packaging industry is the largest end-user of adhesives and sealants, with applications ranging from labels, tapes, and carton sealing to labelling and more.
- The work-from-home and online classes brought on by the pandemic have created an upsurge in demand for household furniture, particularly wooden furniture. This trend is likely to persist, further driving demand for adhesives and sealants used in the manufacturing and finishing of furniture.
- The electronics industry is another key growth driver for the adhesives and sealants market, given the extensive use of these materials in various applications, including conformal coatings, bonding of surface mount devices, and protecting terminal electrodes. With demand for electronics growing at a compound annual growth rate of 19-24%, the adhesives and sealants market is poised to benefit significantly from this trend.
- The construction industry is a significant user of adhesives and sealants, with applications ranging from flooring and carpets to wall covering, lamination, and fixed window frames. As India continues to invest in infrastructure and increase spending on building construction, the construction industry is poised to remain a vital source of demand for adhesives and sealants in India.

Indian paints & coatings industry

The Indian paints and coatings market is brimming with promise, poised to achieve a staggering $7,645 million by the year-end. Furthermore, this dynamic industry is anticipated to register a CAGR of over 7% during the forecast period of 2023-2028, buoyed by the impressive strides made in the construction sector.

The architectural segment of the Indian paints and coatings industry has been the bedrock of its growth and development. Despite the COVID-19 pandemic's debilitating effects on businesses worldwide, the architecture segment has persevered, experiencing substantial growth in 2022. Its impressive performance can be attributed to a robust construction pipeline, ambitious government schemes such as "Housing for All," and burgeoning urbanisation, which have collectively fuelled a spike in demand for architectural coatings across the nation. These factors will undoubtedly play a critical role in propelling the market's growth in the medium to long term, with economic growth, urbanisation, and purchasing power serving as the essential drivers of architectural paint consumption in any given country.

The Indian paints and coatings market's growth trajectory is not without its share of challenges, as raw material prices remain volatile and could potentially hinder progress. Nevertheless, the industry's innovative adoption of nanotechnology in paints and coatings represents a silver lining, offering myriad opportunities for market growth in the years ahead. As the market continues to rebound from the pandemic's effects, its growth will be propelled by the construction industry's unwavering demand and the automotive industry's steady recovery, auguring well for a bright future.

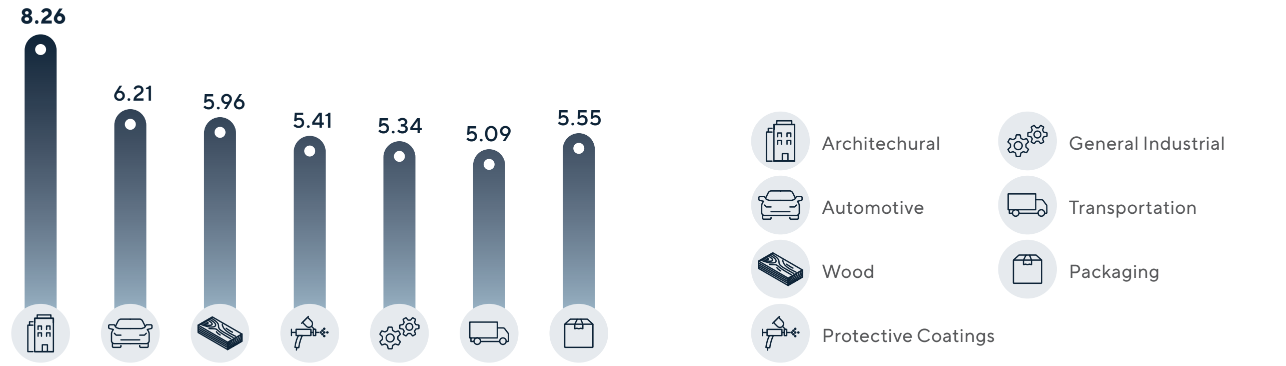
Market Summary

(US$ IN MN)

7.0%

CAGR Growth

Paints and coatings market, revenue CAGR(%) by end-user Industry, India 2022-27



***Note:** For further details, please refer to point number 5 in the sources provided on page 40.*

GROWTH DRIVERS

The Indian paints and coatings industry is on the rise, driven by several growth drivers that are transforming the market. Here are some of the key drivers that are expected to shape the industry's future:

- Rising residential sector: The government's support and initiatives have led to an increase in demand for the residential sector. The Ministry of Housing and Urban Development has allocated funds in the 2021 budget for the construction of houses, while initiatives such as Pradhan Mantri Awas Yojana (PMAY) program are expected to provide affordable homes to many people by 2022. This trend is expected to continue, providing a significant boost to the architectural emulsion coatings market.
- Commercial sector expansion: The expansion of the commercial sector in India is having a positive impact on the paints and coatings industry. The opening of 92 new school buildings, with 48 labs and three libraries in the southern part of the country in September 2021, is a testament to this trend. With more commercial buildings, there will be a greater demand for architectural emulsion coatings, thereby contributing to the growth of the market.
- Government initiatives: The Indian government's initiatives have had a positive impact on the paints and coatings industry. For instance, the government provides subsidies on interest rates for housing loans for citizens who wish to build or buy their first house. Such initiatives, along with the government's focus on infrastructure development, are expected to drive the demand for paints and coatings in the coming years.

Indian sanitaryware industry

The Indian Sanitary Ware market is currently experiencing a seismic shift, with an abundance of raw materials and low labour costs attracting both domestic and international players to set up manufacturing facilities across the country. This, coupled with significant government and private initiatives and a marked improvement in living standards, has led to a substantial increase in the level of sanitation across India. Notably, consumers in India are becoming increasingly hygiene conscious, with a rise in disposable income and influence from western culture. Additionally, an increasing preference for functional and feature-rich bathrooms has led to an uptick in demand for sanitary ware.

As we look towards the future, the Indian Sanitary Ware market is poised for tremendous growth, with a projected CAGR of 7.38% between 2023 and 2029, and an expected market value of US$1245 million by 2029. The market has experienced steady development in recent years, and the related industry verticals, such as bathroom fittings, are also primed for strong growth in the years to come. Notably, bathrooms in modern Indian homes are increasingly adorned with fittings and interiors that make a bold statement.

Despite intense competition in the market, with both organised and unorganised players vying for market share, the unorganised players still hold a significant one-fourth of the total market share in 2022. Furthermore, over 46 million units of sanitary ware were sold in the base year 2022, with that number expected to surpass 80 million units by 2030. While the middle or mass sanitary ware market currently holds the majority of the market share, the premium segment is expanding at a higher growth rate. Overall, the Indian Sanitary Ware market presents a wealth of opportunities for those looking to capitalise on this burgeoning industry.

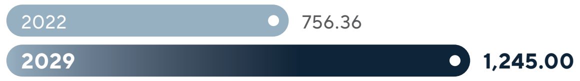
Market Size in 2022
(US$ IN MN)

756.36

Market Size in 2029
(US$ IN MN)

1,245

Market Size
(US$ IN MN)



7.38%
CAGR Growth

Note: For further details, please refer to point number 6 in the sources provided on page 40.

GROWTH DRIVERS

- The Indian housing sector has been on a steady rise, propelled by an rising purchasing power, and government initiatives such as easy loans. This growth has fueled demand for bathroom fittings, which are an integral part of modern-day infrastructure.
- Urbanisation and rising customer awareness have been the key drivers of the sanitaryware market's growth in India. As customers become more inclined towards premium, high-end household fittings, demand for bathroom accessories continues to soar. Furthermore, the development of smart and luxury housing projects has boosted the market further, leading to a growing preference for automated bathroom accessories such as sensor taps and automatic soap dispensers.
- The increasing disposable income, combined with evolving customer preferences have also been key factors driving growth in the sanitaryware industry. In addition, industries such as hospitality and tourism have increased the demand for ceramic sanitaryware products.
- Rapid growth in the real estate sector has led to a surge in demand for sanitaryware products, driven by the increasing construction of a range of property segments such as offices, shopping malls, and hospitality facilities. This trend is expected to continue in the coming years, powered by a growing population and an increase in the number of nuclear families.
- The increasing focus on health and hygiene, especially in the wake of the COVID-19 pandemic, has led to a heightened demand for bathroom fittings, as consumers become more hygiene-conscious. This trend is expected to continue, further driving growth in the sanitaryware market.
- Finally, changing customer preferences have also been a major driver of growth in the sanitaryware industry, as consumers increasingly seek products that are not only functional but also aesthetically pleasing. As a result, manufacturers are now offering a range of innovative and attractive products, further fueling demand in the market.
- The government's Swachh Bharat campaign has encouraged cleanliness and hygiene, particularly in rural and underdeveloped areas. This has led to an increased demand for sanitaryware products, as people are more aware of the importance of having clean and hygienic living spaces.

Sources:
1. *https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023#:~:text=Global%20growth%20is%20projected%20to,19)%20average%20of%203.8%20percent. (Global economy)*
2. *https://pib.gov.in/PressReleasePage.aspx?PRID=1894932#:~:text=Despite%20the%20downward%20revision%2C%20the,growing%20significant%20economies%20in%202022. (Indian economy)*
3. *https://timesofindia.indiatimes.com/blogs/voices/trends-and-future-of-the-indian-plastic-pipe-market/ (Indian plastic pipe industry)*
4. *https://www.mordorintelligence.com/industry-reports/india-adhesives-and-sealants-market (Indian adhesives and sealants industry)*
5. *https://www.mordorintelligence.com/industry-reports/india-paints-and-coatings-market (Indian paints and coatings industry)*
6. *https://www.maximizemarketresearch.com/market-report/indian-sanitary-ware-market/85262/ (Indian sanitaryware industry)*

Company Overview

Astral is a prestigious manufacturer of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems catering to both residential and industrial use. With a commanding market share in the domestic CPVC and PVC pipe industry, the Company has achieved widespread recognition as a leader in the piping segment. However, Astral's growth hasn't been restricted to the piping segment alone. Over the years, it has diversified its product portfolio and expanded into other areas such as adhesives and sealants, infrastructure products, and water tanks. Recently, it has forayed into the paints, faucets, and sanitaryware segments, thereby transforming itself into a comprehensive home building material player.

Astral operates several manufacturing facilities across India, including Santej, Dholka (Gujarat), Hosur (Tamil Nadu), Ghiloth (Rajasthan), Sangli (Maharashtra), Sitarganj (Uttarakhand), Aurangabad (Maharashtra), and Bhubaneswar (Odisha), which are capable of producing a range of products such as plumbing systems, drainage systems, agricultural pipes, industrial pipes, fire protection pipes, electrical conduit pipes, and infrastructure products. The Company also has water tank manufacturing facilities in Santej, Ghiloth, Hosur, Aurangabad, and Bhubaneswar.

Astral's adhesive and sealant manufacturing facilities are located at Santej (Gujarat), Rania and Unnao (U.P.), Elland (U.K.), and Stanford (USA), and have been instrumental in expanding the Company's product portfolio. With a focus on innovation, technology, and customer satisfaction, Astral has established itself as a leading player in the home building materials industry and is committed to maintaining its position as a market leader by delivering high-quality products and services.

Astral's newly acquired Gem Paint Business operates from a state-of-the-art plant located in Bangalore, catering specifically to the South Indian market. This facility is a newly constructed establishment equipped with advanced technology systems and boasts a significant capacity to accommodate the Company's growth plans for the next 3-4 years.

Business performance

The pipes industry confronted significant challenges due to the volatility in polymer prices, presenting considerable hurdles for small and unorganized players. Similarly, the adhesives and sealants sector encountered difficulties stemming from elevated chemical prices. However, amidst these circumstances, both pipes and adhesives segment experienced growth driven by the thriving construction industry, albeit grappling with fluctuating raw material costs.

Amidst these prevailing market trends, Astral exhibited notable resilience, achieving a commendable revenue of ₹51,585 million, signifying a substantial 17.4% increase over FY22. The Company attained a profit before tax (PBT) of ₹6,170 million and an earnings before interest, taxes, depreciation, and amortization (EBITDA) of ₹8,351 million. Additionally, Astral recorded a net cash profit of ₹6,376 million, denoting a 3.29% rise over FY22.

Individually, both the plumbing and the paints & adhesives divisions demonstrated commendable performance. The plumbing business witnessed an 11.93% revenue growth, reaching ₹37,675 million in FY23. Accompanied by an EBITDA of ₹6,419 million. The profit before tax (PBT) for this segment amounted to ₹4,850 million, Notably, the year yielded a robust production growth of 22.15%, culminating in a production volume of 1,73,940 MT.

Conversely, the paints & adhesives division thrived throughout FY23, recording a remarkable revenue growth of 35.28% compared to FY22, amounting to ₹13,910 million. The EBITDA for this segment experienced a notable surge of 24.40%, reaching ₹1,932 million. Consequently, this segment accounted for 27% of Astral's total revenue, marking a significant increase from the 23% contribution recorded in FY22.

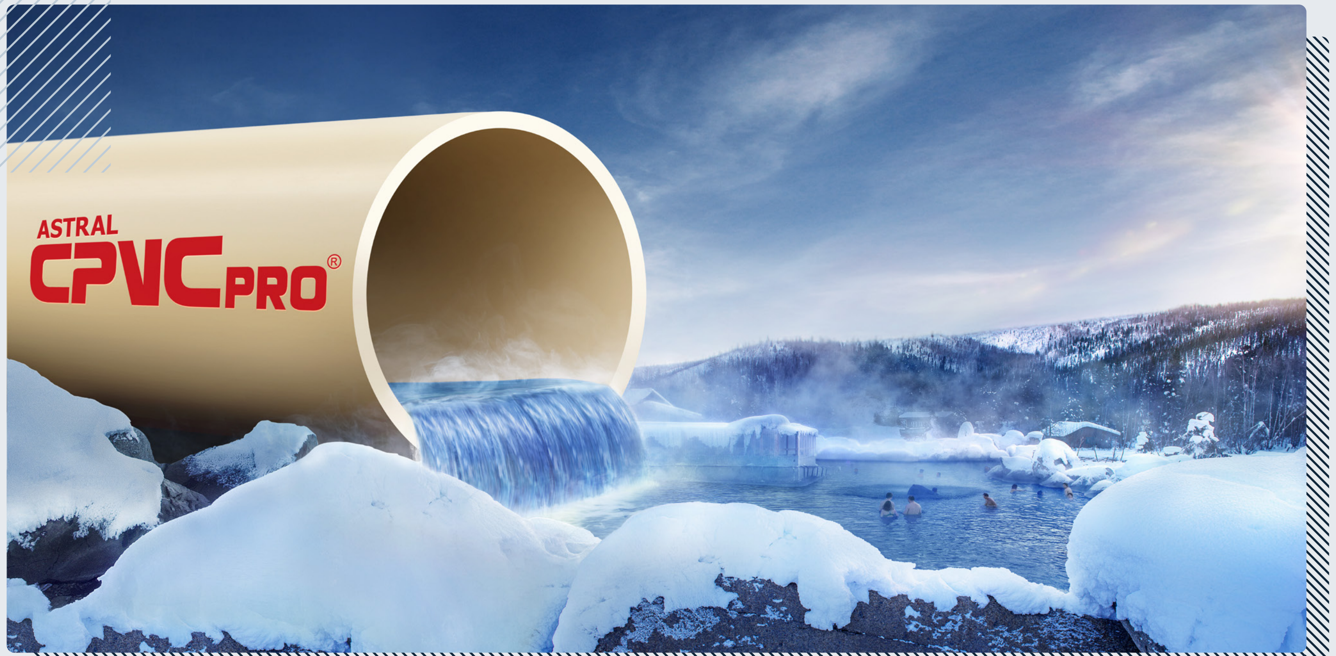
Key Financial Ratios

PARTICULARS	FY22	FY23	CHANGE
Operating Profit Margin	17.94%	**16.19%**	(1.75)%
Net Profit Margin	11.16%	**8.91%**	(2.25)%
Debtor Turnover	22	**25**	3 days
Inventory Turnover	61	**62**	1 day
Interest Coverage*	107.31	**36.98**	(65.54)%
Debt Equity	0.02	**0.02**	0.00%
Current Ratio	1.85	**1.72**	(7.36)%
Return on Net Worth#	22.92%	**17.27%**	(5.65)%

Note:

**Reason for change in Interest Coverage*
The decrease in the Interest Coverage Ratio can be primarily attributed to the higher interest rates on Operational Buyers credit facilities during the year. Furthermore, there has been an overall increase in borrowing rates, which has also contributed to the decline in the ratio.

#Reason for change in return on networth
The decrease in return on net worth is mainly because of the impact of, business combination including amortisation of intangible assets of the recently acquired subsidiary, Gem Paints Private Limited and also there has been a inventory losses due to fluctuation of prices of raw materials and chemicals.



Internal control systems and their adequacies
Astral's commitment to accountability and transparency is exemplified by its institutionalized system of internal controls, which cover all corporate functions. These controls are designed to ensure that operations are efficient and effective, financial controls are reliable, and compliance with applicable laws and regulations is upheld.

To ensure the ongoing appropriateness of these policies and procedures, they are regularly updated, overseen by the Internal Auditor, and aligned with industry standards. The Board and the Audit Committee provide additional supervision of internal control adequacy through monitoring the implementation of internal audit recommendations via compliance reports. Astral's independent auditors have also confirmed the adequacy of its internal controls over financial reporting in their report.

This comprehensive and dynamic internal control system is a testament to Astral's commitment to best practices and serves to inspire confidence among stakeholders in the integrity and soundness of its operations.

Human resources
The Company recognizes that its employees are the backbone of the business, and it values their commitment, competence, and hard work. Astral emphasises the importance of providing its workforce with opportunities to grow and develop, and has implemented robust HR policies to support this mission. Astral's focus on employee fulfilment, stretch, and development has translated into a highly motivated and skilled workforce that consistently delivers exceptional results.

As of March 31, 2023, Astral boasts a team of over 8,200+ employees (including contract labour) located across various regions. These individuals have shown remarkable dedication to their roles, which has enabled the Company to achieve unparalleled levels of performance. Moving forward, the Company remains committed to nurturing its employees and fostering a culture of growth and development, as it believes that this is the key to driving sustainable success in the long run.

Cautionary statement
Investors are cautioned that this discussion contains forward-looking statements that involve risks and uncertainties. When used in this discussion, words like 'will', 'shall', 'anticipate', 'believe', 'estimate', 'intend' and 'expect' and other similar expressions, as they relate to the Company or its business, are intended to identify such forward-looking statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Accordingly, actual results, performances, or achievements could differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on the forward-looking statements as they speak only as of their dates.

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Statutory Report

Key Highlights (Consolidated)

(₹ In Million except as stated otherwise)

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23[6]
Capacity (In M.T.)	2,91,041	3,25,547	3,50,122	3,70,802	4,27,611
Sales	25,013	25,714	31,699	43,839	51,451
Net Sales	25,013	25,714	31,699	43,839	51,451
Other Income	214	186	315	450	401
Total Income	25,227	25,900	32,014	44,289	51,852
PBIDT	3,968	4,534	6,626	7,883	8,351
Interest	257	211	116	61	171
Profit Before Depreciation, Tax & Exceptional Items	3,710	4,323	6,510	7,822	8,180
Depreciation	814	1,079	1,165	1,269	1,781
Profit Before Tax & Exceptional Items	2,896	3,244	5,345	6,553	6,399
Exceptional Items (Exchange Gain/(Loss))	(62)	(183)	(15)	(68)	(247)
Profit Before Tax	2,834	3,061	5,330	6,485	6,152
Tax	861	565	1,248	1,581	1,557
Profit After Tax	1,973	2,496	4,082	4,904	4,595
Other Comprehensive Income (Net of tax)	(2)	3	28	6	(3)
Total Comprehensive Income	1,971	2,499	4,110	4,910	4,592
Paid Up Equity Capital	120	151	201	201	269
Reserve and Surplus[1]	12,645	14,866	18,745	23,153	26,831
Shareholders' Funds	12,765	15,017	18,946	23,354	27,100
Non-controlling Interests	150	168	212	278	2,477
Loans (Long term)	1,631	1,090	247	401	365
Deferred Tax Liability (Net)	533	429	400	398	299
Capital Employed [2]	14,302	16,288	19,267	23,219	30,504
Gross Fixed Assets[3]	10,335	12,888	14,657	17,723	21,569
Capital Work In Progress	808	444	566	1,232	1,261
Net Fixed Assets[4]	8,103	9,646	10,287	12,169	14,583
Net Current Assets	2,842	3,482	5,807	8,042	8,585
Book Value Per Equity Share (in ₹)	47.72	56.06	70.73	86.95	100.88
Earning Per Equity Share (in ₹)	7.32	9.26	15.10	18.01	17.00
Cash Earning Per Equity Share (in ₹)[5]	10.86	12.82	19.15	22.97	23.42
Debt: Equity (Long Term Debt/Total Net Worth)	0.19	0.11	0.03	0.02	0.02

[1]. Excluding Revaluation Reserves and reducing miscellaneous expenditure

[2]. Excluding Revaluation Reserves, Miscellaneous Expenditure and Capital Work in Progress.

[3]. Excluding Goodwill, Brand, Distribution Network and Capital Work in Progress.

[4]. Excluding Revaluation Reserves, Goodwill, Brand and Capital Work in Progress.

[5]. Cash profit considered for cash earning per share is Net Profit + Depreciation + Deferred tax + Exceptional item excluding foreign gain(loss).

[6]. Excluding non-core operation of Gem Paints which is part of discontinuing operations; except details of non-controlling interest.

Corporate Information

BOARD OF DIRECTORS

Mr. Sandeep P. Engineer
Chairman & Managing Director

Mrs. Jagruti S. Engineer
Whole-Time Director

Mr. Girish B. Joshi
Whole-Time Director

Mr. C. K. Gopal
Independent Director

Mr. Viral M. Jhaveri
Independent Director

Mrs. Kaushal D. Nakrani
Independent Director

Mr. Chetas Desai
Independent Director

Mr. Dhinal Shah
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Hiranand A. Savlani

COMPANY SECRETARY

Mr. Manan C Bhavsar

REGISTERED & CORPORATE OFFICE:

Astral Limited
CIN: L25200GJ1996PLC029134
Astral House
207/1, B/h. Rajpath Club, Off S. G. Highway,
Ahmedabad - 380 059, Gujarat, India
Ph: +91 79 6621 2000, Fax: +91 79 6621 2121
Email: info@astralpipes.com

STATUTORY AUDITORS

SRBC & CO. LLP
21st Floor, B Wing, Privilon
Ambli BRTS Road, Behind Iskcon Temple
Off SG Highway, Ahmedabad - 380 059, India
Tel: +91 79 6608 3900

FACTORY LOCATION

Piping, Water Tanks & Faucets Divisions
India

Santej (Gujarat)
Dholka (Gujarat)
Jamnagar (Gujarat)
Hosur (Tamil Nadu)
Ghiloth (Rajasthan)
Sangli (Maharashtra)
Aurangabad (Maharashtra)
Sitarganj (Uttarakhand)
Bhubaneshwar (Odisha)

Adhesive Division
India
Santej (Gujarat)
Rania (Uttar Pradesh)
Unnao (Uttar Pradesh)
Dahej (Under trial run-Gujarat)

Overseas
USA
UK

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited
Office No S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road
Andheri (East),
Mumbai 400093.
Phone No: +91 22-62638200,
Fax No. + 91 22-62638299,
E-mail: info@bigshareonline.com

BANKERS

HDFC Bank Limited
HSBC Bank
IndusInd Bank
Standard Chartered Bank

Directors' Report

Dear Shareholders,

Your directors have pleasure in presenting the 27th Annual Report of your Company together with the Audited Statements of Accounts for the Year ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS:

The summary of Standalone and Consolidated Financial Results for the Year ended March 31, 2023:

(₹ In Million)

Particulars	Standalone		Consolidated	
	FY 22-23	FY 21-22*	FY 22-23	FY 21-22
Income from Operations (Net)	46,116	40,613	51,585	43,940
Other Income	239	333	267	349
Total Expenditure	38,605	33,526	43,486	36,387
Profit Before Depreciation, Interest and Tax	**7,750**	**7,420**	**8,366**	**7,902**
Finance Cost	333	95	400	129
Depreciation and amortization expense	1374	1163	1,781	1,269
Profit Before Exceptional Item & Tax	**6,043**	**6,162**	**6,185**	**6,504**
Exceptional Items	33	19	(18)	-
Share of profit/(loss) of joint venture	-	-	(15)	(19)
Profit Before Tax	**6,010**	**6,143**	**6,152**	**6,485**
Tax expense	1,531	1,526	1,557	1,581
Profit for the year	**4,479**	**4,617**	**4,595**	**4,904**
Profit from Discontinued operation	-	-	130	-
Net Profit for the year	**4,479**	**4,617**	**4,725**	**4,904**
Add: Other Comprehensive Income (net of tax) – Continuing operations	(10)	2	(3)	6
Add: Other Comprehensive Income (net of tax) – Discontinuing operations	-	-	449	-
Total Comprehensive Income	**4,469**	**4,619**	**5,171**	**4,910**
Less: Currency Translation (Loss)/Gain	-	-	27	4
Total	**4,469**	**4,619**	**5,144**	**4,906**
Attributable to:				
Non- Controlling Interest	-	-	589	66
Shareholders of the Company	4,469	4,619	4,555	4,840
Surplus in Statement of Profit & Loss brought forward	**18,295**	**14,128***	**18,832**	**14,444**
Less: Consequent to acquisition of non-controlling interest in Seal It Services Limited, UK	-	-	322	-
Less: Pursuant to Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited	-	-	5	-
Amount Available for Appropriation	**22,764**	**18,747**	**23,060**	**19,284**
Payment of Dividend (Including tax on dividend)	603	452	603	452
Balance carried to Balance Sheet	**22,161**	**18,295**	**22,457**	**18,832**

*** - Restated pursuant to scheme of amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited (w.e.f. appointed date April 1, 2021)**

2. DIVIDEND

During the year under review, the Board of Directors declared and paid Interim Dividend of ₹ 1.25/- (125%) per equity share. Further your directors have recommended a Final Dividend of ₹ 2.25/- per equity share for the financial year ended March 31, 2023 subject to approval of shareholders in the ensuing Annual General Meeting. With the above, the total dividend for the year under review would be ₹ 3.50/- (350%) per equity share as compared to ₹ 3.00/- (300%) total dividends paid in the previous year. Interim Dividend Paid for the FY 2022 -2023 along with the Final Dividend, if approved in the ensuing Annual General Meeting Shall be about ₹ 855 Millions compared to ₹ 603 Millions absorb in the previous year.

The dividend recommended is in accordance with the Company's policy on dividend distribution. The said policy is available on the website of the Company as can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668401922_policy_on_dividend_distribution.pdf

3. TRANSFER TO RESERVES

No amount is proposed to be transferred to the reserves during the year under review.

4. CONSOLIDATED FINANCIAL AND OPERATIONAL PERFORMANCE:

- Consolidated Revenue from Operations has increased by 17% from ₹ 43,940 Millions to ₹ 51,585 Millions.
- Consolidated EBIDTA has increased by 6% from ₹ 7,883 Millions to ₹ 8,351 Millions.
- Consolidated Profit Before tax (before exceptional items) has decreased by 5% from ₹ 6,485 Millions to ₹ 6,170 Millions.
- Consolidated Profit After tax has decreased by 6% from ₹ 4,904 Millions to ₹ 4,595 Millions.

5. PROJECT IMPLEMENTATION AND PERFORMANCE REVIEW:

- During the year under review, your Company has increased its installed capacity of plumbing business by 2.78% from 282338 MT to 290176 MT. Sales volume of pluming business has increased from 149569 M.T. to 177628 M.T.

6. ISSUE OF BONUS EQUITY SHARES:

Your Directors are pleased to inform that during the year under review, your Company issued 6,71,52,893 bonus equity shares of ₹ 1/- each in the ratio of 1:3. Accordingly, the paid-up share capital of the Company was increased from ₹ 2,014,58,679 to ₹ 26,86,11,572.

7. ACQUISITION:

During the year under review, the Board of Directors approved the Scheme of Amalgamation of subsidiaries of your Company viz. Resinova Chemie Limited and Astral Biochem Private Limited with the Company. The Hon'ble National Company Law Tribunal, Bench at Ahmedabad has sanctioned Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with the Company and their respective shareholders and creditors, vide order dated September 5, 2022, under section 230 to 232 of the Companies Act, 2013 read with rules made thereunder. The Company has received the certified copy of the NCLT order sanctioning Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with the Company and their respective shareholders and creditors and the same has been filed with the Registrar of Companies on September 6, 2022. Accordingly, the Scheme of Amalgamation has become effective from September 6, 2022.

As a part of your Company's strategy to expand its product portfolio under building material segment, the Board of Directors of your Company in their meeting held on April 29, 2022 approved to acquire 51% controlling equity stake in Operating Paint Business of Gem Paints Private Limited. Gem Paint Private Limited is a Company incorporated under the provisions of the Companies Act 1956 having its registered office at Bangaluru and is in the business of manufacturing and supply of various types of paints coatings, products related to home décor, industrial paints and in all types of chemicals, essences, enamels, polishes, distempers, colours etc. Accordingly, your Company entered into definitive agreements with Gem Paints Private Limited and its shareholders. As per the agreements, your Company initially invested ₹ 194 Crores in Gem Paints Private Limited by subscribing to Optionally Convertible Debentures (OCDs) equivalent to value of 51% equity stake of Operating Paint business of Gem Paints on June 21, 2022. The Operating Paint Business of Gem Paints Private Limited is proposed to be demerged to a wholly owned subsidiary of Gem Paints Private Limited viz. Esha Paints Private Limited with an Appointed Date of April 1, 2022. Upon the completion of demerger, your Company shall acquire 51% equity shares of Esha Paints Private Limited against the redemption of OCDs. The name of Esha Paints Private Limited is proposed to be changed to Gem Paints Private Limited under the demerger scheme. The Company has appointed majority directors on the Board of Gem Paints Private Limited and Esha Paints Private Limited and control is established in terms of the aforesaid Debenture Subscription Agreement. Accordingly, Gem Paints Private Limited and Esha Paints Private Limited have become subsidiaries of the Company respectively in terms the applicable provisions of the Companies Act, 2013. The Scheme of Arrangement involving Demerger is currently pending with the National Company Law Tribunal, Bangalore, for its approval.

8. NEW PRODUCT:

During the year under review, the Board of Directors of your Company decided to enter into the business of faucets and sanitaryware and related products. The Company plans to set up multiple channel-partnership based showrooms in major cities across the country in the coming year.

9. SUBSIDIARY/JOINT VENTURE COMPANIES:

As at March 31, 2023, your Company had 3 direct subsidiaries, 3 step down subsidiary and 1 joint venture Company. During the year under review, Gem Paints Private Limited (including its subsidiary companies viz. Esha Paints Private Limited and Enterprise Software and Technology Services Private Limited) become Subsidiary of the Company. The Company does not have any Change in Associate or Joint Venture at the end of the year.

The highlights of performance of subsidiaries of your Company have been discussed and disclosed under the Management Discussion and Analysis section of the Annual Report. The statement containing salient features of the financial statement of subsidiary/joint venture (associate) Company including contribution of subsidiary/joint venture Company to the overall performance of the Company and in in terms of the revenue and profit in the prescribed format Form AOC-1 as per Companies (Accounts) Rules, 2014 is attached to the financial statements of the Company

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including consolidated financial statements and audited accounts of each of the subsidiary are available on https://astralltd.com/wp-content/uploads/2023/06/Financial-Subsidiaries-2022-2023.pdf These documents will also be available for inspection during working hours at the registered office of your Company at Ahmedabad, Gujarat. Any member interested in obtaining such document may write to the Company Secretary and the same shall be furnished on request.

The Company has formulated policy for determining "Material Subsidiaries". The said policy can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668401356_material_subsidiary_policy.pdf As on March 31, 2023.

10. CHANGES IN SHARE CAPITAL

During the year under review, the authorised share capital of the Company has been increased from ₹. 21,05,00,000/- to ₹. 26,85,00,000/- on account of the Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with the Company. Further, your Company has altered "Capital Clause" of Articles of Association of the Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on March 3, 2023 and the Authorised Share Capital has been further increased from ₹. 26,85,00,000/- to ₹. 50,00,00,000/-.

Further, during the year under review, the Company's paid-up equity share capital increased from ₹ 20,09,20,181/- to ₹ 26,86,11,572/- upon allotment of 5998 shares on account of Employee Stock Option Scheme, allotment 5,32,500 Shares as per the Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited and allotment of 6,71,52,893 on account of Bonus issue.

11. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of your Company prepared in accordance with the provisions of the Companies Act, 2013, Listing (Obligations and Disclosure Requirement) Regulations 2015 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India form part of this Annual Report.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part this Directors' Report.

13. CORPORATE GOVERNANCE:

Corporate Governance Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Directors' Report.

A Separate report on Corporate Governance along with Certificate from M/s SRBC & CO. LLP, Chartered Accountants, on Compliance with conditions of Corporate Governance as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as a part of this Annual report.

14. SECRETARIAL STANDARDS:

During the year under review, your Company has complied with the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

15. VIGIL MECHANISM:

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. Whistle blower policy of the Company has been uploaded on the website of the Company and can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668402390_vigil_mechanism_whistle_blower_policy.pdf

16. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

Pursuant the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted (1) "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ("Fair Disclosure Code") incorporating a policy for determination of " Legitimate Purposes" as per Regulation 8 and Schedule A to the said regulations and (2) "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons" as per Regulation 9 and Schedule B to the said regulations.

17. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING:

Business Responsibility and Sustainability Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Directors' Report

18. INSURANCE:

Your Company's manufacturing facilities, properties, equipment and stocks are adequately insured against all major risks. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

19. FIXED DEPOSITS:

Your Company has not accepted any Fixed Deposits as defined under Section 73 of the Companies Act, 2013 and rules framed there under.

20. STATE OF COMPANY AFFAIRS.

Astral is a leading manufacturer of Chlorinated Poly Vinyl Chloride (CPVC) and Poly Vinyl Chloride (PVC) plumbing systems for residential and industrial use. The Company has a commanding market share in the domestic CPVC and PVC pipe industry. In addition to being a leader in the piping segment, it has also expanded into the adhesives and sealants segment, infrastructure products, and water tanks. The Company intends to make strong inroads into the paints, faucets and sanitaryware segments this year, transforming itself into a comprehensive home building material player. The Company has an extensive presence in India and across the globe through its subsidiaries.

21. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no other material changes or commitments occurring after March 31, 2023, which may affect the financial position of the Company or may require disclosure.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

23. CORPORATE SOCIAL RESPONSIBILITY:

In accordance with the provisions of section 135 of the Companies Act, 2013 and the rules made thereunder, your Company has constituted Corporate Social Responsibility Committee of Directors. The role of the Committee is to formulate annual action plan in pursuance of CSR policy and review CSR activities of the Company periodically and recommend to the Board amount of expenditure to be spent on CSR annually. CSR policy of the Company, inter alia, provides for CSR vision of the Company including proposed CSR activities and its implementation, monitoring and reporting framework. Projects approved by the board are disclosed on the website of the Company https://astralltd.com/wp-content/uploads/2023/01/1668401244_csr_policy.pdf

During the year under review, your Company has spent ₹ 91.26 Millions i.e. 2% of average net profit of last three financial years on CSR activities as per applicable statutory provisions.

Annual Report on CSR activities carried out by the Company during FY 2022-23 is enclosed as **Annexure–A** to this report.

24. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed;

b) The directors have selected such accounting policies and applied consistently and made judgements 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) The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The directors have prepared the annual accounts on a going concern basis;

e) The directors have laid down internal financial controls, which are adequate and operating effectively;

f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

25. AUDITORS:

Statutory Auditor:

SRBC & CO. LLP, Chartered Accountants were re-appointed as Auditors of your Company for a Second term of five years at the Annual General Meeting held on August 29, 2022. The Auditors have confirmed that they are not disqualified from continuing as Auditors of your Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Auditors:
Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications and re-enactments thereof), your Company has maintained cost records in respect of plastic & polymers activity and the same is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s V. H Savaliya & Associates, Cost Accountants to audit the cost accounts of your Company for the financial year 2023-24 at a remuneration of ₹ 0.25 Million. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s V. H Savaliya & Associates is included in the Notice convening the ensuing Annual General Meeting.

Cost Audit Report for the Financial year 2022-23 will be submitted to the Central Government in due course.

Secretarial Audit:
Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed Ms. Monica Kanuga, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for FY 2022-23. Secretarial Audit Report for FY 2022-23 is enclosed as **Annexure–B** to this report.

The Secretarial Audit Report of your Company does not contain any qualification, reservation or adverse remark.

26. RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL:

The Risk Management Policy of your Company provides for the proactive identification and prioritization of risks based on the scanning of the external environment and continuous monitoring of internal risk factors. Your Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Your Company has adopted proper system of Internal Control and Risk Management to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported quickly.

27. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by any regulator or court or tribunal impacting the going concern status and your Company's operations in future.

28. BOARD EVALUATION:

The Board carried out an annual performance evaluation of its own performance and that of its committees and independent directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors in a Separate Meeting held on February 7, 2023. The exercise of performance evaluation was carried out through a structured evaluation process covering various criteria as recommended by the Nomination and Remuneration Committee. Based on performance of the board as a whole and its committees were proactive, effective and contributing to the goals of the Company.

29. RELATED PARTY TRANSACTIONS:

Pursuant to the provisions of section 188 of Companies Act, 2013. All the related party transactions entered into during the financial year under review were in ordinary course of business and on an arm's length basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Accordingly, information in form AOC-2 is not annexed.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review and approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and the same can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668402161_related_party_transaction_policy_astral.pdf The details of the transactions with Related Party are provided in the accompanying financial statements.

30. NUMBERS OF BOARD MEETINGS:

The Board of Directors met 8(Eight) times during the year under review. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

31. DIRECTORS:

Appointment/Re-Appointment
Mr. Sandeep Engineer was re-appointed as Managing Director of your Company w.e.f. April 1, 2022 by the Board of Directors in their meeting held on February 4, 2022. Subsequently approval of Shareholders was obtained by passing special resolution through postal ballot dated June 25, 2022.

Pursuant to Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Jagruti Engineer is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Mr. Chetas Desai was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of Directors as an additional director (Independent) under section 161 of the Companies Act, 2013 w.e.f. February 7, 2023. The Shareholders of the Company at their Extra Ordinary General Meeting held on March 3, 2023 appointed him as an Independent Director of the Company, not liable to retire by rotation and to hold office for an initial term of five consecutive years effective from February 7, 2023.

Mr. Dhinal Shah was, on recommendation of Nomination and Remuneration Committee, appointed by the Board of Directors as an additional director (Independent) under section 161 of the Companies Act, 2013 w.e.f. February 7, 2023. The Shareholders of the Company at their Extra Ordinary General Meeting held on March 3, 2023 appointed him as an Independent Director of the Company, not liable to retire by rotation and to hold office for an initial term of five consecutive years effective from February 7, 2023.

The Board is of the view that Mr. Chetas Desai and Mr. Dhinal Shah are meeting the criteria with regard to integrity, expertise & experience (including proficiency in their respective areas).

On recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on May 15, 2023 appointed Mr. Kairav Engineer as an Additional Director liable to retire by rotation and Whole-Time Director - Whole-Time Key Managerial Personnel of the Company for a period of five years w.e.f. July 1, 2023 subject to approval of the Shareholders at the ensuing Annual General Meeting.

On recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on May 15, 2023 appointed Mr. Hiranand Savlani as an Additional Director liable to retire by rotation and Whole-Time Director of the Company in addition to act as Chief Financial Officer- Whole-Time Key Managerial Personnel of the Company for a period of five years w.e.f. July 1, 2023 subject to approval of the Shareholders at the ensuing Annual General Meeting.

The requisite particulars in respect of Directors seeking appointment/re-appointment are given in Notice convening the Annual General Meeting.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section164 of the Companies Act, 2013.

Details of policy of appointment and remuneration of directors has been provided in the Corporate Governance Report.

Independent Director Declaration:

Your Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013. The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Declaration for non-disqualification:

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

32. CHANGES IN KEY MANAGERIAL PERSONNEL:

During the year under review, Mr. Krunal Bhatt resigned as Company Secretary w.e.f September 30, 2022. Mr. Manan Bhavsar was appointed as Company Secretary w.e.f October 1, 2022.

33. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. Salient features of Nomination and Remuneration Policy have been disclosed in Corporate Governance Report. The same is available on the website of https://astralltd.com/wp-content/uploads/2023/01/1668401393_nomination_and_remuneration_policy.pdf.

34. COMMITTEES OF BOARD

With an objective of strengthen the governance standards and to comply with the applicable statutory provisions, the Board has constituted various committees. Details of such Committees constituted by the Board are given in the Corporate Governance Report, which forms part of this Annual Report.

35. REPORTING OF FRAUD:

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

36. PREVENTION OF SEXUAL HARASSMENT:

Your Company has zero tolerance towards sexual harassment at the workplace and have a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

37. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website at https://astralltd.com/wp-content/uploads/2022/12/doc03856120230619093132.pdf.

38. EMPLOYEES STOCK OPTION SCHEME:

Your Company approved formulation of Employee Stock Option Scheme ('ESOS') viz. Astral Employee Stock Option Scheme 2015 (Astral ESOS 2015) in October, 2015 which was further amended vide shareholders resolution passed in 24th Annual General Meeting held on August 21, 2020. The said scheme is administered by the Nomination and Remuneration Committee for the benefit of the employees of the Company. During the year under review, an aggregate of 15,996 stock options (After Bonus Adjustment) at an exercise price of ₹ 22.50/- per share (After Bonus Adjustment) were granted to eligible employees. Further, during the year, the eligible employees were allotted 5,998 equity shares at an exercise price of ₹ 30/- per share.

There is no material change in Astral ESOS 2015 during the year under review and the Scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 and (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The certificate of Secretarial Auditor regarding implementation of Scheme shall be made available for inspection of members in electronic mode at AGM. The disclosures as required under Regulation 14 of the said regulations have been placed on the investor relation page of the website of the Company at https://astralltd.com/wp-content/uploads/2022/12/ESOS-SEBI-Disclosure-2023.pdf

39. PARTICULARS OF EMPLOYEES:

A statement containing the names and other particulars of employees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-C** to this report.

The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company or e-mail to co@astralltd.com.

40. DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars under Section 134(3)(m) of the Companies Act, 2013 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to the Companies (Accounts) Rules, 2014 are provided in the **Annexure-D** to the Report.

41. GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following matters, as there were no transactions or applicability pertaining to these matters during the year under review:

i) Issue of equity shares with differential rights as to dividend, voting or otherwise.

ii) Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

iii) Payment of remuneration or commission from any of its subsidiary companies to the Managing Director of the Company.

iv) Change in the nature of business of the Company.

v) Issue of debentures/bonds/warrants/any other convertible securities.

vi) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

vii) Instance of one-time settlement with any Bank or Financial Institution.

ix) Statement of deviation or variation in connection with preferential issue.

42. ACKNOWLEDGMENTS:

Your Company has maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinted efforts of the employees have enabled your Company to remain at the forefront of the industry. Your Directors place on record their sincere appreciation for significant contributions made by the employees through their dedication, hard work and commitment towards the success and growth of your Company. Your directors take this opportunity to place on record their sense of gratitude to the Banks, Financial Institutions, Central and State Government Departments, their Local Authorities and other agencies working with the Company for their guidance and support.

On behalf of the Board of Directors

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Date: May 15, 2023
Place: Ahmedabad

Annexure A to Director's Report

Report on Corporate Social Responsibility

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY:

CSR policy of the Company encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

2. THE COMPOSITION OF CSR COMMITTEE:

The composition of the Committee is set out below:

Sl. 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	Mrs. Jagruti Engineer	Whole-Time Director-Chairperson	3	2
2	Mr. Sandeep Engineer	Managing Director-Member	3	3
3	Mr. Viral Jhaveri	Independent Director-Member	3	3

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company https://astralltd.com/wp-content/uploads/2023/01/1668401244_csr_policy.pdf

4. Provide the 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 **No impact assessment has been done during the financial year 2022-23**.

5.	(a)	Average net profit of the Company as per section 135(5).	₹ 4,553.65 Million
	(b)	Two percent of average net profit of the Company as per section 135(5)	₹ 91.07 Million
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NA
	(d)	Amount required to be set off for the financial year, if any	NA
	(e)	Total CSR obligation for the financial year (5b+5c-5d).	₹ 91.07 Million

6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 91.26 Million
	(b)	Amount spent in Administrative Overheads.	Nil
	(c)	Amount spent on Impact Assessment, if applicable	Not Applicable
	(d)	Total amount spent for the financial year (6a+6b+6c)	₹ 91.26 Million

e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Million)	Amount Unspent (in ₹)				
	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
91.26	-	-	-	-	-

(f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹ Million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per section 135(5)	₹ 91.07
(ii)	Total amount spent for the Financial Year	₹ 91.26
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 0.19
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.19

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1	-	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ✔ No

If yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. **Not Applicable**

Jagruti S. Engineer
Chairman of CSR Committee
DIN: 00067276

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Date: May 15, 2023
Place: Ahmedabad

Annexure B to Director's Report

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,
The Members,
Astral Limited
(Erstwhile Astral Poly Technik Limited)
"Astral House"
207/1, B/h. Rajpath Club,
Off S.G. Highway,
Ahmedabad – 380059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Astral Limited (Erstwhile Astral Poly Technik Limited) (hereinafter called the "Company") (CIN: L25200GJ1996PLC029134). 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 generally, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

4. 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;

5. 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

6. No specific laws are applicable to the industry in which the Company operates. The same has also been confirmed by the Management.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) 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.

During the period under review, provisions of the following regulations were not applicable to the Company:

(i) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

I further report that:

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

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

All decisions at the meeting of the Board of Directors/ Committees of the Board were taken unanimously as recorded in the minutes of the meetings and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

(i) In its meeting held on April 29, 2022, the Board of Directors of the Company has decided to acquire controlling Equity stake in the Paint business of Gem Paints Private Limited.

(ii) Pursuant to the Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited as sanctioned by the Honourable NCLT, Ahmedabad Bench, vide its Order dated September 5, 2022, the Company has allotted 5,32,500 Equity Shares on September 12, 2022.

(iii) In the Extra Ordinary General Meeting of the Members convened on March 3, 2023, the shareholders have approved the increase in Authorised Share Capital from ₹ 26.85 Crores to ₹ 50 Crores and the issue of Bonus shares in the ratio of 1 Equity share for every 3 Equity Shares held.

Signature :

Name of PCS : Monica Kanuga

FCS No. : 3868

CP No. : 2125

UDIN: F003868E000285578

Place: Ahmedabad
Date: May 15, 2023

To,
The Members,
Astral Limited
(Erstwhile Astral Poly Technik Limited)
"Astral House", 207/1, B/h. Rajpath Club,
Off S.G. Highway, Ahmedabad – 380059

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

1. Management's Responsibility
Management is responsible for the maintenance of the Secretarial records and for the preparation and filing of forms, returns, documents for compliances and to ensure that they are free from material non compliance, whether due to fraud or error.

2. Secretarial Auditor's Responsibility
Secretarial Audit is a process of verification of records and documents on sample or test basis. My responsibility is to express an opinion on the secretarial compliances of certain laws by the Company on the basis of my audit. The audit practices and processes have been followed as deemed appropriate to provide reasonable assurance about the correctness of the records and the confirmation of compliance. My audit process has involved verification of records and dependence on Management representation and my opinion is based thereupon.

3. Conduct of Company's Affairs
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.

Signature :
Name of PCS : Monica Kanuga
FCS No. : 3868
CP No. : 2125

Place: Ahmedabad
Date: May 15, 2023

Annexure C to Director's Report

PARTICULARS OF EMPLOYEES

(Pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23.

Sr. No.	Name of Directors/KMP	% increase/ decrease in remuneration in FY 2022-23	Ratio of remuneration of each Director to median of remuneration of employees for FY 2022-23
1	Mr. Sandeep P. Engineer Chairman & Managing Director	13	287
2	Mrs. Jagruti S. Engineer Whole-Time Director	20	30
3.	Mr. Girish Joshi Whole-Time Director	27	4
4	Mr. C K Gopal Independent Director	NA	NA
5	Mr. Viral Jhaveri Independent Director	NA	NA
6	Mrs. Kaushal Nakrani Independent Director	NA	NA
7	Mr. Chetas Desai Independent Director (w.e.f. February 7, 2023)	NA	NA
8	Mr. Dhinal Shah Independent Director (w.e.f. February 7, 2023)	NA	NA
9	Mr. Hiranand A. Savlani Chief Financial Officer	(7)	114
10	Mr. Krunal D. Bhatt[1] Company Secretary	NA	4
11	Mr. Manan Bhavsar Company Secretary (w.e.f. October 1, 2022)	NA	4

[1] Resigned w.e.f. September 30, 2022

2. In the Financial Year, there was Increase of 10 % in the median remuneration of employees.

3. There were 4056 permanent employees on the rolls of Company as on March 31, 2023.

4. There was increase of 7% in average percentage in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23, whereas the Increase in average percentage in the managerial remuneration for the same financial year was 13%. Increase in remuneration of managerial personnel is due to increase in variable pay linked to profitability of the Company. The criteria for remuneration of managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors and as per industry benchmarks.

5.. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure D to Director's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out hereunder.

A. CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy:

Energy conservation continues to be the key focus area of your Company. The Company is making continuous effort for energy conservation. Effective measures have been taken to monitor consumption of energy during the process of manufacture. Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. The Company has continued taking following steps for conservation of energy during FY 2022-23:

- About 229341.7 KWH energy saved by Modification of Machineries set up, replacement of Conventional Lights with LED Lights, Changing Energy Efficient equipements, Cooling Tower, Air Cooled Chillers etc.

(ii) Steps taken by the Company for utilising alternate sources of energy:

Solar power roof top panel Installed for Santej and total 9,18,610 KWH generated and utilized, Dholka total 12,16,280 KWH generated and utilized, Ghiloth total 16,63,975 KWH generated and utilized, Sangli total 6,69,218 KWH generated and utilized, Hosur total 2,86,415 KWH generated and utilized, Santej Adhesive Plant total 1,90,183 KWH generated and utilized.

Also procured green power from Wind mills installed at Virvav village near Morbi to get 2.2 MW (contracted capacity) for Santej Plant and 1.5 MW (contracted capacity) for Dholka Plant under third party open access arrangements.

Wind Energy consumed at Santej Plant is total 56,90,968 KWH and at Dholka is total 37,30,781 KWH

(iii) The capital investment on energy conservation equipment:

Your Company has invested ₹ 15.03 Million towards energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

Your Company lays considerable emphasis on quality maintenance and product enhancement. The Company is continuously trying to develop more and more products in its R&D Center. During the year under review, your Company has spent ₹ 58.25 Million for its ultramodern R&D center at its Plants and the Company now is in a position to carry out a lot of R&D activities in-house.

More and more emphasis has been given to the atomization process and Company has selected packaging operation as an area of immediate atomization. The Company has invested significant amount of resources for automization of pipe and fitting operations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Your Company's efforts in quality, maintenance and product enhancement have resulted in better quality products at a low cost of production.

(iii) Information regarding imported technology:

Nil

(iv) Expenditure on R&D:

Your Company is regularly incurring R&D expenses. During the year under review, your Company has spent ₹ 58.25 Million on R&D expenses and the cost of equipment purchased for R&D is shown under the head of Plant & Machineries and Laboratory Equipment. The said expenditures are tabled below:

(₹ In Million)

Expenditure on R&D		2022-23
(a)	Capital Expenses	57.11
(b)	Revenue Expenses	1.14
Total (a)+(b)		**58.25**
(c)	Total R&D expenditure as percentage of turnover	0.13

C. Foreign Exchange Earnings and Outgo:

(₹ In Million)

Particulars		2022-23	2021-22
(a)	Total Foreign Exchange used	9,318	7,473
(b)	Total Foreign Exchange Earned	253	310

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY:

Your Company believes in adopting the best corporate governance practices, based on the following principles in order to maintain transparency, accountability and ethics:

- Recognition of the respective roles and responsibilities of the management;
- Independent verification and assured integrity of financial reporting;
- Protection of Shareholders' right and priority for investor relations; and
- Timely and accurate disclosure on all material matters concerning operations and performance of your Company.

Keeping the above in mind, your Company is fully committed to conduct its affairs in a fair and transparent manner and to enhance shareholders value while complying with the applicable Rules and Regulations. We are in compliance with all the requirements of the Corporate Governance enshrined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations").

2. BOARD OF DIRECTORS:

Compositions

The Board of your Company consists of 8 (Eight) Directors as on March 31, 2023, out of which 3 (Three) are Executive Directors and 5 (Five) are Non-Executive Independent Directors. The Chairman of the Board is an Executive Director. The Composition of the Board is in compliance with the requirements of SEBI Listing Regulations. No director is related to each other except Mrs. Jagruti S. Engineer who is spouse of Mr. Sandeep P. Engineer. All the Directors have certified that they are not members in more than 10 (Ten) Committees and do not act as Chairman of more than 5 (Five) Committees across all the Companies in which they are Directors.

The composition of the Board of Directors as on March 31, 2023 is as follows:

Name of Director	Category	Total No. of Other Directorship**	Details of Committees#	
			Chairman	Member
*Mr. Sandeep P. Engineer	Chairman & Managing Director	3	1	-
*Mrs. Jagruti S. Engineer	Whole-Time Director	-	-	-
Mr. Girish Joshi	Whole-Time Director	1	-	-
Mrs. Kaushal D. Nakrani	Independent Director	_	-	-
Mr. Viral M. Jhaveri	Independent Director	1	-	1
Mr. C K Gopal	Independent Director	2	1	2
Mr. Chetas Gulabbhai Desai[1]	Independent Director	1	-	-
Mr. Dhinal Ashvinbhai Shah[1]	Independent Director	1	-	-

**Excludes Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

*Mr. Sandeep Engineer and Ms. Jagruti Engineer are related as Husband and wife. Except this, no other Director is related to any other Director on the Board.

None of the directors of the Company are having directorship in any other listed entities.

#Includes only Audit Committee and Stakeholders' Relationship Committee of other Companies.

[1] Appointed as Independent Director w.e.f. February 7, 2023.

Dates of Board Meetings and Attendance at the Board Meetings and the last Annual General Meeting:

During the Financial Year 2022-23, the Board of Directors of your Company met 8 (eight) times on April 29, 2022, May 27, 2022, July 1, 2022, August 12, 2022, September 15, 2022, October 01, 2022, November 11, 2022 and on February 7, 2023. The details of attendance of each Director at Board Meetings held in the Financial Year and the last Annual General Meeting are as under:

Name of Director	Dates of Board Meetings and Attendance of each director at Board Meeting									
	April 29, 2022	May 27, 2022	July 1, 2022	August 12, 2022	September 15, 2022	October 01, 2022	November 11, 2022	February 7, 2023	Total No. of Board Meetings attended	Attendance at the last AGM held on August 29, 2022
Mr. Sandeep P. Engineer	Yes	Yes	Yes	Yes	No	No	Yes	Yes	6	Yes
Mrs. Jagruti S. Engineer	Yes	Yes	Yes	Yes	No	No	Yes	No	5	Yes
Mr. Girish Joshi	Yes	Yes	No	Yes	Yes	Yes	No	Yes	6	Yes
Mrs. Kaushal Nakrani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	8	Yes
Mr. Viral Jhaveri	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	8	Yes
Mr. C K Gopal	Yes	Yes	No	Yes	Yes	No	Yes	Yes	6	Yes
Mr. Chetas Desai[1]	NA	NA	NA	NA	NA	NA	NA	Yes	1	NA
Mr. Dhinal Shah[1]	NA	NA	NA	NA	NA	NA	NA	Yes	1	NA

[1] Appointed as Independent Director w.e.f. February 7, 2023.

Code of Conduct for Board & Senior Management Personnel

Your Company has adopted a Code of Conduct for Board Members & Senior Management Personnel and the declaration from the Managing Director, stating that all the Directors and the Senior Management Personnel of your Company have affirmed compliance with the Code of Conduct has been included in this Report. The Code has been posted on your Company's website https://astralltd.com/wp-content/uploads/2023/01/1668401197_code_of_conduct.pdf

Profile of Directors seeking appointment/re-appointment:

The brief profile and other information of the directors seeking appointment/re-appointment is provided in the notice convening the Annual General Meeting.

3. COMMITTEES OF THE BOARD

(i) Audit committee

Composition, meetings and attendance

The Audit Committee of your Company has been constituted as per the requirements of Section 177 of the Companies Act 2013, and SEBI Listing Regulations. The Chairman of the Audit Committee is an Independent Director and two-thirds of the members of the Audit Committee are Independent Directors. During the Financial Year 2022-23, the Committee met 7 (Seven) times on May 27, 2022, July 1, 2022,August 12, 2022, September 15, 2022, October 01, 2022, November 11, 2022 and February 7, 2023.

The composition of the Audit Committee as on March 31, 2023 and the attendance of the members in the meetings held during the Financial Year 2022-23 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	5
Mr. Sandeep P. Engineer	Member	4
Mrs. Kaushal Nakrani	Member	7
Mr. Viral Jhaveri	Member	7
Mr. Dhinal Shah[1]	Member	NA
Mr. Chetas Desai[1]	Member	NA

[1] Appointed as Independent Director w.e.f. February 7, 2023.

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

Terms of Reference:

The broad terms of reference of the Audit Committee include the following as has been mandated in Section 177 of Companies Act, 2013 and SEBI Listing Regulations:

- Oversight of the Listed Entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending for appointment, remuneration and terms of appointment of auditors of the listed entity
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013;
  - (ii) Changes, if any, in Accounting Policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management;
  - (iv) Significant adjustments made in the financial statements arising out of Audit findings;
  - (v) Compliance with Listing and other Legal requirements relating to the financial statements;
  - (vi) Disclosure of any related party transactions;
  - (vii) Modified opinion in the draft Audit Report;
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit;
- Discussions with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision
- Management discussion and analysis of financial condition and results of operations;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.

- consider and comment on rational, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

- Statement of deviations

  (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

  (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

The Chief Financial Officer and the representatives of the Statutory Auditors and Internal Auditors are invited to attend the meetings of the Audit Committee.

(ii) Stakeholders' Relationship Committee Composition, meetings and attendance

The Stakeholders' Relationship Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act 2013 and SEBI Listing Regulations. The Chairman of the Committee is an Independent Director.

During the Financial Year 2022-23, the Committee met 3 (Three) times on May 27, 2022, August 12, 2022, and February 7, 2023.

The composition of the Stakeholder's Relationship Committee as on March 31, 2023 and the attendance of the members in the meetings held during the Financial Year 2022-23 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	3
Mr. Sandeep P. Engineer	Member	2
Mr. Viral Jhaveri	Member	3

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

Terms of Reference:

- Efficient transfer of shares, including review of cases for refusal of transfer/transmission of Shares and Debentures, demat/remat of shares.

- Redressal of Shareholder and Investor complaints like transfer of shares, non- receipt of Balance Sheet, non-receipt of declared dividends etc.;

- Review of cases for refusal of transfer/transmission of Shares and Debentures;

- Reference to Statutory and Regulatory authorities regarding Investor Grievances; and

- To otherwise ensure proper and timely attendance and redressal of Investor's queries and grievances

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.

- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company

Status of investors' complaints:

The status of investor's complaints as on March 31, 2023 is as follows:

Number of complaints as on April 1, 2022	Nil
Number of complaints received during the year ended on March 31, 2023	4
Number of complaints resolved up to March 31, 2023	3
Number of complaints pending as on March 31, 2023	1

The complaints received were mainly in the nature of non-receipt of Annual Report and queries regarding Bonus Allotment. There was only one pending request for unpaid dividend and KYC as on March 31, 2023 which was subsequently resolved.

Name and Designation of Compliance Officer:

Mr. Manan Bhavsar, Company Secretary is the Compliance Officer of the Company.

(iii) Nomination and remuneration committee composition, meetings and attendance

The Nomination and Remuneration Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Chairman of the Committee is an Independent Director.

During the Financial Year 2022-23, the Committee met 6 (Six) times on May 27, 2022, July 23, 2022, October 01, 2022, October 08, 2022, November 11, 2022 and February 7, 2023.

The composition of the Nomination and Remuneration Committee as on March 31, 2023 and the attendance of the members in the meetings held during the Financial Year 2022- 23 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	3
Mr. Viral Jhaveri	Member	6
Mrs. Kaushal Nakrani	Member	6
Mr. Chetas Desai[1]	Member	NA
Mr. Dhinal Shah[1]	Member	NA

[1] Appointed as Independent Director w.e.f. February 7, 2023.

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

Terms of Reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and carry our evaluation of every director's performance;
- Evaluation of skills, knowledge and experience on the Board and basis of the same preparation of description of role and capabilities required for appointment of new Independent Director.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management

Remuneration Policy:

Remuneration Policy of your Company has been designed to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/Employees of the quality required to run the Company successfully and Relationship of remuneration to performance is clear and meets appropriate performance bench marks. Remuneration policy of the Company has been uploaded on the Company's website and can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668401393_nomination_and_remuneration_policy.pdf

Salient features of the policy on remuneration of executive and non-executive directors are as under:

Executive Directors:

The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director/Whole-Time Director. The total remuneration to the Managing Director comprises fixed component consisting of salary and perquisites in accordance with Company's policy and a profit linked incentive.

Non–Executive Directors:

Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings, plus the reimbursement of actual expense directly related to the travel and out-of-pocket expenses, if any, incurred by them.

Details of remuneration and pecuniary benefits to the Directors during FY 2022-23:

(₹ In Million)

Name of the Director	Salary/Allowances	Sitting Fees	Incentive
Mr. Sandeep P. Engineer	57.61	Nil	60.10
Mrs. Jagruti S. Engineer	12.10	Nil	-
Mr. Girish Joshi	1.74	Nil	-
Mrs. Kaushal Nakrani	Nil	1.00	-
Mr Viral Jhaveri	Nil	1.33	-
Mr C K Gopal	Nil	0.82	-
Mr. Chetas Desai[1]	Nil	0.05	-
Mr. Dhinal Shah[1]	Nil	0.05	-

[1] Appointed as Independent Director w.e.f. February 7, 2023.

Notes:

(i) There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis Company other than payment of sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

(ii) The Managing Director is entitled to an incentive payment at the rate of 1% (One percent) of Profit Before Tax of the Company in addition to the salary, increment and reimbursement of expenses.

None of the Directors except the Managing Director is entitled to such an Incentive.

(iii) None of the Directors of the Company has been granted any Stock Options during the year.

The shareholding of Directors as on the March 31, 2023 is as under:

Sr. No.	Name of Director	Shareholding	%
1	Mr. Sandeep P. Engineer	8,48,17,218	31.58
2	Mrs. Jagruti S. Engineer	2,03,18,688	7.56
3	Mr. Girish Joshi	38	0.00
4	Mrs. Kaushal Nakrani	Nil	Nil
5	Mr. Viral Jhaveri	1,777	0.00
6	Mr. C K Gopal	Nil	Nil
7	Mr. Chetas Desai[1]	16265	0.00
8	Mr. Dhinal Desai[1]	Nil	Nil

[1] Appointed as Independent Director w.e.f. February 7, 2023.

The Company has not issued any convertible instruments.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Committee has carried out the annual performance evaluation of Directors and Key Managerial Personnel. The Board of Directors also carried out annual performance evaluation of Independent Directors and Committees of the Board. Performance evaluation was carried out based on approved criteria such as adherence to ethical standards and code of conduct, constructive participation in board meetings, implementing good corporate governance practices etc. The Directors expressed their satisfaction with the evaluation process.

The independent directors also held separate meeting to review the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

(iv) Risk Management Committee:

Regulation 21 of the SEBI Listing Regulations mandate top 1000 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC') with effect from April 1, 2019 to assist the Board of Directors in overseeing the Company's risk management processes and controls. The RMC seeks to minimize adverse impact on the business objectives and enhance stakeholder value.

Composition, meetings and attendance

The Risk Management Committee of your Company has been constituted as per the requirements of regulation 21 of SEBI Listing Regulations. The Chairman of the Committee is the member of the Board.

During the Financial Year 2022-23, the Committee met 3 (Three) times on May 27, 2022, November 11, 2022, and February 7, 2023.

The composition of the Risk Management Committee as on March 31, 2023 and the attendance of the members in the meetings held during the Financial Year 2022-23 are as follows:

Name of Member	Designation	No. of meetings attended
Mr. C K Gopal	Chairman	3
Mr. Sandeep Engineer	Member	2
Mr. Viral Jhaveri	Member	3
Mr. Hiranand Savlani	Member	3

Terms of Reference:

The terms of reference of the RMC, inter alia, are as under:

1. To formulate a detailed risk management policy which shall include:

   a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(V) Corporate Social Responsibility Committee

Company has duly constituted Corporate Social Responsibility Committee (known as "CSR Committee") in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, for the purpose of activities to be undertaken by the Company towards the Corporate Social Responsibility (CSR).

The terms of reference of CSR Committee includes, formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder and providing guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

During the year 2022-23, 3 (Three) meetings of the CSR Committee was held on May 27, 2022, November 11, 2022 and February 7, 2023.

The composition, details of number of meetings held during the year and attendance of each member at the meeting are mentioned below.

Name of Member	Designation	No. of meetings attended
Mrs. Jagruti Engineer	Chairman	2
Mr. Sandeep Engineer	Member	3
Mr. Viral Jhaveri	Member	3

4. GENERAL BODY MEETING

The details of last three Annual General Meetings of the Company are as follows:

Financial Year	Date-Time-Venue
2021-22	August 29, 2022 at 11:00 a.m. through video conferencing ("VC")/Other Audio-Visual Means (OAVM)
2020-21	August 31, 2021 at 11:00 a.m. through video conferencing ("VC")/Other Audio-Visual Means (OAVM)
2019-20	August 21, 2020 at 11:00 a.m. through video conferencing ("VC")/Other Audio-Visual Means (OAVM)

Details of special resolutions passed in Previous Three AGMs.

Details of the Special Resolutions passed in last three Annual General Meetings are as follow:

Financial Year	Particulars of Special Resolutions passed
2021-22	Nil
2020-21	Nil
2019-20	To approve variation in terms & conditions of Astral Employee Stock Option Scheme, 2015, ("Astral ESOS 2015").

Postal Ballot: (Contd.)

During the year, the Company approached the shareholders through postal ballot. The details of the postal ballot is as under:

Name of resolution	Type of Resolution	No. of polled votes	Votes cast in favour		Votes cast in against	
			No. of votes	%	No. of votes	%
Re-appointment of Mr. Sandeep Engineer as Managing Director of the Company	Special	16,51,96,438	146598046	88.74	18598392	11.26

Postal Ballot: (Contd.)

During the year, the Company approached the shareholders through postal ballot. The details of the postal ballot is as under:

Name of resolution	Type of Resolution	No. of polled votes	Votes cast in favour		Votes cast in against	
			No. of votes	%	No. of votes	%
Date of Postal Ballot notice:		May 25, 2022				
Voting period:		May 27, 2022 to June 25, 2022				
Date of approval:		June 25, 2022				
Date of declaration of result:		June 27, 2022				

Person conducted the Postal Ballot

Ms. Monica Kanuga Practicing Company Secretary were appointed as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner in accordance with the Act and the Companies (Management and Administration) Rules, 2014('Management Rules') Made thereunder.

Procedure Followed for Postal Ballot/Remote E-voting

The postal ballot was conducted in accordance with the provisions of Sections 108 and 110 and other applicable provisions, if any, of the Act, read with Rule 20 and 22 of the Management Rules and Regulation 44 of the Listing Regulations. Further, pursuant to the circulars issued by the Ministry of Corporate Affairs on account of ongoing COVID-19 pandemic, physical copies of the Notice were not sent to members for this Postal Ballot. Members were requested to provide their assent or dissent through remote e-voting only. The Company availed services of Central Depository Services Limited for the purpose of providing remote e-voting facility.

The postal ballot notices were sent to the shareholders in electronic form to the e-mail addresses registered with the depository/Company's Registrar and Share Transfer Agent. For shareholders whose e-mail addresses were not registered, the Company also published a notice in the newspaper declaring the details of completion of dispatch through electronic mode and giving an opportunity to those Members who have not registered their e-mail IDs for registering their e-mail IDs in order to obtain the electronic copies of the Notice.

The Company fixed a cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Further, shareholders were advised to cast their votes through remote e-voting during the voting period fixed for this purpose.

After completion of scrutiny of e-votes, the scrutinizer submitted his report and the results of postal ballot/e-voting to the Chairperson/authorised person for declaration. The results were placed on the website of the Company at https://astralltd.com/ besides being intimated to the Stock Exchanges and Central Depository Services Limited. The resolutions were deemed to have been passed on the last date of e-voting.

During the year, pursuant to the Order dated February 16, 2022 and February 23, 2022 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, a meeting of Unsecured Creditors and the Equity Shareholders of the Company was held through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") on Thursday, March 31, 2022 at 02:00 p.m. and on Friday, April 1, 2022 at 11:00 a.m. for the purpose of considering the arrangement embodied in the Scheme of Arrangement amongst the Company, Resinova Chemie Limited and Astral Biochem Private Limited and their respective shareholders and creditors.

One Extra Ordinary General Meeting was held during the Financial Year 2022-23.

Financial Year	Date-Time-Venue	Special Resolutions passed
2022-23	March 03, 2023 at 11:00 a.m. through video conferencing ("VC")/Other Audio-Visual Means (OAVM)	1. Appointment of Mr. Chetas Gulabbhai Desai as an Independent Director 2. Appointment of Mr. Dhinal Ashvinbhai Shah as an Independent Director

5. DISCLOSURES

(a) Disclosure on materially significant related party transactions.

There were some related party transactions during the Financial Year 2022-23 and the same do not have potential conflict with the interest of the Company at large. The details of related party transactions as per Indian Accounting Standard – 24 are included in the notes to the accounts. Disclosure with regard to loans and advances to firms/companies in which directors are interested have been made in the notes to accounts.

(b) Details of non-compliance with regard to capital market.

There is no non-compliance by the Company on any matter related to the capital markets during the last three years. Similarly, there are no penalties, strictures imposed by the Stock Exchanges, SEBI or any statutory authority on any matter related to capital market.

(c) Disclosure of accounting treatment

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the year 2022-23.

(d) Board disclosures – Risk Management

The Board members of the Company are regularly appraised about the risk assessment and minimization procedures adopted by the Company. The Audit Committee of the Board is also regularly informed about the business risks and the steps taken to mitigate the same. The implementation of the risk assessment and minimization procedures is an ongoing process and the Board members are periodically informed of the status.

(e) Familiarization Program of Independent Directors

The Board familiarization program comprises of the following:-

- Induction program for new Independent Directors;
- Presentation on business and functional issues
- Updation of business, branding, corporate governance, regulatory developments and investor relations matters

All new Independent Directors are taken through a detailed induction and familiarization program when they join the Board of your Company. The induction program is an exhaustive one that covers the history and culture of your Company, background of the Company and its growth over the decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company by providing various presentations at Board/Committee meetings from time to time. These presentations provide a good understanding of the business to the Independent Directors which covers various functions of the Company and also an opportunity for the Board to interact with the next level of management. There are opportunities for Independent Directors to interact amongst themselves.

Apart from the above, the Directors are also given an update on the environmental and social impact of the business, branding, corporate governance, regulatory developments and investor relations matters.

The details of the Familiarization programmes can be accessed on the web link: https://astralltd.com/wp-content/uploads/2023/01/1668401326_familiarisation_programme_of_independent_directors.pdf

(f) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of SEBI Listing Regulations.

The Company has complied with all the mandatory requirements as mandated under SEBI Listing Regulation. A Certificate from the Statutory Auditors of the Company regarding Compliance of Corporate Governance Report to this effect has been included in this Report.

(g) Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. Whistle blower policy of the Company has been uploaded on the website of the Company and can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668402390_vigil_mechanism_whistle_blower_policy.pdf

(h) Policy on "Material" Subsidiary

The Company has Board approved policy on determining Material Subsidiary which can be accessed at https://astralltd.com/wp-content/uploads/2023/01/1668401356_material_subsidiary_policy.pdf

(i) Disclosure of commodity price risks and commodity hedging activities

Details with respect to commodity price risk and commodity hedging activities are mentioned on "Risk Mitigation" section on page 26 of Annual Report.

(j) Certification from Company Secretary in practice:

Ms. Monica Kanuga, Practicing Company Secretary, has issued a certificate required under the Listing Regulations, confirming that none of the directors on Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.

(k) Policy on Related Party Transactions:

The Company has Board approved policy on determining Related Party Transactions which can be accessed https://astralltd.com/wp-content/uploads/2023/01/1668402161_related_party_transaction_policy_astral.pdf

- The Board had accepted all recommendations of various Committees of the Board, which were mandatorily required to be taken during the period under review.

(l) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the Statutory Auditors and all the entities in the network firm/network entity of which the statutory auditor is a part, for the financial year 2022-23 are as follows:

Sr.no	Name of Statutory Auditors	Nature of Services	Fees Paid (₹ in Million)
1	M/s. SRBC & Co. LLP, Chartered Accountants	Statutory Audit Fees	₹ 3.5

(m) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Status of complaints as on March 31, 2023:

Sr. No	Particulars	Number of complaints
1	Number of Complaints filed during the financial year	0
2	Number of complaints disposed of during the financial year	N.A.
3	Number of complaints pending as on end of the financial year	N.A.

(n) list of core skills/expertise/competencies identified in the context of the business:

The Board continues to identify an appropriate mix of diversity and skills for introducing different perspectives into Board for better anticipating the risks and opportunities in building a long-term sustainable business.

The below table summarizes the key qualifications, skills and attributes which are taken into consideration while nominating to serve on the Board.

Business Strategies	Success in business at a senior level.
Financial & Accounting Expertise	Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate funding and associated risks.
Governance, Risk & Compliance	Experience with a large Corporate that demonstrates rigorous governance standards.
Mergers & Acquisition	Capable to make wise decisions in Corporate mergers, acquisitions and joint ventures.
Innovative	A strong understanding of innovation and technology, and the development and implementation of initiatives to enhance production.
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.

The below table specifies area of focus or expertise of individual Board member:

Director	Areas of Skills/Expertise					
	Business Strategies	Finance & Accounting Expertise	Governance, Risk & Compliance	Merger & Acquisition	Innovative	Diversity
Mr. Sandeep Engineer (Chairman & Managing Director)	√	√	√	√	√	√
Mrs. Jagruti Engineer (Whole-Time Director)	√	-	√	√	√	√
Mr. Girish Joshi (Whole- time Director)	√	√	√	-	√	-
Mrs. Kaushal Nakrani (IndependentDirector)	√	√	√	√	-	√
Mr. Viral Jhaveri (Independent Director)	√	√	√	√	√	-

Mr. C K Gopal (Independent Director)	√	√	√	√	√	√
Mr. Dhinal Shah (Independent Director)[1]	√	√	√	√	√	√
Mr. Chetas Desai (Independent Director)[1]	√	√	√	√	√	√

[1]Appointed as Independent Director w.e.f. February 7, 2023.

Independent Directors confirmation by the Board

All the Independent Directors have confirmed that they meet the criteria of independence as laid down under Regulation 16(1)(b) of the SEBI (LODR) Regulations and Section 149(6) of the Companies Act,2013.

In the opinion of the Board, the independent directors fulfill the conditions of independence specified 149(6) of the Companies Act,2013 and Regulation 16(1) (b) of the SEBI (LODR) Regulations and they are also Independent of the Management.

6. MEANS OF COMMUNICATION TO SHAREHOLDERS

(a) Quarterly/Annual Results

The Quarterly/Annual Results and Notices as required are normally published in the Leading Daily Newspaper "The Economic Times" in English and Local Language, i.e. Gujarati editions.

(b) Posting of information on the website of the Company/Stock Exchanges

- The Quarterly/Annual Results of the Company, Shareholding pattern, Code of Conduct for Board and Senior Management of the Company are displayed on the Company's website www.astralltd.com
- The official news releases of the Company are displayed on the websites of BSE & NSE.
- The Presentations made to Institutional Investors/Analysts are displayed on the Company's website www.astralltd.com

7. GENERAL SHAREHOLDERS' INFORMATION:

(a) Annual General Meeting (Proposed): Twenty Seventh Annual General Meeting:

Day and date	August 11, 2023
Time	11:00 a.m
Venue	Through VC/OAVM
Interim Dividend FY 22-23	The Company had Declared interim Dividend for FY 2022- 23 at the rate of ₹ 1.25 per share of face value of ₹ 1/- each. The record date for determining the shareholders entitled for payment of said Interim Dividend has been fixed as November 21, 2022
Final Dividend FY 22-23	Recommended by the Board (Subject to Shareholder Approval)

(b) Financial Year 2022-23:

Financial Year	April 1 to March 31

(c) Board Meetings approval of Quarterly for Results

Quarter	Tentative Date of Announcement of Board Meeting [F.Y.2023-2024]
1st Quarter Results	On or before August 14, 2023
2nd Quarter Results	On or before November 14, 2023
3rd Quarter Results	On or before February 14, 2024
4th Quarter and Annual Results	Within 60 days of the close of financial Year ending on March 31, 2024

(d) Record date:

The Company has fixed August 4, 2023 as the "Record Date" for determining entitlement of the shareholders to final dividend for the financial year ended March 31, 2023, if approved, at the AGM.

(e) Dividend:

The Board of Directors of the Company had adopted the Dividend Distribution Policy in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Policy is uploaded on the Company's website at https://astralltd.com/wp-content/uploads/2023/01/1668401922_policy_on_dividend_distribution.pdf

The Dividend, if declared, will be paid within the statutory time limit to the eligible members of the Company.

(f) Listing on Stock Exchanges:

The Equity Shares of the Company are listed on the following Stock Exchanges in India since March 20, 2007:

The BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

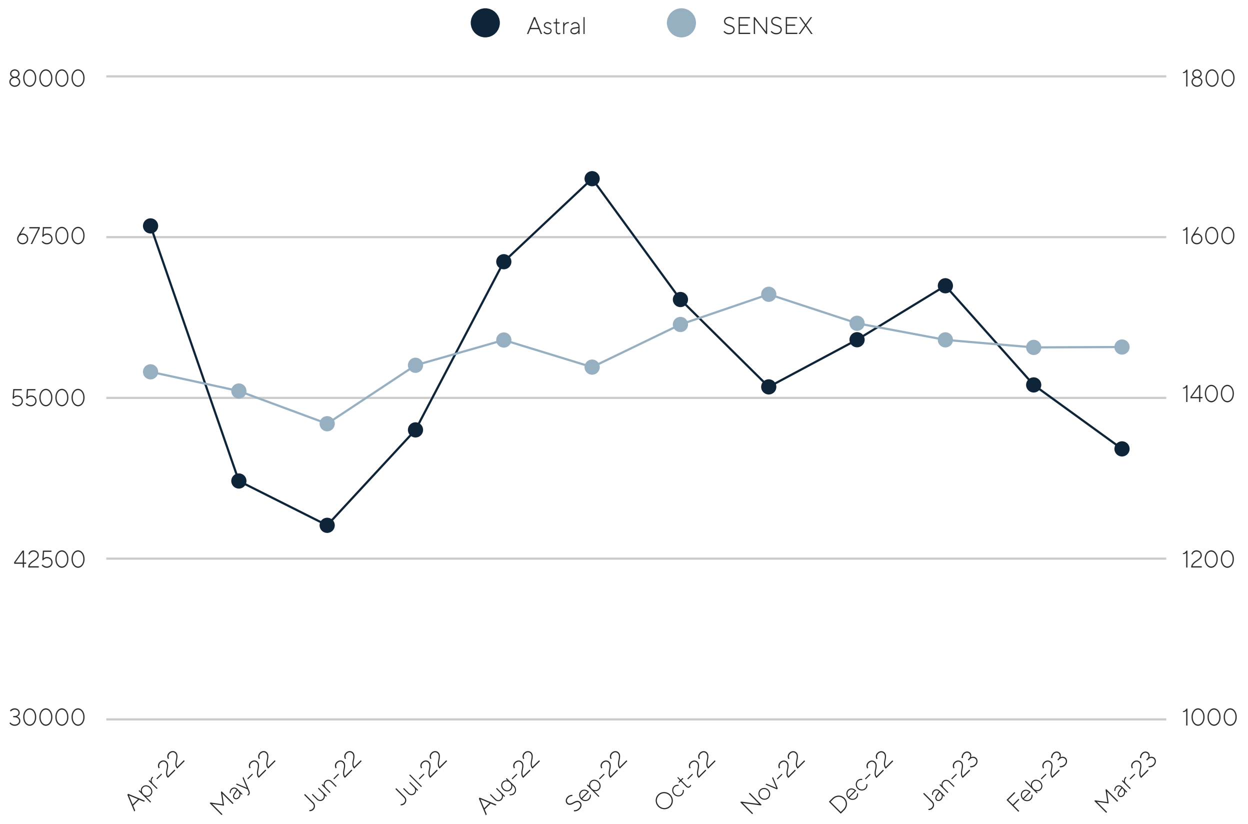
The Company has paid Annual Listing fees to the above Stock Exchanges for the Financial Year 2022-23 & 2023-24.

(g) Stock Code:

The BSE Limited (BSE)	532830
The National Stock Exchange of India Limited (NSE)	ASTRAL
ISIN for Equity Shares held in Demat form with NSDL and CDSL	INE006I01046

(h) Stock Market Data:

Month	BSE		NSE	
	High	Low	High	Low
April, 2022	2214.40	1975.60	2215.00	1975.65
May, 2022	2153.10	1610.00	2154.00	1609.75
June, 2022	1823.25	1584.00	1830.30	1581.55
July, 2022	1835.00	1640.00	1835.95	1639.90
August, 2022	2156.60	1805.40	2150.00	1805.05
September, 2022	2654.00	2035.30	2654.80	2080.00
October, 2022	2302.00	1939.25	2303.70	1939.00
November, 2022	2120.65	1867.00	2121.50	1866.50
December, 2022	2146.20	1877.85	2147.40	1876.00
January, 2023	2110.60	1940.00	2111.50	1939.90
February, 2023	2129.95	1805.05	2129.95	1803.75
March, 2023	1946.60	1297.90	1948.75	1297.80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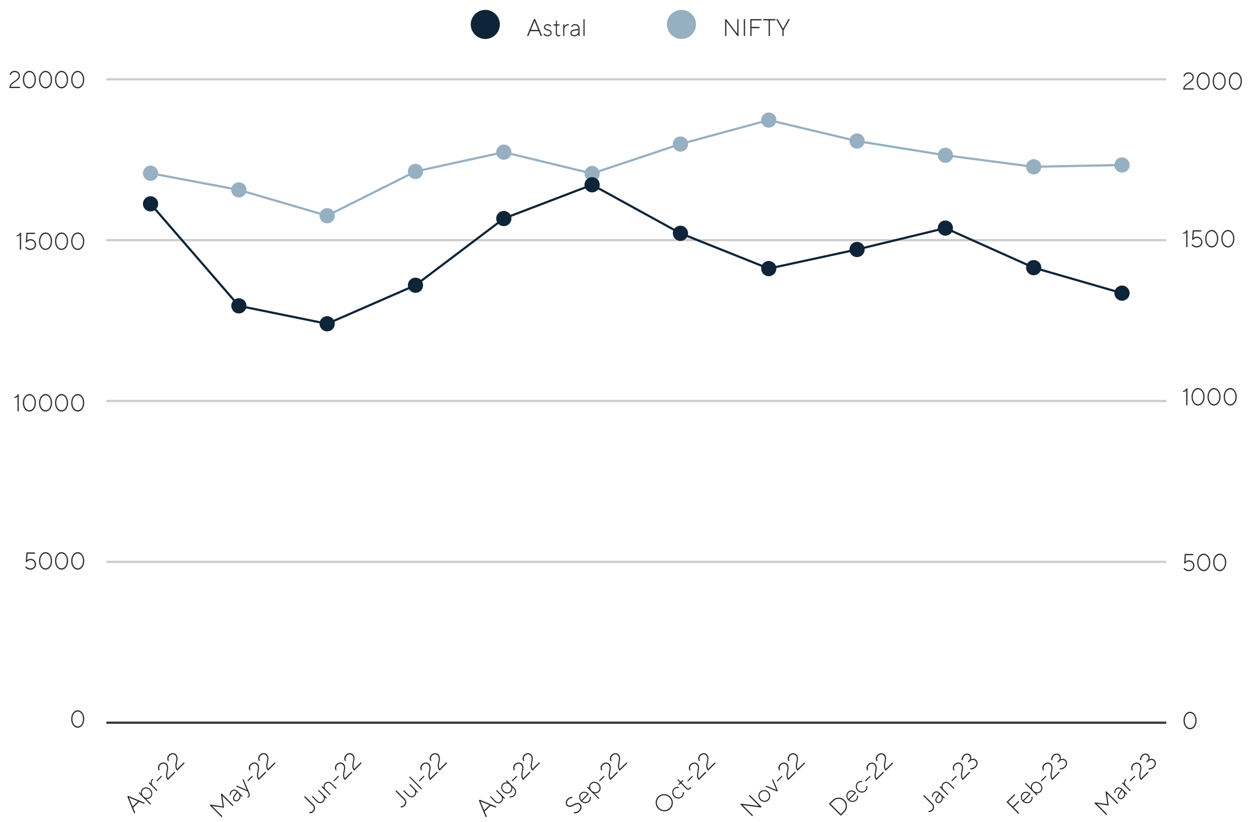
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Mar-23

(i) Registrar and Share Transfer Agents:

All the work relating to the share registry for Shares held in Physical form as well as Shares held in Electronic Form (Demat) is being done at one single point at R & T Agent of the Company viz. Bigshare Services Private Limited.
The detailed address is as under:

BIGSHARE SERVICES PRIVATE LIMITED

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road Andheri (East),
Mumbai 400093.
Phone No: +91 022-62638200,
Fax No. + 91 022-62638299,
E-mail: info@bigshareonline.com

Non–Mandatory requirements

The Non – mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

Reporting of Internal Auditor

The Internal Auditors of the Company regularly report their findings of the internal Audit to the Audit Committee Members.

(j) Transfer to Investor Education and Protection Fund (IEPF)

In terms of the Section 124 of the Companies Act, 2013, the amount that remained unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the year under review, the unclaimed dividend amount of ₹ 16,980.29 for the year 2014-15(Final) & and ₹ 12,697.90 for the year 2015-16 (Interim) was transferred to the IEPF established by the Central Government under applicable provisions of the Companies Act.

In terms of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the Company has transferred the shares in respect of which the dividend has not been claimed for a period of seven years or more to the demat account of IEPF Authority. The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at www.astralltd.com. The Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule 7 of the said Rules for Refund of shares/dividend etc.

During the year under review, the Company has not transferred any Equity Shares to IEPF authority.

(k) Share Transfer System:

The Shares of Company are compulsorily traded in dematerialized form. Shares received in Physical Form are transferred within a period of 15 days from the date of lodgment subject to documents being valid and complete in all respects. The request for dematerialization of Shares are also processed by the R&T agent within stipulated period and uploaded with the concerned Depositories. In terms of SEBI Listing Regulation, Company Secretary in Practice examines the records and processes of Share transfers and issues yearly Certificate which is sent to the Stock Exchanges.

(l) Distribution of Shareholding:

The distribution of Shareholding of the Company as on March 31, 2023 is as follows:

No. of Equity Shares Held	No. of Shareholders	% of Total shareholders	No. of Shares	% of Total Capital
Upto 5,000	3,30,286	99.70	2,07,02,880	7.71
5,001-10,000	385	0.12	26,72,495	0.99
10,001-20,000	235	0.08	31,52,295	1.17
20,001-30,000	77	0.02	18,76,486	0.70
30,001-40,000	38	0.01	13,37,473	0.50
40,001-50,000	30	0.01	13,77,150	0.51
50,001-1,00,000	73	0.02	51,02,671	1.90
1,00,001 and above	151	0.04	23,23,90,122	86.52
Total	**3,31,275**	**100.00**	**26,86,11,572**	**100.00**

(m) Shareholding Pattern:

The Shareholding Pattern of the Company as on March 31, 2023 is as follows:

Category	No of Shares	% Of Total Capital
Promoters (including persons acting in concert)	15,00,11,903	55.85
Foreign Institutional/Portfolio Investors	3,72,24,446	13.86
Mutual Funds, other Financial Institutions and Banks	4,43,16,438	16.50
Non-resident Indians	18,03,625	0.67
Bodies Corporate	21,17,922	0.79
Resident Indians	3,17,74,874	11.83
Clearing members	2,31,138	0.08
Trust/Others	11,31,226	0.42
Total	**26,86,11,572**	**100**

(n) Dematerialization of Shares and liquidity:

As on March 31, 2023, 99.99 % of the total Equity Shares were held in dematerialized form with National Securities Depository Ltd. [NSDL] and Central Depository Services Limited [CDSL].

The details of which are as under:

Sr. No.	Mode of Holding	No. of Shares	% of Total Capital
1	NSDL	25,76,07,515	95.90
2	CDSL	1,09,88,575	4.09
3	Physical	15,482	0.01
Total		**26,86,11,572**	**100.00**

(o) GDRs/ADRs/Warrants or Convertible Instruments outstanding as on the date of this Report: Nil

(p) 1. Plant Location for Piping, Water Tanks & Faucets Divisions:

Gujarat Unit	**Santej**	Village: Santej, Taluka: Kalol, Dist: Gandhinagar, Gujarat, India.
	Dholka	Dholka-Kheda Road, Rampur, Dholka, Dist: Ahmedabad Gujarat, India.
	Jamnagar	Survey No.228/229, Naghedi Industrial Area, Canal Road, Lakhabaval, Jamnagar, Gujarat.
Tamilnadu		Perandaplli Post, Village-Alur, District-Krishnagiri, Hosur, Tamilnadu, India.
Rajasthan		Plot No. Sp5-132, Ghiloth Riico Industrial Area, General Zone, Shahjahanpur, Ghiloth, Alwar, Rajasthan- 301705.
Uttrakhand		Plot No. C-06, Phase-3, E.S.I.P., Sitarganj, Dist.: Udham Singh Nagar, Uttrakhand.
Maharashtra		C.S. No. 190, 191, 192, 193/1, 193/2, 195/2, 196/2 and 196/3 Tasgaon, Miraj Road, Kanadwadi, Dist.: Sangli, Maharashtra.
		Gat No. 127 & 128, Village Pangra, Taluka Paithan, District- Aurangabad.
Odisha		IDCO Plot No. 1B, Ramdaspur Industrial Estate, Tahasil, Barang, Village: Ramdaspur, Cuttack, Odisha - 754005.

(p) 2. Plant Location for Adhesive Division:

Gujarat Unit	**Santej**	Village: Santej, Taluka: Kalol, Dist: Gandhinagar, Gujarat, India.
	Dahej (under trial run)	Plot No.ch-25, Survey No. 333/P - 336/P, 346/P - 353/P, Dahej Industrial Estate, Village Ambheta, Taluka Vagra, Dahej, Bharuch - 392130, Gujarat, India.
Uttar Pradesh	**Unnao**	Araji-Khasara No.1287 Part, 1288,1289,1290,1291 Part, 1292,1293 Part, Mouja. shekhpur, Kundan Road, Inside Nagar Palika, Pargana, Unnao-209801, Uttar Pradesh, India.
	Rania	Araji-Khasara No.369 Part, 370,372,373,374,376, Village: Rania, Tehsil: Akbarpur, Rania, Kanpur Dehat-209304, Uttar Pradesh, India.

(q) Address for correspondence:

Shareholders' correspondence should be addressed to the Company's Registrar & Share Transfer Agent at the address mentioned at point (i).

Shareholders may also contact Company Secretary at the Registered Office of the Company for any assistance.

Registered Office
"Astral House",
207/1, B/h. Rajpath Club, Off S. G. Highway,
Ahmedabad - 380 059, Gujarat, India
Tel. No: +91 79 66212000 Fax No: +91 79 66212121
Email: co@astralltd.com. Website: www.astralltd.com

(r) Credit rating:

Sr. No.	Particulars	CRISIL rating			CARE rating		
		Current rating	Previous rating	Remark	Current rating	Previous rating	Remark
1	Long term Bank facilities	CRISIL AA/Stable	CRISIL AA/Stable	Reaffirmed	CARE AA+ Stable	CARE AA; Stable	Upgraded
2	Short term Bank facilities	CRISIL A1+	CRISIL A1+	Reaffirmed	CARE A1+	CARE A1+	Reaffirmed

For, Astral Limited
Sandeep P. Engineer
Chairman & Managing Director

Date: May 15, 2023
Place: Ahmedabad

Declaration

[Pursuant to para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015]

To,
The Members,
Astral Limited.

I, Sandeep P. Engineer, Chairman & Managing Director of Astral Limited hereby declare that as of March 31, 2023, all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct laid down by the Company.

Date: May 15, 2023
Place: Ahmedabad

For, Astral Limited
Sandeep P. Engineer
Chairman & Managing Director
(DIN: 00067112)

Certification

By Chief Executive Officer (CEO) and Chief Financial Officer (CFO)
Pursuant to Clause 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The requisite certificate from the Managing Director and Chief Financial Officer of the Company required to be given under Regulation 33 was placed before the Board of Directors of the Company at its Meeting held on May 15, 2023 and Mr. Sandeep P. Engineer, Managing Director and Mr. Hiranand A. Savlani, Chief Financial Officer of the Company, have certified to the Board that:

(a) They have reviewed the Financial Statement and the Cash Flow Statement for the year 2022-23 and that to the best of their knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.

(b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.

(c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. They have not come across any reportable deficiencies in the design or operation of such internal controls.

(d) They have indicated to the Auditors and the Audit Committee:

(i) That there are no significant changes in the internal control over financial reporting during the year

(ii) There are no significant changes in the Accounting Policies during the year, and

(iii) There are no instances of significant fraud of which they have become aware

For, **Astral Limited**

Date: May 15, 2023
Place: Ahmedabad

Hiranand Savlani
Chief Financial Officer

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Astral Limited
Astral Limited
Astral House,
207/1, B/h Rajpath Club,
Off S.G. Highway,
Ahmedabad, 380 059

1. The Corporate Governance Report prepared by Astral Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, 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 ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange and to be sent to shareholders of the company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

iv. Obtained and read the minutes of the following committee meetings/other meetings held April 1, 2022 to March 31, 2023:

(a) Board of Directors;

(b) Audit Committee;

(c) Annual General Meeting (AGM)/Extra Ordinary General Meeting (EGM);

(d) Nomination and Remuneration Committee;

(e) Stakeholders Relationship Committee;

(f) Risk Management Committee

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the yearend. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specificrepresentations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This report 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.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZSS7051

Place of Signature: Mumbai
Date: May 15, 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 of
Astral Limited
(Erstwhile Astral Poly Technik Limited)
"Astral House", 207/1, B/h. Rajpath Club,
Off S.G. Highway, Ahmedabad – 380059,
Gujarat, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Astral Limited (CIN: L25200GJ1996PLC029134) and having registered office at "Astral House", 207/1, B/h. Rajpath Club, Off S.G. Highway, Ahmedabad – 380059, Gujarat, India (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and 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 March 31, 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, or any such other Statutory Authority.

Sr.No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Sandeep Engineer	00067112	25.03.1996
2.	Mrs. Jagruti Engineer	00067276	25.03.1996
3.	Mrs. Kaushal D. Nakrani	08405226	29.03.2019
4.	Mr. Viral Jhaveri	08277568	24.10.2019
5.	Mr. C K Gopal	08434324	11.02.2020
6.	Mr. Girish Bhanubhai Joshi	09222943	01.07.2021
7.	Mr. Chetas Desai	01968778	07.02.2023
8.	Mr. Dhinal Shah	00022042	07.02.2023

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

Signature :
Name : Monica Kanuga
Membership No. : 3868
CP No. : 2125
UDIN: F003868E000285611

Place: Ahmedabad
Date: May 15, 2023

Business Responsibility and Sustainability Report

SECTION A- GENERAL DISCLOSURES

I.	Details of the listed entity		
I-1.	Corporate Identity Number (CIN) of the listed entity	-	L25200GJ1996PLC029134
I-2.	Name of the listed entity	-	Astral Limited
I-3.	Year of incorporation	-	25/03/1996
I-4.	Registered office address	-	"Astral House", 207/1, behind Rajpath Club, off S.G. Highway Ahmedabad Gujarat 380059 India.
I-5.	Corporate address	-	"Astral House", 207/1, behind Rajpath Club, off S.G. Highway Ahmedabad Gujarat 380059 India.
I-6.	E-mail	-	co@astralltd.com
I-7.	Telephone	-	079-66212000
I-8.	Website	-	www.astralltd.com
I-9.	Financial year for which reporting is being done	-	FY 2022 -2023
I-10.	Name of the Stock Exchange(s) where shares are listed	-	Bombay Stock Exchange and National Stock Exchange
I-11.	Paid-up Capital	-	₹ 26,86,11,572
I-12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	-	Mr. Manan Bhavsar 079-66212000
I-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)	-	Standalone basis

II. Products/services
II-14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing Activity	Manufacturing of Pipes, Fittings, Adhesives etc	98%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Plastic Pipes and Fittings	222	83%
2	Adhesives	202	17%

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

Location	Number of Plants	Number of Offices	Total
National	21	13	34
International	NA	NA	NA

III-17. Markets served by the entity:
a. Number of locations

Location	Number
National (No. of States)	33
International (No. of Countries)	31

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

1.14%

c. A brief on types of customers

Astral is in the building material segment. Astral primarily supplies to its Distributors and Infrastructure companies. Materials are used in plumbing, agriculture, sewerage, cable protection, industrial piping, water tank, fire pipes, adhesives, paints, faucets and sanitaryware.

IV. Employees
IV-18. Details as at the end of Financial Year: a. Employees and workers (including differently abled):

No	Particulars	Total(A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
		Employees				
1	Permanent (D)	3,833	3,687	96.19%	146	3.81%
2	Other than Permanent (E)	96	89	92.71%	7	7.29%
3	Total employees (D + E)	3,929	3,776	96.11%	153	3.89%
		Workers				
1	Permanent (F)	307	307	100%	0	0
2	Other than Permanent (G)	4,289	4,271	100%	18	0.42%
3	Total Workers (F + G)	4,596	4,578	100%	18	0.39%

IV-18. Details as at the end of Financial Year: b. Differently abled Employees and workers:

No	Particulars	Total(A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
		Differently Abled Employees				
1	Permanent (D)	2	2	100.00%	0	0.00%
2	Other than Permanent (E)	1	1	100.00%	0	0.00%
3	Total differently abled employees (D + E)	3	3	100.00%	0	0.00%
		Differently Abled Workers				
1	Permanent (F)	10	10	100.00%	0	0.00%
2	Other than Permanent (G)	0	0	0.0%	0	0.0%
3	Total Workers (F + G)	10	10	100.00%	0	0.00%

IV-19. Participation/Inclusion/Representation of women

	Total(A)	No. and percentage of Females	
		No(B)	%(B/A)
Board of Directors	8	2	25.00%
Key Management Personnel	2	0	0.00%

IV-20. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years)

	(Turnover rate in current FY)			(Turnover rate in previous FY)			(Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	14%	15%	20%	17%	19%	25%	28%	25%
Permanent Workers	2%	0%	2%	8%	0%	8%	4%	0%	4%

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

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

S. 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	Astral Foundation	Subsidiary	100	No
2	Seal it Services Limited, UK	Subsidiary	95	No
3	Seal It Services INC, USA	Subsidiary	95	No
4	Astral Pipes Limited, Kenya	Joint Venture	50	No
5	Gem Paints Private Limited	Subsidiary	Board controlled Subsidiary of Astral Limited	No
6	Esha Paints Private Limited	Subsidiary	100% Subsidiary of Gem Paints Private Limited.*	No
7	Enterprise Software and technology services private Limited	Subsidiary	100 % Subsidiary of Gem Paints Private Limited *	No

*Wholly Owned Subsidiary of Board controlled Subsidiary i.e Gem Paints Private Limited.

VI. CSR Details

VI-22. (i). Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes

VI-22. (ii). Turnover (in ₹) – ₹ 4,611 crores

VI-22. (iii). Net worth (in ₹) – ₹ 2,678 crores

VII. Transparency and Disclosures Compliances

VII-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) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		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 https://astralltd.com/investors/investors-contact/	0	0	-	0	0	-

VII. Transparency and Disclosures Compliances (Contd.)

VII-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) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		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
Investors (other than shareholders)	Yes https://astralltd.com/investors/investors-contact/	0	0	-	0	0	-
Shareholders	Yes https://astralltd.com/investors/investors-contact/	4	1	-	5	0	-
Employees and workers	Yes https://astralltd.com/investors/investors-contact/	Nil	Nil	-	Nil	Nil	-
Customers	Yes https://astralltd.com/investors/investors-contact/	Nil	Nil	-	Nil	Nil	-
Value Chain partners	Yes https://astralltd.com/investors/investors-contact/	Nil	Nil	-	Nil	Nil	-
Other (please specify)	Yes https://astralltd.com/investors/investors-contact/	Nil	Nil	-	Nil	Nil	-

VII-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.

S. 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	Information Protection	R	Absence of formalised IT policy and procedures may lead to data security and integrity issues. However, critical aspects such as access controls, physical and logical security etc. are closely monitored.	The company has defined IT policy and procedures which is being followed. Data Centre Access, Systems access are restricted to authorised personnel. Risk Management Committee constituted by the Board ensures that timely actions are taken on the actual and or potential threats to mitigate the adverse effects.	Negative

S. 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	Product Branding	R	Counterfeit Products introduced in Pipe segment by few corrupt players possess a risk to the company product and brand.	Implementing legal remedies against identified players coupled with continuous customer education and awareness on differentiation of original and counterfeit products. Company performs multiple branding activities and participates in various trade fairs to create awareness of the brand among stakeholders.	Negative
3	Occupational Health and Safety	R	Ensuring continuously health and safety of our workforce employee wellbeing is essential to achieving the overall growth of the organization.	Deploying various health and safety measures and initiatives as well as adhering to all the applicable safety standards. We have a Safety Committee at corporate office headed by a safety expert who is responsible for all safety related processes including training and awareness. We have in-house doctors available at Head office and plant for any immediate health assistance required. We periodically organize vaccination drives for all the employees.	Negative
4	Customer Awareness and Education	O	Customer education on product safety, standards, usage will enhance customer experience and safety knowledge, hence an opportunity.	-	Positive
5	Social Responsibilities	O	Astral recognizes responsibility to uphold the standard for a sustainable future. Utmost importance is given to various CSR initiatives for good health and wellbeing, education, conservation of wildlife, environment, and water.	-	Positive
6	Climate Change	O	Minimize GHG emissions and increase the proportion of renewable energy in our operations' total energy mix is an opportunity to contribute towards positive environmental impact.	-	Positive

SECTION B- MANAGEMENT AND PROCESS DISCLOSURES

Policy and management processes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://astralltd.com/wp-content/uploads/2023/01/1668401160_business_responsibility_policies.pdf								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No. Astral Ltd. will explore ways of working with the value chain partners to extend the enlisted policies to them, where practically possible.								
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.	Astral Ltd. endeavours to gain as many accreditations with applicable quality and environmental standards and certifications as possible. The following certifications have been achieved and we will continue to explore more in the future. Collectively, all these certifications cover the 9 principles. • Quality Management System Certification ISO:9001 • Environment Management System Certification ISO:14001 • OHSAS (ISO:45001) • BIS Certification for different type of products and at different plants like IS:4985, IS:7834, IS:10124 (PT-2), IS:9537 (PT-3), IS:3419, IS:12818, IS:13592, IS:14735, IS:15778, IS:17546, IS:16088, IS:14182, IS:12701, IS:16098 (PT-2), IS:13488, IS:4984, IS:15265, IS:16205 (PT-24), IS:9271, IS:15328, IS:16098 (PT-1)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Astral Ltd. has not yet made any specific commitments, goals and targets but is considering it in line with its overall commitment to ESG principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A. Once specific commitments, goals and targets are finalised as mentioned above, performance against the same will be monitored and reported.								

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)	We are pleased to share our first Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2022-23. The report will enable our stakeholders to know more about our efforts in ESG and our sustainability performance. Sustainability and inclusivity are ingrained in our DNA. We firmly believe that sustainability and profitability go together and in fact sustainability will positively influence our growth. We are committed to investing in low-carbon technologies and manufacturing processes that minimise the impact on the environment. We are focused on enhancing the environmental and social performance of our products. We are investing in renewable energy and further recycling of waste. We generate biomass fuel from renewable sources (rice husk) to use in our manufacturing processes and thus gradually reducing our reliance on fossil fuels. We remain committed to moderate water use and energy efficiency measures. Our energy intensity by turnover, water usage by turnover and greenhouse gas emissions by turnover have significantly reduced in the current year FY22-23 compared to the previous year FY21-22. We continue to explore ways and means to reduce this further.

Governance, leadership, and oversight

		We have also commissioned a purpose built 'green building' in Dholka, Gujarat using sustainable design principles and focusing on various social and economic parameters to inculcate sustainable practices and positively influence work environment. We are exploring ways of replicating this experience at our other workplaces. We value the stability of our multi-stakeholder relationships. We have a very humane approach with our employees, workers, suppliers, customers, and other value chain partners. We ensure we engage very deeply with our employees and wider community and align that with our purpose. We have longstanding relationships with our vendors and turnover ratio of our employees is low. We are highly committed and focused on ensuring a highly safe working environment for our employees and workers whether in the office or in the manufacturing plant. We have strong grievance recording and redressal mechanisms in place. We have not received any complaints or grievances from our stakeholders due to a strong inclusive culture. We have a strong track record of having robust governance practices which ensure transparency, accountability, and integrity. We have effective governance structures, committees, policies, and oversight processes to ensure an environment that is inclusive, engaged, and balanced. The 'tone from the top' is well and truly exhibited by the Board in all governance matters including ESG where it drives our ESG strategy, policies, implementation, and alignment with our purpose. The Board acknowledges that this is just the start of our long-term and evolving ESG journey and is committed for the long haul. Thus, working on sustainability is imbibed in our ethos, and the same is reflected through our values and behaviour towards sustainability and stakeholders.
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board supported by Executive Management
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.	Board supported by Executive Management

10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee.

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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								

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.

No

Sr. no	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	-	-	-	-	-	-	-	-	-

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

N.A.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

EI-1. Percentage covered by training and awareness programmes 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 impact	Percentage of persons in respective category covered by the awareness programmes
Board of directors	8	The training and awareness programs undertaken for the Directors covered business performance and operations, compliance status and regulatory updates, risk, and governance, and ESG performance.	100%
Key Managerial personnel	8	Key managerial personnel undertook training and awareness programs around changes in regulations and laws applicable to the Company to ensure full compliance.	100%
Employees other than BoD and KMPs	134	• POSH Act • ASTRAL Loyalty Program • HR for Non-HR • Employee Provident Fund • Finance for Non-finance • Environment Health & Safety Objectives/Key result areas in People Strong • My Product My Pride o Pex-a Pro o Aquarius o Opta o Faucets & Sanitaryware	54%

EI-1. Percentage covered by training and awareness programmes on any of the Principles during the financial year:
(Contd.)

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
		• My Product My Pride-2 o Tele rex o CPVC Pro o Water Tank o Conduit/Wire Guard o Product Portfolio o D-rex • Interpersonal Skills • Kano Medal for Customer Service • 7Cs of Communication • Plan and Organize at Work • Leveraging MS Word • Leveraging MS Power Point • Leveraging MS Teams • E-mail & Outlook • Leveraging Power Point • Basic Excel Training • Office Management • MS Word and Power Point • MS Teams and Outlook • Professional Grooming • Folder Management • Data Management • Office Management • Approaches to Decision making through analytical thinking • Productivity enhancement program • Self-development • Leadership/Time management • Fearless Communication • Emotional Intelligence/Team Building/Leading A Team • Written Communication • Professional Development	
Workers	131	• 5's Basic Training, • BBS Training, • CNC Training, • Counting Pipes, • Emergency preparedness, Fire Safety, • EHS Induction, • Fire Extinguisher operation, • First Aid Training, • General Safety Awareness,	97%

EI-1. Percentage covered by training and awareness programmes on any of the Principles during the financial year:
(Contd.)

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
		• HIRA and Near Miss Reporting, • Injection Moulding Operations, • Lifting Techniques, • Material Handling with Safety, • Mock Drill, • Precaution for covid-19, • Road Safety & Safe Driving Awareness, • Use of PPT Kit and Its Importance, • Work Permit, • Time Management. • Problem Solving • Customer Orientation • Planning & organizing • Presentation Skill • Stress Management • Managerial Counselling • Human Centre Design Thinking	

EI-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):

Monetary

Category	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	-	-	0	-	-
Settlement	-	-	0	-	-
Compounding fee	-	-	0	-	-

Non-Monetary

Category	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

EI-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.

N.A.

S. No.	Case Details	Name of the regulatory/enforcement agencies/judicial institutions
1	-	-

EI-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.

Yes, we have a well-developed anti-corruption and anti-bribery policy in place, and it has been effectively implemented within the organisation. The policy is aligned with one of our values about conducting operations with the highest ethical and business standards. All employees are required to comply with the policy in letter and spirit. The policy focuses on transparency in all areas of the business and avoiding corrupt practices at all costs. Violation of the policy will result in strict disciplinary action. Link to the policy is below.

https://astralltd.com/wp-content/uploads/2023/02/12.-Policy-on-Anti-Correption_Bribery.pdf

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

Category	(Current Financial Year)	(Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Category	Number (CY)	Remarks (CY)	Number (PY)	Remarks (PY)
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	-

EI-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.

N.A.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

EI-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.

Category	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	*	*	* Astral Ltd. believes in innovation and identifying sustainable ways of conducting business activities and hence has high expenditure in R&D and Capex areas. However, such expenditure incurred specifically to improve environmental and social impacts of products and processes have not been separately recorded. These will be separately recorded and reported in FY23-24. In the meantime, some of the initiatives that Astral Ltd. undertook in its R&D and Capex areas linked to environmental and social impacts are as below: • Different special testing equipment purchased to check various type of chemicals in very small qty on incoming stage which can save trial materials and prevents trial wastage. • Developed specially designed faucets which can save water consumption.
Capex	*	*	

EI-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. (Contd.)

Category	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
			• Purchase laboratory testing equipment to check require in process parameters which can save material by prevention of rejection after production. • Test equipment help to develop low VOC solvents which is demanding for better environment & human safety. • Improved infrastructure of test laboratories by maintaining clean air environment.

EI-2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
No. Astral Ltd. will consider ways of including sustainable sourcing principles in its overall sourcing processes.

EI-2.b. If yes, what percentage of inputs were sourced sustainably?
N.A.

EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
Considering the type and nature of our product, their long-term use by our end users (sometimes more than decades), and the wide geographical spread of our product use, it is practically not possible to reclaim our end products for reusing, recycling, or disposal at the end of life. However, where we can, we have taken steps to safely recycle and dispose off waste generated in our production processes. We have completed Gate to Gate Analysis for LCA Silencio, e-waste is recycled through approved recyclers, hazardous waste is disposed off as per Hazardous waste (Management, Handling and Transboundary movement) Rules 2016. We have also registered under the EPR (PWM rules) on CPCB portal for packaging plastic to recycle it.

EI-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.
Yes, EPR is applicable to our activities. Our EPR registration Number is: 2023030606544811142 dated 10/03/2023. All our data and waste collection plan are in line with the EPR plan submitted to the CPCB.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

EI-1. a. Details of measures for the well-being of employees (Permanent 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	3,687	3,650	99%	3,687	100%	0	0.00%	0	0	0	0
Female	146	142	97%	146	100%	146	100%	0	0	0	0
Total	**3,833**	**3,792**	**99%**	**3,833**	**100%**	**146**	**3.81%**	**0**	**0**	**0**	**0**
Other than permanent Employees											
Male	89	0	0	0	0	0	0	0	0	0	0
Female	7	0	0	0	0	0	0	0	0	0	0
Total	**96**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

EI-1.b. Details of measures for the well-being of workers. (Permanent Workers).

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 Workers											
Male	307	237	77.20%	237	77.20%	0	0	0	0	0	0
Female	0	0	0.00%	0	0.00%	0	0	0	0	0	0
Total	**307**	**237**	**77.20%**	**237**	**77.20%**	**0**	**0**	**0**	**0**	**0**	**0**
Other than permanent Workers											
Male	4,289	0	0	4,289	100%	0	0	0	0	0	0
Female	18	0	0	0	0	0	0	0	0	0	0
Total	**4,307**	**0**	**0**	**4,289**	**100%**	**0**	**0**	**0**	**0**	**0**	**0**

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

Benefits	No. of employees covered as a % of total employees (CY)	No. of workers covered as a % of total workers (CY)	Deducted and deposited with the authority (Y/N/N.A.) (CY)	No. of employees covered as a % of total employees. (PY)	No. of workers covered as a % of total workers (PY)	Deducted and deposited with the authority (Y/N/N.A.) (PY)
PF	99%	100%	Y	99%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	9%	3%	Y	7%	6%	Y
Others – please specify	0	0	-	0	0	-

EI-3. 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.

Yes, we have provided appropriate access for differently abled employees and workers.

EI-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.

Yes, we are an equal opportunity employer and policy available on the company website.

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

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	NA	NA
Total	**100%**	**100%**	**NA**	**NA**

EI-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.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Safety Committee and Grievance Redressal Committee will receive the grievances under the statute at the Plant level and through the HR department
Other than Permanent Workers	Yes, these workers can raise their grievances through the contractor.
Permanent Employees	Yes, the employees can raise their concerns through their immediate reporting office, Grievance Redressal Committee and/or the HR department.
Other than Permanent Employees	NA

In case of a grievance, an employee may follow the reporting procedure as outlined in the escalation matrix below.

Level	Person responsible for Grievance Resolution	Resolution Time
1st level reporting – Reporting of grievance by the employee in the first instance	Department Head or HR Representative	7 Days
2nd level reporting - In case employee is not satisfied with the 1st level authority, he/she can go ahead and report the matter to the next authority	Function Head or Senior HR Representative	7 Days
3rd level reporting - In case employee is not satisfied with the 2nd level authority, he/she can go ahead and report the matter to the next authority	Steering Committee (senior management representatives nominated by the MD)	7 Days

Grievance Escalation Matrix

- The aggrieved employee may approach the concerned person responsible via email, phone call or by requesting a meeting in person.
- However, the employee will be required to submit a written complaint/grievance to the person responsible so that action may be initiated.
- The persons responsible for grievance resolution shall record all case related proceedings in writing and maintain the same as record of case resolution.
- Resolution must be communicated to the employee as per defined timelines, failing which the employee may approach the next level as per Table 1 above.
- Once the case is closed by the Steering Committee, the decision shall be final and binding.
- Apart from this, we have the Whistle Blower Policy and POSH committee for any specific concerns.

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

Category	FY2022-23			FY2021-22		
	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	0	0	0	0	0	0
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0
Total Permanent Workers	0	0	0	0	0	0
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0

Company or employees/workmen do not have any association with unions or other associations.

EI-8. Details of training given to employees and workers:

Category	FY2022-23					FY2021-22				
	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/D)	No. (F)	% (F/D)
Employees										
Male	3,081	2,013	65%	3,000	97%	2,690	521	19%	1,169	43%
Female	110	68	61%	64	58%	90	17	19%	14	16%
Total	**3,191**	**2,081**	**65%**	**3,064**	**96%**	**2,780**	**538**	**19%**	**1,183**	**43%**

EI-8. Details of training given to employees and workers: (Contd.)

Category	FY2022-23					FY2021-22				
	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/D)	No. (F)	% (F/D)
Workers										
Male	305	232	76%	73	24%	308	185	60%	122	40%
Female	0	0	0	0		0	0	0	0	0
Total	**305**	**232**	**76%**	**73**	**24%**	**308**	**185**	**60%**	**122**	**40%**

EI-9. Details of performance and career development reviews of employees and workers

Category	FY2022-23			FY2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	3,081	2,405	78%	2,690	2,152	80%
Female	110	72	66%	90	69	77%
Total	**3,191**	**2,477**	**78%**	**2,780**	**2,221**	**80%**
Workers						
Male	305	305	100%	308	308	100%
Female	0	0	0	0	0	0
Total	**305**	**305**	**100%**	**308**	**308**	**100%**

EI-10.a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, an integrated management system has been implemented as per ISO9001, ISO 14001 and ISO 45001. From a coverage point of view, for ISO 9001 we have covered a total of 11 sites (Head Office, Santej, Santej Adhesive, Dholka, Hosur, Ghiloth, Sangli, Aurangabad, Sitarganj, Rania and Unnao) and for ISO 14001 & ISO 45001 we have covered 4 sites (Head Office, Santej, Dholka and Hosur Plant). We plan to increase our coverage in the coming year(s).

EI-10.b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Work related hazards and risks are identified and assessed as follow: (1) Process Hazards Analysis in terms of HIRA (2) Employee Participation through Safety Committee, Safety week celebration and other activities (3) Regular training imparted on different topics for awareness (4) SOP prepared for all activities, monitored and followed (5) Work Permit system in place (6) Regular Safety inspections carried out to identify unsafe actions and unsafe conditions (7) Near-miss reporting processes in place and monitored (8) Checklist available for all activities (9) Audit and compliance activities undertaken regularly (10) Safety committee meeting to oversee and monitor work-related hazard and near-misses.

EI-10.c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

EI-10.d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Y/N)

Yes

EI-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	0.40	0.52
	Workers	0.49	0.97
Total recordable work-related injuries	Employees	2	3
	Workers	6	10
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

EI-12. Describe the measures taken by the entity to ensure a safe and healthy workplace.
Statutory inspections and certifications are conducted for all equipment. Safety induction is provided to all employees and contract workers. PPEs are provided as per the requirements for all activities and PPE Matrix. Work permit system is implemented, and SOPs are prepared and implemented. HIRA is prepared to identify risk and hazards associated with the activities. Near-miss reporting and corrective action for a safe workplace is undertaken. Training is imparted as per training needs to all employees and workers. Emergency preparedness, Firefighting, First Aid & specific activities training is conducted. Mock drill is conducted, and MOC is implemented. Fire Extinguishers & Fire Hydrant systems are provided. Workplace monitoring is conducted, Regular safety inspection is conducted to identify and unsafe act and unsafe conditions. Dedicated safety officer and fire man is deputed at all Manufacturing Plants. Ambulance room/OHC is provided at Plant with paramedic medical staff. Safety week celebration are undertaken, and Awards are distributed for motivation of employees & contract worker in maintaining a safe environment. Training for 111A compliance, firefighting, first aid and scaffolding is provided.

EI-13. Number of complaints on the following made by employees and workers

	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	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

EI-14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

EI-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.
Corrective actions undertaken and implemented include accident investigations undertaken as per the SOP, preventative and corrective actions taken to stop recurrence, review of HIRA undertaken for minimize significant risk, and training imparted on relevant topics to increase awareness.

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

Essential Indicators

EI-1. Describe the processes for identifying key stakeholder groups of the entity: The Company identifies its key stakeholders by developing an initial list of interested parties, considering historical concerns and relationships, and identifying individuals or groups that can influence or are impacted by the businesses.

EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customers	No	Meetings, Emails, Calls, Website, Advertisement, SMS, Digital Media	On-going	Product awareness and feedback, promotion of business loyalty and direct marketing, creation of brand recall value, training, grievance redressal, etc.
2	Employees	No	Meetings, Emails, Calls, Notice board, People-strong Portal	On-going	Employee engagement, communicating the policies and code of conduct, promotion of health and safety, employee retention, skill development, enhancing the productivity.
3	Investors	No	Meetings, Emails, Calls, Newspaper, Website, Digital Media	Quarterly and on-demand	Business transparency, business performance, assuring governance, investor complaints and redressals, future roadmap.
4	Suppliers and Vendors	No	Meetings, Emails, Calls, Website	On-going	Procurement of quality goods and services on timely basis, communicating supplier code of conduct, establishment of trust and interdependency.
5	Communities	No	Community meetings, Website, Pamphlets, Newspaper	On-going	Promoting upliftment of vulnerable communities, promoting health and education for the underprivileged, safeguarding of environment by conducting tree plantation, awareness drives, wildlife protection and preservation, skill development workshops, building infrastructure for education and health such as schools and hospitals in remote areas.
6	Governments	No	Emails, Website	On-going	Timely payment of taxation, filing of returns, assisting in assessment.
7	Regulator	No	Emails, Website, Regulatory portals	As per regulatory timeframe	Submission of quarterly and annual financials, regulatory forms.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

EI-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	3,191	1,353	42%	2,780	832	30%
Other than permanent	96	0	0%	90	0	0%
Total Employees	**3,287**	**1,353**	**41%**	**2,870**	**832**	**29%**

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

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)
Workers						
Permanent	305	179	59%	308	175	57%
Other than permanent	4,289	1,167	27%	3,693	0	0%
Total Workers	**4,594**	**1,346**	**29%**	**4,001**	**175**	**5%**

EI-2. Details of minimum wages paid to employees, 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/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	3,081	672	22%	2,409	78%	2,690	685	25%	2,005	75%
Female	110	11	10%	99	90%	90	11	12%	79	88%
Other than Permanent										
Male	89	0	0	89	100%	84	0	0	84	100%
Female	7	0	0	07	100%	5	0	0	5	100%
Workers										
Permanent										
Male	305	101	33%	204	67%	308	107	35%	201	65%
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent										
Male	4,289	3,817	89%	472	11%	3,693	3,339	90%	354	10%
Female	0	0	0	0	0	0	0	0	0	0

EI-3. Details of remuneration/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)	6	₹ 22,50,000	2	₹ 65,48,000
Key Managerial Personnel	2	₹ 2,48,30,711	0	₹ 0
Employees other than BoD and KMP	3,081	₹ 3,96,000	110	₹ 3,68,652
Workers	305	₹ 183,144	0	₹ 0

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

Yes, the Grievance Committee is the focal point.

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

The aggrieved employee may approach the Steering Committee or the Head of Department via email, phone call or by requesting a meeting in person. However, the employee will be required to submit a written complaint/grievance to the person responsible so that action may be initiated. The persons responsible for grievance resolution shall record all case related proceedings in writing and maintain the same as record of case resolution. Resolution must be communicated to the employee as per defined timelines, failing which the employee may approach the next level of authority. Once the case is closed by the Steering Committee, the decision shall be final and binding.

EI-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	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

EI-7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
We have implemented policies to inform and deter against any type of discrimination or harassment including to the complainant. These policies include the whistle-blower policy and policy to protect women from harassment. Our Grievance Redressal Committee, Steering Committee and the Whistle Blower Committee look into such matter with utmost confidentiality. Any person handling or dealing with any such complaint contravenes our internal policies relating to confidentiality shall be liable for penalty. Also, our whistle blower policy provides necessary safeguards to all whistle blowers and stakeholders.

EI-8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
Yes

EI-9. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% plants/depots and offices are assessed
Forced/involuntary labour	100% plants/depots and offices are assessed
Sexual harassment	100% plants/depots and offices are assessed
Discrimination at workplace	100% plants/depots and offices are assessed
Wages	100% plants/depots and offices are assessed
Others – please specify	0

EI-10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.
We continuously ensure that only persons who are 18 years and over are only employed, employees only work voluntarily beyond normal working hours, and that employees are paid without any gender bias and equality is maintained.

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

Essential Indicators

EI-1. Details of total energy consumption (in Joules or multiples) and energy intensity.

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) (in GJs)	3,59,285.93	3,13,913.07
Total fuel consumption (B) (in GJs)	67,015.24 *	51,844.36 *
Energy consumption through other sources (C) (in GJs)	51,719.15	51,035.60
Total energy consumption (A+B+C) (in GJs)	4,78,020.32	4,16,793.03
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	103.66 GJ/Crore	121.06 GJ/Crore
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

* This includes biomass fuel generated from renewable sources (rice husk). Total biomass fuel generated in FY 2022-23 is 20,848 GJs (33%) and in FY 2021-22 is 24,963.63 GJs (48%).

EI-1. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

EI-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.
No

EI-3. Provide details of the following disclosures related to water, in the following format: Water withdrawal by source (in kilolitres)

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,03,953	1,05,355
(iii) Third party water	1,846	2,117
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,05,799	1,07,472
Total volume of water consumption (in kilolitres)	1,05,799	1,07,472
Water intensity per rupee of turnover (Water consumed/turnover)	22.95 KL/Crore	31.22 KL/Crore
Water intensity (optional) – the relevant metric may be selected by the entity. KL/of	-	-

EI-3. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

EI-4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
Yes, zero liquid discharge mechanism is implemented. STP installed does recycle and reuse water as zero liquid discharge.

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

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
NOx	Mg/Nm3	14.25	13.41
SOx	Mg/Nm3	28.55	24.30
Particulate matter (PM)	Mg/Nm3	39.88	42.53

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

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

EI-5. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,712.01	1,630.86
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	77,716.05	62,650.96
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent/rupee of turnover	17.44 metric tonnes CO2/ Crore	18.67 metric tonnes CO2/Crore
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent/of	-	-

EI-6. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

EI-7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.
Yes. Astral has initiated a project with CII, named as "Sustainable Workspaces and Indian Business Environment". The objectives of this project are (1) quantify the impacts of sustainable design and practice on various social and economic parameters in a workplace (2) develop a matrix that translates the impacts into a comprehensive score that can be used by individual workplaces for self-assessment (3) identify the benchmarks for establishing the performance indicators for individual workplaces. In addition, Astral has also built a green building as one of its offices in Dholka, Gujarat and is exploring ways to replicate this at other sites.

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

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste(B)	0.628	0.619
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	11.31	3.51
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	294.92	42.56
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	1573.34	1505.65
Total (A + B + C + D + E + F + G + H)	**1880.198**	**1552.339**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste - E-Waste		
(i) Recycled	0.628	0.619
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**0.628**	**0.619**
Category of waste - Battery waste		
(i) Recycled	11.31	3.51
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**11.31**	**3.51**

EI-8. Provide details related to waste management by the entity, in the following format: (Contd.)

Parameter	FY 2022-23	FY 2021-22
Category of waste - Other Hazardous waste		
(i) Recycled	277.01	24.08
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**277.01**	**24.08 ***
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste - Other Hazardous waste. Please specify, if any		
(i) Incineration	0	0
(ii) Landfilling	13.84	20.03
(iii) Other disposal operations	0	0
Total	**13.84**	**20.03 ***
Category of waste - Other Non-hazardous waste generated		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	1,573.34	1,505.65
Total	**1,573.34**	**1,505.65**

* For previous year FY21-22, total 'other hazardous waste' recovered through recycling and disposed off in landfilling is 44.11 metric tonnes whereas the total 'other hazardous waste' generated in FY2021-22 is 42.56 metric tonnes. The difference of 1.55 metric tonne is the carry forward 'other hazardous waste' from FY2020-21 which was recycled and disposed off in landfilling in FY21-22.

EI-8. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

EI-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.

Hazardous & Non-Hazardous waste is collected and either disposed or recycled as per Hazardous waste Management rules. No toxic chemicals are used in the manufacturing process.

EI-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	NA	-	-

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

S. No.	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
1	-	0	-	-	-	-

EI-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

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	NA	-	-	-

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

EI-1.a. Number of affiliations with trade and industry chambers/associations.

EI-1.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.

S. NO	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	Gujarat Chamber of Commerce and Industry	State
2	Confederation of Indian Industry	National
3	Federation of Indian Export Organization	National
4	Indian Plumbing Association	National

EI-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.

NA

S. No.	Name of authority	Brief of the case	Corrective action taken
1	-	-	-

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

SIAs have not yet been undertaken by the company and nor were they required as per the applicable laws. However, consideration will be given to undertaking these assessments in the future either as and when required by the applicable laws or in case of setting and achieving specific commitments, targets, or goals in relation to ESG.

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
1	-	0	0	-	-	-

EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

N.A.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
1	0	0	0	0	0	0

EI-3. Describe the mechanisms to receive and redress grievances of the community.

The grievance redressal mechanisms stated in Principle 3 – Question EI-6 is applied to redress grievances from the community including the escalation matrix mentioned.

EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Category	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/small producers	9.96%	6.83%
Sourced directly from within the district and neighbouring districts	19.92%	17.20%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

Customer can call our toll free number 18002337957, or visit our website to log or raise their concerns, or inform the Distributor who will raise the Ticket in the Distributor portal. The complaint raised will come to the Customer Care Department who will assign the complaint to the concerned field personnel. The field personnel will contact the customer to understand the complaint in detail. He/she will arrange to resolve the complaint at site. If required, he/she will collect the sample for QC lab test for materials and provide the test report to the customer. Based on this process, corrective action (if any) will be decided and implemented.

Adhesive division has a customer care number 7311103331 and a portal for complaint, query, suggestion, feedback which is wecare.astraladhesives.com where anyone can enter their comments. This portal then generates a ticket, and that requirement goes directly to the relevant department for action. Every ticket number has an escalation matrix and in case of delay in response, a direct notification is sent to the Head of Department.

EI-2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	N.A.*
Safe and responsible usage	N.A.*
Recycling and/or safe disposal	N.A.*

*As Astral Limited produces and sells hundreds of products, and their packaging and labelling changes frequently to cater to customer need, this information has not been recorded. However, Astral Ltd. will commence to record this information from FY23-24 onwards.

EI-3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

EI-4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	0	-
Forced recalls	0	-

EI-5. 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. We have an internally published Information Security policy accessible to all employees on our HRMS portal under the section HRIS>Organisation Policy/SOP link.

EI-6. 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.

N.A.

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Standalone Financial Statements

Independent Auditor's Report

To the Members of Astral Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Astral Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ("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, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 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 audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Impairment of Goodwill (as described in Note 2(v)(iv) of the Standalone Financial Statements)	
The Company's balance sheet includes ₹ 2,036 Million of Goodwill. In accordance with Ind AS 36, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include: - Projected revenue growth, operating margins and operating cash-flows; and - Business specific discount rates	We performed following procedures, among others: • We assessed whether the Company's definition of the CGUs is compliant with the applicable accounting standards • We evaluated the forecast of future cash flows used by the management in the model to compute the Recoverable value of CGUs. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results. • We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the Recoverable value of CGUs.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
The annual impairment testing is considered a significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the standalone financial statements.	• We recalculated estimates using the management model. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Company in computing the Recoverable value of CGUs. • We assessed the disclosures made in the standalone financial statements.
Impairment assessment of investments in subsidiaries (Refer note no. 2(v)(iii) of Standalone Financial Statements)	
The Company's investment in subsidiaries is amounting to ₹ 2,874 Million as at March 31, 2023. The determination of value in use of the Company's investments in subsidiaries is dependent on management's estimates with respect to such entity's performance, future cash flows and making judgment with respect to assumptions used in computing the recoverable amount of investments in subsidiaries. Considering the uncertainty involved in forecasting of cash flows and the judgement involved in respect of assumptions used in computing the value in use this audit area is considered a key audit matter.	We performed following procedures, among others: • We evaluated the forecast of future cash flows used by the management in the model to compute the Recoverable amount. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results. • We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the Recoverable amount. • We recalculated estimates using the management model. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Company in computing the recoverable amount. • We assessed the disclosures made in the standalone financial statements.

OTHER INFORMATION

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

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.

Independent Auditor's Report (Contd.)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 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

1. 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(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

Independent Auditor's Report (Contd.)

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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 33 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.

iv. a) The management has represented that, to the best of its knowledge and belief, as stated in the note 45 to the standalone financial statements, 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 person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as stated in the note 45 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 46 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZSI2066

Place of Signature: Ahmedabad
Date: May 15, 2023

Independent Auditor's Report (Contd.)

Annexure 1

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Astral Limited for the year ended March 31, 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles 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 three 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) disclosed in note no. 3 are held in the name of the Company except as mentioned as follows. Further, one immovable property, in the nature of leasehold land, as indicated below was acquired pursuant to the Scheme of Amalgamation as referred to in note no 38, lease agreement of which is yet to be transferred in the favour of the Company:

Description of Property	Gross carrying value (Amount in Million)	Freehold Land - Held in name of/ Leasehold Land - Lessee as per Lease Agreement	Whether promoter, director or their relative or employee	Period held– indicate range, where appropriate	Reason for not being held in the name of Company
Freehold Land	290	Telangana State Industrial Infrastructure Corporation (TSIIC)	No	One year and six months	The title deeds are under process and will be registered after implementation of project.
Leasehold Land at Dahej	53	Resinova Chemie Limited	No	Less than one year	Application of transfer of lease agreement in favour of the Company is filed before Gujarat Industrial Development Corporation (GIDC), order awaited

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with custom bonded warehouse. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with custom bonded warehouse have been confirmed by them as at March 31, 2023 and discrepancies were not noticed in respect of such confirmations. Discrepancies of 10% or more were not noticed in aggregate for each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns / statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

Independent Auditor's Report (Contd.)

(iii) (a) During the year the Company has provided loans, to companies as follows:

(₹ In Million)

Particulars	Loans
Aggregate amount granted/provided during the year	
- Others	200
Balance outstanding as at balance sheet date	
- Subsidiary	286
- Others	200

(b) During the year the terms and conditions of the grant of all loans and guarantees to companies are not prejudicial to the Company's interest.

(c) The Company has granted loans to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans granted to companies which are overdue for more than ninety days.

(e) There were no loans granted to companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duties of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) The dues of goods and services tax, income-tax, duties of excise, value added tax, central sales tax have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Million)	Period to which the amount Relates	Forum where the dispute is Pending
Income Tax Act 1961	Income Tax	32	FY 2016-17 and FY 2017-18	CIT (A)
The Central Excise Act, 1944	Excise Duty	54	FY 2006-07 and FY 2008-09	CESTAT
The Central Sales Tax Act, 1956	Central Sales Tax	2	FY 2013-14 and FY 2014-15	Office of Commercial Tax
GST Act, 2017	Goods and Service Tax	2	FY 2017-18, FY 2019-20, FY 2020-21 and FY 2022-23	Appellate Authority
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	2	FY 2002-03 to FY 2006-07	Tribunal

There are no dues of provident fund, employees' state insurance, duties of custom, cess, and other statutory dues which have not been deposited on account of any dispute.

Independent Auditor's Report (Contd.)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short- term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint venture. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause 3(x)(a) is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act and hence, the requirement to report on clause (xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There are no Core Investment Company as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

Independent Auditor's Report (Contd.)

(xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZSI2066

Place of Signature: Ahmedabad
Date: May 15, 2023

Independent Auditor's Report (Contd.)

Annexure 2

To The Independent Auditor's Report of even date on the Standalone Financial Statements of Astral Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Astral 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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 these 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

A Company's internal financial controls with reference to standalone 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 standalone 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 STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements

Independent Auditor's Report (Contd.)

may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone 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 the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZSI2066

Place of Signature: Ahmedabad
Date: May 15, 2023

Standalone Balance Sheet

As at March 31, 2023

(₹ In Million)

	Particulars	Notes	As at March 31, 2023	As at March 31, 2022*
	ASSETS			
	Non-current assets			
(a)	Property, plant and equipment	3(A)	12,559	11,120
(b)	Capital work-in-progress	3(E)	1,261	1,232
(c)	Goodwill	3(B)	2,036	2,036
(d)	Other Intangible assets	3(C)	227	232
(e)	Right of use assets	3(D)	492	488
(f)	Financial assets			
	(i) Investments	4	2,874	451
	(ii) Loans	5	288	281
	(iii) Other financial assets	6	222	92
(g)	Other non-current assets	7	130	132
	Total non-current assets		**20,089**	**16,064**
	Current assets			
(a)	Inventories	8	7,697	6,602
(b)	Financial assets			
	(i) Trade receivables	9	2,352	1,983
	(ii) Cash and cash equivalents	10	3,943	6,268
	(iii) Other balances with Bank	11	503	5
	(iv) Loans	5	205	4
	(v) Other financial assets	6	70	192
(c)	Current tax assets (net)	12	174	152
(d)	Other current assets	7	843	485
	Total current assets		**15,787**	**15,691**
	Total assets		**35,876**	**31,755**
	EQUITY AND LIABILITIES			
	Equity			
(a)	Equity share capital	13	269	201
(b)	Other equity	14	26,524	22,707
	Total equity		26,793	22,908
	Liabilities			
	Non-current liabilities			
(a)	Financial liabilities			
	(i) Borrowings	15	21	232
	(ii) Lease	40	47	40
(b)	Provisions	16	29	17
(c)	Deferred tax liabilities (Net)	17	394	388
	Total non-current liabilities		**491**	**677**
	Current liabilities			
(a)	Financial liabilities			
	(i) Borrowings	15	-	54
	(ii) Lease	40	29	24
	(iii) Trade payables	18		
	a total outstanding dues of micro enterprises and small enterprises		362	199
	b total outstanding dues of creditors other than micro enterprises and small enterprises		6,949	6,807
	(iv) Other financial liabilities	19	576	601
(b)	Other current liabilities	20	598	467
(c)	Provisions	16	17	18
(d)	Current tax liabilities (Net)	21	61	-
	Total current liabilities		**8,592**	**8,170**
	Total liabilities		**9,083**	**8,847**
	Total equity and liabilities		**35,876**	**31,755**

* Restated (Refer note 38)

See accompanying notes to the standalone financial statements

As per report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Per **Anil Jobanputra**
Partner
Membership No: 110759

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Place: Ahmedabad
Date: May 15, 2023

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Statement of Standalone Profit and Loss

For the year ended March 31, 2023

(₹ in Million, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022*
Income			
Revenue from operations	22	46,116	40,613
Other income	23	239	333
Total		**46,355**	**40,946**
Expenses			
Cost of materials consumed	24	29,980	28,159
Purchase of Traded goods	25	604	314
Changes in inventories of finished goods, traded goods and work-in-progress	26	64	(1,185)
Employee benefits expense	27	2,466	1,944
Finance costs	28	333	95
Depreciation and amortization expense	29	1,374	1,163
Other expenses	30	5,491	4,294
Total		**40,312**	**34,784**
Profit before exceptional items and tax		**6,043**	**6,162**
Exceptional Items	43	33	19
Profit before tax		**6,010**	**6,143**
Tax expense	31		
Current tax		1,525	1,516
Deferred tax		6	10
Total tax expense		**1,531**	**1,526**
Profit for the year		**4,479**	**4,617**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		(10)	2
Income Tax relating to items that will not be reclassified to profit or loss		0	0
Total other comprehensive income		(10)	2
Total comprehensive income for the year		**4,469**	**4,619**
Earnings per equity share (Face value of ₹ 1/- each)	32		
- Basic (in ₹)		16.67	17.19
- Diluted (in ₹)		16.67	17.19

*Restated (Refer note 38)

See accompanying notes to the standalone financial statements

As per report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Statement of Standalone Cash Flows

For the year ended March 31, 2023

(₹ in Million)

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022*
A	**Cash flows from operating activities**		
	Profit before tax	**6,010**	**6,143**
	Adjustments for:		
	Depreciation and amortisation expense	1,374	1,163
	Finance costs	333	95
	Interest income	(71)	(56)
	Credit balances written back	(1)	(2)
	Gain on Sale of Mutual funds (Net)	(94)	(83)
	Loss on sale of Property, Plant & Equipment (Net)	5	17
	Share based payment expense	18	16
	Allowance for expected credit loss	15	19
	Loss on settlement of fire insurance claim	18	-
	Bad debts written off	-	1
	Unrealised foreign exchange loss/(gain) (Net)	(23)	12
	Operating profit before Working Capital Changes	**7,584**	**7,325**
	Changes in working capital:		
	(Increase)/Decrease in Inventories	(1,095)	(2,265)
	(Increase)/Decrease in Trade receivables, financial assets and other assets	(641)	(212)
	Increase/(Decrease) in Trade Payables, financial liabilities, other liabilities and provisions	502	2,153
	Cash generated/(used) from operations	**6,350**	**7,001**
	Income taxes paid	(1,485)	(1,631)
	Net cash generated/(used) from Operating Activities [A]	**4,865**	**5,370**
B	**Cash flows from investing activities**		
	Payment for purchase of property, plant and equipment and intangible assets (including capital advances and capital creditors)	(2,913)	(3,393)
	Proceeds from Sale of property, plant and equipment	18	14
	Advance given for purchase of Non current Investment	(124)	-
	Interest Received	66	44
	Proceeds from sale of mutual funds (Net)	94	83
	(Increase)/Decrease in other balances with banks	(498)	4,048
	Investment in Subsidiaries	(2,423)	-
	Loan given	(200)	-
	Net Cash flow generated/(used) in Investing Activities [B]	**(5,980)**	**796**
C	**Cash flow from Financing Activities**		
	Dividend paid	(603)	(452)
	Proceeds from issue of Equity Shares	0	0
	Finance Costs paid	(302)	(93)
	Proceeds from Long Term Borrowings	-	221
	Repayment of Long Term Borrowings	(265)	(207)
	Payment of lease liabilities	(40)	(25)
	Net Cash flow generated/(used) in Financing Activities [C]	**(1,210)**	**(556)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	**(2,325)**	**5,610**
	Cash and cash equivalents at the beginning of the year (Note 10)	**6,268**	**586**
	Cash and cash equivalents acquired from amalgamating Company (Note 38)	-	72
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0	0
	Cash and Cash Equivalents at the end of the year (Note 10)	**3,943**	**6,268**

Note The above Cash Flow Statement has been prepared as per 'Indirect Method' as set out in Ind AS 7 on Statement of Cash Flow.

Statement of Standalone Cash Flows (Contd.)

For the year ended March 31, 2023

Changes in liabilities arising from financing activities

(₹ In Million)

Particulars	Non-current borrowings **	Current borrowings	Total
Balance as at April 1, 2021	**276**	**-**	**276**
Cash flows	14	-	14
Foreign exchange adjustments	(4)	-	(4)
Balance as at March 31, 2022	**286**	**-**	**286**
Cash flows	(265)	-	(265)
Foreign exchange adjustments	0	-	0
Balance as at March 31, 2023	**21**	**-**	**21**

* Restated (Refer note 38)

** Non-current borrowings including current maturities classified as current borrowings.

See accompanying notes to the standalone financial statements

As per report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Statement of Standalone Changes in Equity

For the year ended March 31, 2023

A) EQUITY SHARE CAPITAL (NOTE 13)

(₹ In Million)

Particulars	Amount
Balance as at April 1, 2021	**201**
Add: movement during the year (Note 13(b))	0
Balance as at March 31, 2022	**201**
Add: movement during the year (Note 13(b))	68
Balance as at March 31, 2023	**269**

B) OTHER EQUITY (NOTE 14)

(₹ In Million)

Particulars	Other equity							Total other equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 38)	
Balance as at April 1, 2021	**4,023**	**260**	**4**	**12**	**11,946**	**5**	**-**	**16,250**
Consequent to business combination (Note 38)	-	-	91	-	2,182	-	1	2,274
Balance as at April 1, 2021*	**4,023**	**260**	**95**	**12**	**14,128**	**5**	**1**	**18,524**
Profit for the year	-	-	-	-	4,617	-	-	4,617
Other comprehensive income for the year, net of tax	-	-	-	-	2	-	-	2
Total comprehensive income for the year	**4,023**	**260**	**95**	**12**	**18,747**	**5**	**1**	**23,143**
Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	8	-	-	-	-	-	-	8
Recognition of share-based payments	-	-	-	-	-	16	-	16
Exercise of stock options	-	-	-	-	-	(8)	-	(8)
Payment of dividends	-	-	-	-	(452)	-	-	(452)
Balance as at March 31, 2022*	**4,031**	**260**	**95**	**12**	**18,295**	**13**	**1**	**22,707**
Profit for the year	-	-	-	-	4,479	-	-	4,479
Other comprehensive income for the year, net of tax	-	-	-	-	(10)	-	-	(10)
Total comprehensive income for the year	**4,031**	**260**	**95**	**12**	**22,764**	**13**	**1**	**27,176**
Consequent to business combination (Note 38)							(1)	(1)
Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	12	-	-	-	-	-	-	12
Utilised during the year for issue of Bonus Shares	(67)	-	-	-	-	-	-	(67)

Statement of Standalone Changes in Equity (Contd.)

For the year ended March 31, 2023

B) OTHER EQUITY (NOTE 14) (Contd.)

(₹ In Million)

Particulars	Other equity							Total other equity
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Retained earnings	Stock options outstanding account	Shares pending allotment (Note 38)	
Recognition of share-based payments	-	-	-	-	-	18	-	18
Exercise of stock options	-	-	-	-	-	(11)	-	(11)
Payment of dividends	-	-	-	-	(603)	-	-	(603)
Balance as at March 31, 2023	**3,976**	**260**	**95**	**12**	**22,161**	**20**	**-**	**26,524**

*Restated (Refer note 38)

See accompanying notes to the standalone financial statements

As per report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
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Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Notes forming part of the Standalone Financial Statements

For the year ended March 31, 2023

1. COMPANY OVERVIEW

The Company is a public Company domiciled in India and is incorporated under the provision of Companies Act applicable in India. Its shares are listed in two recognized stock exchange in India, Bombay Stock Exchange and National Stock Exchange. The Company was established in 1996, with the aim to manufacture pro-India plumbing and drainage systems in the country. Astral Limited is equipped with production facilities at Santej, Dholka & Jamnagar (Gujarat), Ghiloth (Rajasthan), Sangli and Aurangabad (Maharashtra), Sitarganj (Uttarakhand), Hosur (Tamil Nadu) and Ramdaspur Cuttack (Odisha) to manufacture Plumbing systems, Drainage systems, Agriculture, Industrial, Electrical Conduit Pipes, water tanks and faucets' with all kinds of necessary fittings. Erstwhile Resinova Chemie Limited, one of the amalgamating Company is engaged in business of manufacturing of various types of Adhesives and Sealants with production facilities at Santej (Gujarat), Unnao and Rania (Uttar Pradesh).

The financial statements were approved for issue by the resolution of board of directors on May 15, 2023.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter read with Section 133 of the Companies Act, 2013, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). All accounting policies are consistently applied.

The financial statements have been prepared on the going concern basis using historical cost convention except for certain financial instruments (refer accounting policy on financial instruments), that are measured at fair values at the end of each reporting period. The standalone financial statements are presented in Indian National currency Rupee (₹) which is the functional currency of the Company, and all values are rounded to the nearest Million, except where otherwise indicated. All amounts individually less than ₹ 0.5 Million have been reported as "0".

Fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either.

- In the principal market for the asset or liabilities or
- In the absence of a principal market in the most advantageous market for the asset and liabilities.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

2) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

3) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

b) Use of Estimates

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

c)Inventories

Inventories are stated at lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other expenses incurred in bringing the inventories to their present location and condition. Raw materials, Stock in Trade, Stores, Spares and Packing materials are valued on weighted average costs. Work-in-progress and finished goods include appropriate proportion of overheads.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

d) Cash and cash equivalents

Cash and Cash equivalents consists of cash in hand & at bank and all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase.

e) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, if any.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Trade receivables (Contract balances)

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Interest Income

Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recorded using the effective interest rate (EIR). Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claims are accounted to the extent that there is no uncertainty in receiving the claims.

f) Property, plant and equipment

Property, Plant & Equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation stage.

Properties in course of construction for production, supply or administration purposes are carried at cost, less any recognised impairment loss. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

All items of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Capital work in progress are at actual cost, net of improvement, if any.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment other than land and properties under construction are charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives and residual values of the property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on items of property, plant and equipment acquired/disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

g) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Intangible assets are Amortised over their estimated useful life on a straight-line basis over a period of 5 years except assets like Brand, Distribution Network which is amortised over 7 years since in the opinion of the management the benefits will be available for that period.

h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

b. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Note 40.

c. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as other income in the period in which they are earned.

i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is reduced from the carrying amount of the asset.

j) Foreign Currencies

In preparing the financial statements of the Company, the transactions in currencies other than the entity's functional currency (INR) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognised in the statement of profit and loss in the period in which they arise.

k) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan:

The Company's contribution to Provident Fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

1) Service costs comprising past and current service costs, gains and losses on curtailments and settlements; and

2) Net interest expense or income

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the balance sheet date. The Company determines the liability for such accumulated leaves using the Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.

Share based payment:

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

l) Borrowing costs

Borrowing cost includes interest, Amortisation of ancillary costs incurred in connection with arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalization of borrowing cost is suspended and charged to statement of profit and loss during the extended period when active development on the qualifying asset is interrupted.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

m) Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

n) Taxation

Tax expense represents the sum of the current tax and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) credit paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current and deferred tax for the year:

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

o) Provisions, Contingent Liabilities and Contingent Assets and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Asset

Contingent asset is not recognized in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

p) Investments in subsidiaries and joint venture

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Investments in joint venture are accounted for using the equity method. Under the equity method the investment in joint venture is initially recognised at cost. The carrying amount of investment is adjusted to recognise changes.

q) Non-derivative Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts/options and interest rate swaps.

The use of foreign currency forward contracts/options is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately.

Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs.

s) Impairment

Financial assets (other than at fair value)

The Company assesses at each Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, plant and Equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

t) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods unless (a) the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur; and (b) subsequent external events have occurred that reverse the effect of that event.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Common control business combination:

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory and are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts included in the Company's consolidated financial statements.
- No adjustments are made to reflect fair values, or recognise any new assets and liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The identity of the reserves are preserved and the reserves of the transferor become reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

u) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification based on operating cycle.

An asset is treated as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Company has identified twelve months as its operating cycle.

v) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing as material adjustment to the carrying amounts of assets and liabilities within next financial year.

i. Useful lives of property, plant and equipment and intangible assets

As described in Note 2 (f) and (g), the Company reviews the estimated useful lives and residual values, if any, of property, plant and equipment and intangible assets at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property plant and equipment and intangible assets.

ii. Provisions and Contingent Liabilities

Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

iii. Impairment of Investment in Subsidiaries and Joint Venture

The investment in subsidiaries and joint venture are tested for impairment in accordance with provisions applicable to impairment of non-financial assets. The determination of recoverable amounts of the Company's investments in subsidiaries and involves significant judgements. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount includes weighted average cost of capital and estimated operating margins.

Basis the above determination of recoverable amount, the management has concluded that provision is required to be made based on expected credit loss of ₹ 15 Million (₹ 13 Million for previous year) for advances given for purchase of non-current investments in joint venture.

iv. Impairment of goodwill

Goodwill of ₹ 1,844 Million (Previous year: 1,844 Million) and ₹ 192 Million (Previous year: 192 Million) have been allocated for impairment testing purpose to the Cash Generating Unit (CGU) viz., Adhesives and Plumbing respectively. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU and discount rate 14.03% has been applied. The values assigned to the assumption reflect past experience and are consistent with the management's plans for focusing operations in these markets. The management believes that the planned market share growth is reasonably achievable.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and growth rate), based on a reasonable assumption, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

w) Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31 2023 to amend the following Ind AS which are effective from April 1, 2023.

i. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 1 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the financial statements.

ii. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

iii. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Company is currently assessing the impact of the amendments.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Contd.)

3 PROPERTY, PLANT AND EQUIPMENT, GOODWILL, OTHER INTANGIBLE ASSETS AND RIGHT OF USE ASSETS

(₹ In Million)

		GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION AND AMORTIZATION					NET CARRYING AMOUNT	
Sr No	Assets	As at April 1, 2022	Acquisition on account of amalgamation (Note 38)	Additions	Disposals	As at Mach 31, 2023	As at April 1, 2022	Acquisition on account of amalgamation (Note 38)	For the Year	Disposals	As at Mach 31, 2023	As at Mach 31, 2023	As at March 31, 2022
(A) TANGIBLE ASSETS													
a	Land	2,138	-	103	-	2,241	-	-	-	-	-	2,241	2,138
		(1,241)	(198)	(699)	-	(2,138)	-	-	-	-	-	(2,138)	(1,241)
b	Buildings	3,778	-	1,116	2	4,892	574	-	165	-	739	4,153	3,204
		(2,805)	(350)	(645)	(22)	(3,778)	(395)	(53)	(128)	(2)	(574)	(3,204)	(2,410)
c	Plant and Equipments	9,005	-	1,337	7	10,335	3,819	-	961	2	4,778	5,557	5,186
		(6,483)	(1,023)	(1,513)	(14)	(9,005)	(2,755)	(246)	(824)	(6)	(3,819)	(5,186)	(3,728)
d	Furniture and Fixtures	541	-	62	2	601	204	-	53	1	256	345	337
		(392)	(101)	(51)	(3)	(541)	(124)	(34)	(48)	(2)	(204)	(337)	(268)
e	Vehicles	224	-	35	25	234	99	-	27	13	113	121	125
		(188)	(8)	(35)	(7)	(224)	(76)	(4)	(23)	(4)	(99)	(125)	(112)
f	Computers and Office Equipments	296	-	61	3	354	166	-	49	3	212	142	130
		(221)	(39)	(38)	(2)	(296)	(104)	(21)	(42)	(1)	(166)	(130)	(117)
Total		**15,982**	**-**	**2,714**	**39**	**18,657**	**4,862**	**-**	**1,255**	**19**	**6,098**	**12,559**	**11,120**
		(11,330)	**(1,719)**	**(2,981)**	**(48)**	**(15,982)**	**(3,454)**	**(358)**	**(1,065)**	**(15)**	**(4,862)**	**(11,120)**	
(B) GOODWILL													
a	Goodwill	2,036		-	-	2,036	-	-	-	-	-	2,036	2,036
		(192)	(1,844)	-	-	(2,036)	-	-	-	-	-	(2,036)	(192)
Total		**2,036**	**-**	**-**	**-**	**2,036**	**-**	**-**	**-**	**-**	**-**	**2,036**	**2,036**
		(192)	**(1,844)**	**-**	**-**	**(2,036)**	**-**	**-**	**-**	**-**	**-**	**(2,036)**	**(192)**
(C) OTHER INTANGIBLE ASSETS													
a	Computer software	72	-	14	3	83	52	-	8	-	60	23	20
		(50)	(12)	(10)	-	(72)	(36)	(8)	(8)	-	(52)	(20)	(14)
b	Brands	450	-	63	-	513	238	-	71	-	309	204	212
		(450)	-	-	-	(450)	(174)	-	(64)	-	(238)	(212)	(276)
Total		**522**	**-**	**77**	**3**	**596**	**290**	**-**	**79**	**-**	**369**	**227**	**232**
		(500)	**(12)**	**(10)**	**-**	**(522)**	**(210)**	**(8)**	**(72)**	**-**	**(290)**	**(232)**	
(D) RIGHT OF USE ASSETS													
a	Leasehold land	438	-	-	-	438	14	-	5	-	19	419	424
		(383)	(53)	(2)	-	(438)	(7)	(2)	(5)		(14)	(424)	(376)
b	Buildings	160	-	44	-	204	96	-	35	-	131	73	64
		(61)	(36)	(63)	-	(160)	(46)	(29)	(21)	-	(96)	(64)	(15)
Total		**598**	**-**	**44**	**-**	**642**	**110**	**-**	**40**	**-**	**150**	**492**	**488**
		(444)	**(89)**	**(65)**	**-**	**(598)**	**(53)**	**(31)**	**(26)**	**-**	**(110)**	**(488)**	

Figures in brackets represents previous year figures.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Contd.)

Notes:

i. Land includes land purchased from Telangana State Industrial Infrastructure Corporation at Telangana, where title will be transferred in the name of the Company after implementation of the project in the allotted land.

Particulars	Gross Carrying Amount (₹ in Million)	Title deeds held in the name of	Whether title deed holder is director or relative of promoter
Land	290	Telangana State Industrial Infrastructure Corporation (TSIIC)	No

ii. Leasehold land includes land having carrying amount of ₹ 53 Million for which Application of transfer of lease agreement from erstwhile Subsidiary, Resinova Chemie Limited to Astral Limited is filed before Gujarat Industrial Development Corporation (GIDC) to give impact of merger NCLT order.

iii. Building includes ₹ 13 Million as Gross carrying amount for which the procedure for transfer of title in the name of Company was in process during previous year. During the current year , the same has been transferred in the name of the Company.

iv. Addition to Property plant and equipment durning the year includes ₹ 11 Million used in research and development.

PROPERTY, PLANT AND EQUIPMENT (FOR RESEARCH AND DEVELOPMENT UNIT)

(₹ In Million)

Sr No	Assets	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION AND AMORTIZATION					NET CARRYING AMOUNT
		As at April 1, 2022	Acquisition on account of amalgamation (Note 38(A))	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	Acquisition on account of amalgamation (Note 38(A))	For the Year	Disposals	As at March 31, 2023	As at March 31, 2023
a	Buildings	41	-	0	-	41	4		1	-	5	36
		-	(19)	(22)	-	(41)	-	(3)	(1)	-	(4)	(37)
b	Plant and Equipments	23	-	11	-	34	4		3	-	7	27
		-	(10)	(13)	-	(23)	-	(3)	(1)	-	(4)	(19)
c	Furniture and Fixtures	7	-	0	-	7	1		1	-	2	5
		-	(4)	(3)	-	(7)	-	(1)	0	-	(1)	(6)
d	Computers and office equipments	1	-	0	-	1	-	0	0	-	-	1
		-	(1)	-	-	(1)	-	0	0	-	0	(1)
Total		**72**	**-**	**11**	**-**	**83**	**9**	**-**	**5**	**-**	**14**	**69**
		-	**(34)**	**(38)**	**-**	**(72)**	**-**	**(7)**	**(2)**	**-**	**(9)**	**(63)**

Figures in brackets represents previous year figures.

(E) CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE

(₹ In Million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
Projects in progress	1,163	59	28	11	1,261
Total	**1,163**	**59**	**28**	**11**	**1,261**
As at March 31, 2022					
Projects in progress	1,139	42	51	-	1,232
Total	**1,139**	**42**	**51**	**-**	**1,232**

4. INVESTMENTS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Investments		
Investment in Equity Instruments of Subsidiary at cost		
Unquoted		
i) 95 (as at March 31, 2022: 80) Shares of GBP 1/- each fully paid up in Seal It Services Limited, UK.	934	451
Total	**934**	**451**
Investment in Optionally Convertible Debentures of Subsidiary at cost		
Unquoted		
i) 19,400 (as at March 31, 2022: Nil) 0.0001% Optionally Convertible Debentures (OCDs) equivalent to face value of ₹ 0.1 Million in Gem Paints Private Limited, India. (Note d)	1,940	-
Total	**1,940**	**-**
Investments in Subsidiaries	**2,874**	**451**
Investment in Equity Instruments of Joint Venture at cost		
Unquoted		
i) 1,000,000 (as at March 31, 2022: 1,000,000) Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	29	29
Less: Effect of diminution in value of investment	(29)	(29)
Total	**-**	**-**
Investment in Preference Shares of Joint Venture at cost		
Unquoted		
i) 7,200,000 (as at March 31, 2022: 7,200,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	217	217
Less: Effect of diminution in value of investment	(165)	(165)
Less: Loan component of compound financial instrument	(52)	(52)
Equity component of compound financial instrument	**-**	**-**
Investments in Joint venture	**-**	**-**
Investment in equity shares of Others at fair value through Profit & loss		
i) 10,000 (as at March 31, 2022: 10,000) Shares of ₹ 10/- each subscribed in Astral Foundation, India.	0	0
Investments in others	**0**	**0**
Total	**2,874**	**451**

Notes:

a) Aggregate carrying value of unquoted investments is ₹ 2,874 Million as at March 31, 2023 (as at March 31, 2022: ₹ 451 Million).

b) Aggregate amount of diminution in value of investments is ₹ 194 Million as at March 31, 2023 (as at March 31, 2022: ₹ 194 Million).

c) The Company has promoted section 8 Company, i.e Astral Foundation, under the Companies Act, 2013 for the purpose of carrying out CSR activities.

d) The Company has subscribed to 19,400 (0.0001%) 10 years Optionally Convertible Debentures (OCDs) equivalent to face value of ₹ 0.1 Million. The OCD are convertible into 51% equity shares of Gem Paints Private Limited at the option of holder of the OCD. Pursuent to the subsription agreement the Company has represenation over majority of Board of Directors of Gem Paints Private Limited with effect from April 1, 2022 and hence Gem Paints Private Limited is treated as subsidiary of the Company.

5. LOANS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
(Unsecured, considered good)		
Loans to related parties (Note 36 & 37)	286	280
Loans and Advances to Employees	2	1
Total	**288**	**281**
Current		
(Unsecured, considered good)		
Loans and Advances to Employees	5	4
Loan given*	200	-
Total	**205**	**4**

Note

Refer note 39 for detailed disclosure on the fair values.

*Loan amount given for business purposes, carries interest rate of 7% p.a. and same is repayable within a year.

6. OTHER FINANCIAL ASSETS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
(Unsecured, considered good)		
Security deposits	111	86
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	2	6
Advance for purchase of non current investments (Note 37)	143	19
Less: Allowance for expected credit loss (Note 37 & 43A)	(34)	(19)
Total	**222**	**92**
Current		
(Unsecured, considered good)		
Security deposits	8	12
Interest accrued on loans and deposits from related parties (Note 37)	1	2
Interest accrued on loans and deposits from others	13	10
Discount receivables	48	47
Fair Value of derivative contracts	-	0

6. OTHER FINANCIAL ASSETS (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Insurance claim receivable	-	118
Others	0	3
Total	70	192

Note Refer note 39 for detailed disclosure on the fair values.

7. OTHER ASSETS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital Advances	126	129
Prepaid Expenses	4	3
Total	**130**	**132**
Current		
Prepaid Expenses	173	105
Balances with Government authorities	196	108
Advances to Suppliers	474	272
Total	**843**	**485**

8. INVENTORIES (at lower of cost and net realisable value)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	3,561	2,511
Work-in-Progress	598	354
Finished Goods	2,879	3,371
Traded Goods	265	81
Packing Materials	127	90
Stores, Spares and Consumables	267	195
Total	**7,697**	**6,602**

9. TRADE RECEIVABLES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Unsecured, considered good	2,352	1,983
Unsecured, credit impaired	71	72
Less: Allowance for expected credit loss	(71)	(72)
Total	**2,352**	**1,983**

Note Refer Note 39 for information about credit risk and market risk of Trade receivables.

Break-up of trade receivables

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from other than related parties	2,352	1,983
Total	**2,352**	**1,983**

Notes:

1 The Company offers credit period up to 180 days.

2 Before accepting any new customer, the Company assesses the potential customer's creditability and defines credit limits for each customer. Such limits are reviewed annually.

3 In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

4. Movement in Expected Credit Loss Allowance

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	72	31
Add: Acquired from amalgamating Company (Note 38)	-	42
Less: Utilisation during the year	1	1
Balance at the end of the year	**71**	**72**

5. Trade receivables Ageing Schedule

(₹ In Million)

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade Receivables – considered good	2,207	145	-	-	-	-	2,352
Undisputed Trade receivable – credit impaired	-	20	6	5	-	4	35
Disputed Trade receivables – credit impaired	-	-	-	1	11	24	36
	2,207	**165**	**6**	**6**	**11**	**28**	**2,423**
As at March 31, 2022							
Undisputed Trade Receivables – considered good	1,841	142	-	-	-	-	1,983
Undisputed Trade receivable – credit impaired	-	26	-	2	1	4	33
Disputed Trade receivables – credit impaired	-	-	-	11	13	15	39
Total	**1,841**	**168**	**-**	**13**	**14**	**19**	**2,055**

10. CASH AND CASH EQUIVALENTS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on Hand	6	5
Balances with Banks in current accounts	255	254
Cheques on hand	252	264

10. CASH AND CASH EQUIVALENTS (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks in deposit accounts	-	4,005
Investments in mutual funds and bonds	3,430	1,740
Total	**3,943**	**6,268**

11. OTHER BALANCES WITH BANKS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
In deposit accounts	502	4
Unclaimed dividend and bonus accounts (Note 19)	1	1
Total	**503**	**5**

Note Unclaimed dividend and bonus account balance can only be used for the purpose it has been maintained.

12. CURRENT TAX ASSETS (NET)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Taxes receivables (Net of Provisions)	174	152
Total	**174**	**152**

13. EQUITY SHARE CAPITAL

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised Share Capital		
500,000,000 (as at March 31, 2022: 210,500,000) Equity Shares of ₹ 1/- each	500	211
Total	**500**	**211**
Issued, Subscribed & Fully Paid Share Capital		
268,611,572 (as at March 31, 2022: 200,920,181) Equity Shares of ₹ 1/- each fully paid up	269	201
Total	**269**	**201**

a) Rights, preferences and restrictions attached to shares:

The Company has issued only one class of equity shares having value of ₹ 1/- per Share. Each holder of equity shares is entitled to one vote per share and are entitled to dividend as and when declared. All shares rank equally with regard to the Company's residual assets after distribution of all preferential amounts.

b) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period :

Particulars	No. of Shares	₹ in Million
Balance as at April 1, 2021	20,09,07,768	201
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note 13(f))	12,413	-
Balance as at March 31, 2022	**20,09,20,181**	**201**
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note 13(f))	5,998	0

b) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period: (Contd.)

Particulars	No. of Shares	₹ in Million
Add: Shares Issued – pursuant to Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited (Note 38)	5,32,500	1
Add: Bonus Shares issued (Note 14(c))	6,71,52,893	67
Balance as at March 31, 2023	**26,86,11,572**	**269**

Note: 147,512,276 shares were allotted as bonus shares in the last five financial years by capitalisation of Securities Premium.

c) Number of Shares reserved for issue under options

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding at the end of the year	1,19,034	1,06,959

d) Details of share held by each shareholder holding more than 5% shares :

Name of Shareholders	As at March 31, 2023	As at March 31, 2022
Sandeep Pravinbhai Engineer		
No. of Shares	8,48,17,218	6,30,70,765
% of Shares Held	31.58	31.39
Saumya Polymers LLP		
No. of Shares	2,63,95,932	1,97,96,949
% of Shares Held	9.83	9.85
Jagruti Sandeep Engineer		
No. of Shares	2,03,18,688	1,52,39,016
% of Shares Held	7.56	7.58
Kairav Chemicals Limited		
No. of Shares	1,84,80,065	1,38,60,049
% of Shares Held	6.88	6.90

e) Shares held by Promoters and promoter group companies

Name of Shareholders	No. of shares	% of Total Shares	% Change during the year
As at March 31, 2023			
Sandeep Pravinbhai Engineer	8,48,17,218	31.58	0.19
Jagruti Sandeep Engineer	2,03,18,688	7.56	(0.02)
Saumya Polymers LLP	2,63,95,932	9.83	(0.02)
Kairav Chemicals Limited	1,84,80,065	6.88	(0.02)
As at March 31, 2022			
Sandeep Pravinbhai Engineer	6,30,70,765	31.39	(0)
Jagruti Sandeep Engineer	1,52,39,016	7.58	(0.01)
Saumya Polymers LLP	1,97,96,949	9.85	(0)
Kairav Chemicals Limited	1,38,60,049	6.90	(0)

f) Stock options granted under the Employee Stock Options scheme :

1. Details of the Employee stock option plan of the Company :

Astral Limited (the Company) formulated Employees Stock Option Scheme viz. Astral Employee Stock Option Scheme 2015 ("the Scheme") for the benefit of employees of the Company. Shareholders of the Company approved the Scheme by passing special resolution through postal ballot dated October 21, 2015 and was further amended vide shareholders resolution passed in the Annual General Meeting held on August 21, 2020. Under the said Scheme, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Company, up to 150,000 (Ex-bonus) Minimum vesting period of stock option is one year and exercise period of stock option is one year from the date of vesting.

The Committee granted 16,282 stock options on November 14, 2015, 21,600 stock options on March 30, 2017, 22,400 stock options on November 13, 2017, 7,450 stock options (Ex-bonus) on June 29, 2019, 9,310 stock options on October 24, 2019, 12,413 stock options on August 4, 2020 ,12,413 stock options on July 1, 2021 and 15,996 stock options on October 8, 2022 totaling 119,724 stock options till date. Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

The Company made bonus issue of shares in the proportion of 1:3 i.e. 1 (One) bonus equity shares of ₹ 1/- each for every 3(Three) fully paid-up equity shares held during the financial year. A fair and reasonable adjustment was made in respect of options unvested/yet to be exercised, options available for grant and their exercise price to give effect to the bonus in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2015. Post Bonus issue adjustment the Exercise price of all stock options available for grant and options unvested/yet to be exercised arrives at ₹ 22.5 share (Ex-bonus exercise price of all stock options was ₹ 30/- share). Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

Further the Company has obtained in principle approval from stock exchanges for additional 37,652 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus Issue of shares by the Company as approved by shareholders vide ordinary resolution dated March 3, 2023.

The following stock based payment arrangement were in existence during the current and previous year

Option Series	October 8, 2022	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Grant date	08-10-2022	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Number of shares	15,996*	12,413	12,413*	9,310	9,310 *
Expiry date	07-10-2024	30-06-2023	03-08-2022	22-10-2021	27-06-2021
Exercise price	₹ 22.5*	₹ 30	₹ 30*	₹ 40	₹ 40 *
Fair value at grant date	2,205	1,939	903	1,090	1,013

* Adjusted pursuant to bonus issue

2. Movement in stock options during the year :

The following is the reconciliation of the stock option outstanding at the beginning and at the end of the year

Name of Shareholders	As at March 31, 2023	As at March 31, 2022
Options Outstanding, beginning of the year	11,997	12,413
Options granted during the year (including bonus adjustment)	15,996	12,413
Options exercised during the year	5,998	12,413
Option Lapsed/surrendered/forfeited	416	416
Bonus impact on Option series outstanding at the beginning of the Year	1,999	-
Options Outstanding, end of the year	23,578	11,997
Of which:		
Not Vested	23,578	11,997
Add : Adjustment on Account of Bonus Issue in ratio of 1:3 during the year	35,653	-
Options available for grant	**1,19,034**	**1,06,959**

Options available for grants during the year 2022-23, has been adjusted with bonus shares issued during the year.

3. Fair value of share options granted :

Fair value of the share options granted during the year is ₹ 2,205/- (previous financial years ₹ 1,939/-, ₹ 903/-, ₹ 1,090/- and ₹ 1,013/- respectively for options granted on July 1, 2021, August 4, 2020, October 24, 2019 and June 29, 2019). The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

Option Series	October 8, 2022	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Option grant date	08-10-2022	01-07-2021	04-08-2020	24-10-2019	29-06-2019

3. Fair value of share options granted (Contd.)**:**
Fair value of the share options granted during the year is ₹ 2,205/- (previous financial years ₹ 1,939/-, ₹ 903/-, ₹ 1,090/- and ₹ 1,013/- respectively for options granted on July 1, 2021, August 4, 2020, October 24, 2019 and June 29, 2019). The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model; (Contd.)

Option Series	October 8, 2022	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Fair value at Grant date	₹ 2205	₹ 1,939	₹ 903	₹ 1,090	₹ 1,013
Exercise Price	₹ 30	₹ 30	₹ 30	₹ 40	₹ 40
Expected Volatility	61%	191%	79%	58%	66%
Expected life of Option	2 years	2 years	2 years	2 years	2 years
Dividend Yield	0.77%	0.81%	0.65%	0.65%	0.60%
Risk Free Interest Rate	7.31%	6.04%	6.02%	6.60%	6.88%

4. Stock options exercised :
The following stock options were exercised during the current and previous year

Option series	Number exercised	Avg Share price at exercise date	Exercise date
Granted on July 1, 2021	5,998	1,654	23-07-2022
Granted on August 4, 2020	12,413	1,976	28-08-2021

5. Stock options outstanding at the end of the year
The stock option outstanding at the end of the current year had a weighted average exercise price of as ₹22.5 (Previous year: ₹ 30/-), and weighted average remaining contractual life of 401 days (Previous year : 456 days).

14. OTHER EQUITY

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Reserve		
Balance at the beginning of the year	95	4
Less: Consequent to business combination (Note 38)	-	91
Balance at the end of the year	**95**	**95**
Securities Premium		
Balance at the beginning of the year	4,031	4,023
Add: Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	12	8
Less: Utilised during the year for issue of Bonus Shares (Note c)	67	-
Balance at the end of the year	**3,976**	**4,031**
General Reserve		
Balance at the beginning of the year	260	260
Balance at the end of the year	**260**	**260**
Revaluation Reserve		
Balance at the beginning of the year	12	12
Balance at the end of the year	**12**	**12**
Shares pending allotment		
Balance at the beginning of the year	1	-
Add: Consequent to business combination (Note 38)	-	1
Less: Consequent to business combination	1	-
Balance at the end of the year	-	1

14. OTHER EQUITY (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Stock Options Outstanding Account		
Balance at the beginning of the year	23	8
Add: On account of options granted during the year	26	24
	49	32
Less : Option Lapsed/surrendered/forfeited	-	1
Less : Exercise of employee stock options	11	8
	38	23
Less : Deferred employee Compensation expenses	18	10
Balance at the end of the year	**20**	**13**
Retained earnings		
Balance at the beginning of the year	18,295	11,946
Add : Consequent to business combination (Note 38)	-	2,182
Add : Profit For the Year	4,479	4,617
Add : Other comprehensive income	(10)	2
Less : Payment of dividend on equity shares (Note a & b)	603	452
Balance at the end of the year	**22,161**	**18,295**
Total	**26,524**	**22,707**

Notes

a) In August 2022 and November 2022, the dividend of ₹ 1.75 per share (total dividend ₹ 352 Million) and ₹ 1.25 per share (total dividend ₹ 251 Million) respectively, was paid to holders of fully paid equity shares.

b) In August 2021 and November 2021, the dividend of ₹ 1/- per share (total dividend ₹ 201 Million) and ₹ 1.25 per share (total dividend of ₹ 251 Million) respectively, was paid to holders of fully paid equity shares.

c) During the year, the Company allotted 67,152,893 equity shares of ₹ 1/- each as fully paid up bonus shares by utilising securities premium amounting to ₹ 67 Million, pursuant to an ordinary resolution passed after taking the consent of shareholders through Extra Ordinary General Meeting.

d) Nature and Purpose of reserve

Capital reserve

The Company has created capital reserve out of capital subsidies received from state Governments of ₹ 4 Million, further Capital Reserve of ₹ 91 Million created on business combination of Resinova Chemie Limited and Astral Biochem Private Limited.

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. This reserve is available for utilization in accordance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. It can be used for distribution to equity shareholders only in compliance with the Companies Act, 2013, as amended.

Revaluation Reserve

The Company has created revaluation reserve out of revaluation of land carried out during the year 2004-05.

Shares pending allotment

Shares pending allotment represents equity shares to be issued pursuant to business combination. (Note 38)

Stock Options Outstanding Account

Stock Option Outstanding Account is used to recognise grand date fair value options vested to employees under various equity settled schemes. The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Stock Options Outstanding Account.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

15. BORROWINGS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Secured - at amortised cost		
Buyers Credit	-	243
Less : Current maturity of long term buyers credit	-	28
	-	**215**
Unsecured - at amortised cost		
Buyers Credit	**21**	**43**
Less : Current maturity of long term buyers credit	-	26
	21	**17**
Total	**21**	**232**
Current		
Current maturities of long term borrowings	-	54
Total	**-**	**54**

Notes:

a) Refer Note 39 for information about liquidity risk.

b) Buyers Credit : Rate of interest for Buyer's Credit ranges from 4.00% to 6.00% p.a.

1. HSBC Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2022: ₹ 243 Million) repaid.
2. Kotak Mahindra Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2022: ₹ 43 Million) repaid.
3. Axis Bank Limited Buyers Credit of ₹ 21 Million (as at March 31, 2022: ₹ Nil) repayable by November 2024.

16. PROVISIONS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Provision for Employee Benefits (Note 34)	29	17
Total	**29**	**17**
Current		
Provision for Employee Benefits (Note 34)	17	18
Total	**17**	**18**

17. DEFERRED TAX LIABILITIES (NET)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred Tax Liabilities (net)	394	388
Total	**394**	**388**

Deferred tax liabilities/(assets) in relation to :

(₹ In Million)

Particulars	As at April 1, 2021	Adjustment on account of amalgamation (Note 38)	Recognised in profit and loss	As at March 31, 2022
Tangible and Intangible assets	392	39	(43)	388
Provision for doubtful trade receivables	(9)	(15)	4	(20)
Provisions for employee benefits	(9)	(15)	16	(8)
Others	(1)	(4)	33	28
Total	**373**	**5**	**10**	**388**

(₹ In Million)

Particulars	As at April 1, 2022	Recognised in profit and loss	As at March 31, 2023
Tangible and Intangible assets	388	37	425
Provision for doubtful trade receivables	(20)	-	(20)
Provisions for employee benefits	(8)	(3)	(11)
Others	28	(28)	-
Total	**388**	**6**	**394**

18. TRADE PAYABLES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
a) total outstanding dues of micro enterprises and small enterprises	362	199
Total	**362**	**199**
b) total outstanding dues of creditors other than micro enterprises and small enterprises		
Operational Buyer's credit	2,789	2,478
Due to others	4,160	4,329
Total	**6,949**	**6,807**

Notes:

a. Refer Note 39 for information about credit risk, market risk and liquidity risk of Trade payables.

b. Disclosure under the micro, small and medium enterprises development act, 2006 are provided as under for the year 2022-23, to the extent the Company has received intimation from the “suppliers” regarding their status under the act

(₹ In Million)

	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
	Principal amount due to micro and small enterprise	362	199
	Interest due on above	-	-
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-

b. Disclosure under the micro, small and medium enterprises development act, 2006 are provided as under for the year 2022-23, to the extent the Company has received intimation from the "suppliers" regarding their status under the act (Contd.)

(₹ In Million)

	Particulars	As at March 31, 2023	As at March 31, 2022
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

c. Trade Payables Ageing Schedule

(₹ In Million)

Particulars	Unbilled dues	Outstanding for following periods from due date of payment					Total
		Current but not due	Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Total outstanding dues of micro enterprises and small enterprises	-	362	-	-	-	-	362
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	6,342	592	2	-	-	6,949
	13	**6,704**	**592**	**2**	**-**	**-**	**7,311**
As at March 31, 2022							
Total outstanding dues of micro enterprises and small enterprises	-	199	-	-	-	-	199
Total outstanding dues of creditors other than micro enterprises and small enterprises	5	5,996	805	1	-	-	6,807
Total	**5**	**6,195**	**805**	**1**	**-**	**-**	**7,006**

19. OTHER FINANCIAL LIABILITIES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Interest accrued but not due on Buyers' Credit	27	3
Payable for capital goods	292	388
Unclaimed dividends and bonus* (Note 11)	1	1
Others**	256	209
Total	**576**	**601**

*All the amounts required to be transferred to the Investor Education and Protection Fund by the Company have been transferred within the time frame prescribed for the same.

**Mainly represets payable to Employees.

20. OTHER CURRENT LIABILITIES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	469	376
Advance received from customers	129	91
Total	**598**	**467**

21. CURRENT TAX LIABILITIES (NET)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax payables (net of advance tax)	61	-
Total	**61**	**-**

22. REVENUE FROM OPERATIONS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers	45,983	40,513
Other operating revenues	133	100
Total	**46,116**	**40,613**

Note : The Company deals into plastic products, mainly, Pipe & Fittings, tanks, faucets & sanitaryware and adhesives and hence no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables and Advance from customers, is stated in note 9 and 20.

23. OTHER INCOME

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income :		
From Banks	29	18
From Related party (Note 37)	17	10
From Others	25	28
Gain on Sale of Mutual funds (Net)	94	83
Foreign exchange gains (Net)	25	85
Miscellaneous Income	49	109
Total	**239**	**333**

24. COST OF MATERIALS CONSUMED

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
RAW MATERIAL		
Inventories at the beginning of the year	2,511	1,204
Add : Inventories acquired on account of amalgamation (Note 38)		283

24. COST OF MATERIALS CONSUMED (Contd.)

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Add : Purchases	30,188	28,534
Less : Inventories at the end of the year	3,561	2,511
	29,138	**27,510**
PACKING MATERIAL		
Inventories at the beginning of the year	90	-
Add : Inventories acquired on account of amalgamation (Note 38)	-	81
Add : Purchases	879	658
Less : Inventories at the end of the year	127	90
	842	**649**
Total	**29,980**	**28,159**

25. PURCHASE OF TRADED GOODS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of Traded Goods	604	314
Total	**604**	**314**

26. CHANGES IN INVENTORIES OF FINISHED GOODS, TRADED GOODS AND WORK-IN-PROGRESS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
Finished Goods	2,879	3,371
Work-in-progress	598	354
Traded Goods	265	81
	3,742	**3,806**
Inventories at the beginning of the year		
Finished Goods	3,371	2,001
Work-in-progress	354	202
Traded Goods	81	57
Less: Adjustment on account of amalgamation (Note 38)		(11)
	3,806	2,249
Inventories acquired on account of amalgamation (Note 38)		
Finished Goods	-	285
Work-in-progress	-	81
Traded Goods	-	6
	-	372
	3,806	**2,621**
Net (Increase)/Decrease	**64**	**(1,185)**

27. EMPLOYEE BENEFITS EXPENSE

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	2,249	1,745
Share based payments to employees (Note 13(f))	18	16
Contribution to Provident and Other Funds (Note 34)	95	85
Staff Welfare Expenses	104	98
Total	**2,466**	**1,944**

28. FINANCE COSTS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense		
Working capital loans	86	13
Others	11	5
Other borrowing costs	7	9
Exchange differences regarded as an adjustments to borrowing costs	229	68
Total	**333**	**95**

29. DEPRECIATION AND AMORTISATION EXPENSE

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, Plant, Equipment (Note 3(A))	1,255	1,065
Amortization on Intangible assets (Note 3(C))	79	72
Amortization on Right of use assets (Note 3(D))	40	26
Total	**1,374**	**1,163**

30. OTHER EXPENSES

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of Stores, Spares and Packing Materials	858	675
Power and Fuel	986	759
Rent (Note 37 & 40)	91	82
Repairs expenses	144	108
Insurance expenses	89	69
Rates and Taxes	10	9
Communication expenses	40	33
Travelling expenses	401	255

30. OTHER EXPENSES (Contd.)

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Factory and Other expenses	63	53
Printing and stationary expenses	9	7
Freight and Forwarding	836	654
Commission	24	27
Royalty Expense	22	23
Advertisement and Sales Promotions expenses	1,478	1,216
Directors Sitting Fees (Note 37)	3	3
Donations and Contributions (Note a)	20	10
Expenditure on Corporate Social Responsibility (Note 35 & 37)	91	66
Security Service Charges	85	67
Legal and Professional	114	99
Payments to Auditors (Note b)	4	3
Bad Debts Written Off (net of utilisation from provision for doubtful debts)	-	1
Loss on Sale of Property, plant and equipment (Net)	5	1
Other Expenses	118	74
Total	**5,491**	**4,294**

a. Donations and contributions include political contribution of ₹ 20 Million (Previous year: ₹ 10 Million)

b. PAYMENT TO AUDITORS (EXCLUDING GST)

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
For statutory audit and certification	4	3
Total	**4**	**3**

31. TAX EXPENSES

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
In respect of the current year	1,534	1,507
In respect of earlier years	(9)	9
Total	**1,525**	**1,516**
Deferred tax		
In respect of the current year	6	10
Total	**6**	**10**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	**6,010**	**6,143**
Income tax expense @ 25.168% (FY 2021-22 : 25.168%)	1,513	1,546
Differences due to:		
Effect of allowances/disallowances	25	(36)
Others	2	7
Total	**1,540**	**1,517**
Adjustments in respect of current income tax of previous year	(9)	9
Tax expense as per statement of Profit and loss	**1,531**	**1,526**

The Company's weighted average tax rates for the year ended March 31, 2023 and March 31, 2022 were 25.47 % and 25.84% respectively.

32. EARNINGS PER SHARE:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022**
Profit for the year attributable to owners of the Company (₹ In Million)	4,479	4,617
Weighted average number of equity shares for Basic EPS (*)	**268,609,715**	**268,596,818**
Add: Effects of dilutive shares options outstanding	14,233	9,500
Weighted average number of equity shares for Diluted EPS	**268,623,948**	**268,606,319**
Nominal Value per shares **(₹)**	1	1
Basic Earnings Per Share **(In ₹)**	16.67	17.19
Diluted Earnings Per Share **(In ₹)**	16.67	17.19

* Includes 532,500 equity shares issued on account of business combination (Note 38)

** Earnings per share for previous year has been adjusted for Bonus shares issued in current year as per Ind AS 33, Earnings per share (Note 13 & 14)

33. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

(₹ In Million)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Disputed Income Tax/Goods and Service Tax (GST)/Central Excise/Sales Tax and PF demands *	94	55
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	1,084	1,093
2	Letters of Credits for Purchases	584	933

* Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending at various forums/authorities.

34. EMPLOYEE BENEFITS:

Post-employment Benefit

Defined Contribution Plan:

Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds" in Note 27 ₹ 74 Million (Previous Year: ₹ 64 Million).

Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to insurance service providers who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognised in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose to the Company to various risk such as;

Interest rate risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

a) Movement in present value of defined benefit obligation are as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Obligations at the beginning of the year	124	74
Obligations Acquired from the amalgamating Company	0	36
Current service cost	21	18
Interest cost	9	8
Actuarial (gain)/loss – due to change in financial assumptions	(2)	(6)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	2	0
Actuarial (gain) / loss- due to experience adjustments	8	3
Benefits paid	(11)	(9)
Present value of benefit obligation at the end of the year	**151**	**124**

b) Movement in the fair value of plan assets are as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Plan assets at the beginning of the year, at fair value	111	46

b) Movement in the fair value of plan assets are as follows: (Contd.)

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Plan assets Acquired from the amalgamating Company	0	14
Interest Income	8	5
Return on plant assets excluding interest income	(2)	0
Contributions from the employer	31	55
Benefits paid	(11)	(9)
Fair value of plan assets at the end of the year	137	111

c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the end of the year	(151)	(124)
Fair value of plan assets at the end of the year	137	111
Net liability arising from defined benefit obligation	**(14)**	**(13)**

d) Amount recognised in the Statement of Profit and Loss in respect of the defined benefits plans are as follows:

(₹ In Million)

Particulars	Gratuity	
	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	20	18
Net Interest expense	1	2
Components of defined benefit costs recognised in the Statement of Profit and Loss	**21**	**20**
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses on obligation for the period	8	(2)
Return on plant assets, excluding interest income	2	0
Components of defined benefit costs recognised in Other Comprehensive Income	**10**	**(2)**
Total	**31**	**18**

e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to Insurance service providers, who invests the funds as per (Insurance Regulatory and Development Authority) IRDA guidelines

f) The defined benefit obligations shall mature after year ended March 31, 2023 as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
1st Following Year	11	9
2nd Following Year	7	5
3rd Following Year	9	6
4th Following Year	12	7
5th Following Year	9	10
Sum of Years 6 To 10	60	47
Thereafter	273	235

g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Delta effect of +1% change in the rate of Discounting	(14)	(12)
Delta effect of -1% change in the rate of Discounting	16	14
Delta effect of +1% change in the rate of salary Increase	16	14
Delta effect of -1% change in the rate of salary increase	(14)	(14)
Delta effect of +1% change in the rate of employee turnover	0	0
Delta effect of -1% change in the rate of employee turnover	(0)	(0)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using" Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to make a contribution of ₹ 14 Million (as at March 31, 2022 : ₹ 13 Million) to the defined benefit plans during the next financial year.

h) The principal assumptions used for the purpose of actuarial valuation were as follows:

(₹ In Million)

Particulars	Gratuity	
	Year ended March 31, 2023	Year ended March 31, 2022
Discount Rate	7.52%	7.23% to 7.27%
Expected return on plan assets	7.52%	7.23% to 7.27%
Annual Increase in Salary Costs	7.00%	6.00% to 7.00%

h) The principal assumptions used for the purpose of actuarial valuation were as follows: (Contd.)

(₹ In Million)

Particulars	Gratuity	
	Year ended March 31, 2023	Year ended March 31, 2022
Rate of Employee turnover	For service 4 years and below 7.00% p.a. For service 5 years and above 4.00% p.a.	For service 4 years and below 7.00% to 10.00% p.a. For service 5 years and above 2.00% to 4.00% p.a.
Mortality Tables	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

Future Salary increases are based on long term average salary rise expected considering inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation & mortality rates are obtained from relevant data of Life Insurance Corporation of India.

35. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

(₹ In Million)

	Particulars	Gratuity	
		Year ended March 31, 2023	Year ended March 31, 2022
a	Gross amount required to be spent during the year	91	62
b	Amount approved by the Board to be spent during the year	91	62
c	**Amount spent during the year**		
i	Construction/acquisition of any asset	-	-
ii	On purposes other than (i) above	91	62
d	**Details related to spent**		
i	Directly spent by the Company	-	-
ii	Contribution to Public Trust	-	-
iii	Contribution to Charitable Trust	2	3
iv	Contribution to a trust/section 8 Company controlled by the Company	89	59
v	Unspent amount in relation to:		
	Ongoing project	-	-
	Other than ongoing project	-	-

NOTE ON AMALGAMATING COMPANY'S EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

(₹ In Million)

	Particulars	Year ended March 31, 2022
a.	Gross amount required to be spent during the year	4
b.	Amount approved by the Board to be spent during the year	4
c.	**Amount spent during the year**	
i.	Construction/acquisition of any asset	-

NOTE ON AMALGAMATING COMPANY'S EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (Contd.)

(₹ In Million)

Particulars		Year ended March 31, 2022
ii.	On purposes other than (i) above	4
d.	**Details related to spent**	
i.	Directly spent by the Company	-
ii.	Contribution to Public Trust	-
iii.	Contribution to Charitable Trust	1
iv.	Contribution to a trust/section 8 Company controlled by the Company	3
v.	Unspent amount in relation to:	
	Ongoing project	-
	Other than ongoing project	-

36. DISCLOSURES PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

(₹ In Million)

Name of the party	Relationship	Maximum amount outstanding during the year		Amount outstanding	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Loans (Unsecured)					
Seal IT Services Limited	Subsidiary	287	286	287	282
Advance for purchase of Non-current Investment					
Astral Pipes Limited	Joint Venture	109	-	109	-

Notes :

1. There are no advances which are in the nature of loans.
2. The outstanding amount for the loan is including interest receivable.

37. RELATED PARTY DISCLOSURES:

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
A.	Subsidiaries	Seal IT Services Limited, UK
		Seal IT Services Inc, USA (Step-down subsidiary)
		Gem Paints Private Limited (w.e.f. April 1, 2022)
		Esha Paints Private Limited (w.e.f. April 20, 2022)
		Enterprise Software and Technology Services Private limited (w.e.f. April 1, 2022)
		Astral Biochem Private Limited (upto September 5, 2022)
		Resinova Chemie Limited (upto September 5, 2022)
B.	Joint Venture	Astral Pipes Limited (Kenya)

37. RELATED PARTY DISCLOSURES: (Contd.)

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
C.	Enterprises over which Key Managerial Personal are able to exercise significant influence	Kairav Chemicals Limited
		Saumya Polymers LLP
		Astral Charitable Trust
		Kairamya Journeys LLP
		Ameya Lifestyle
		Astral Foundation
D.	Key Managerial Personnel	Sandeep Engineer (Managing Director)
		Jagruti Engineer (Whole Time Director)
		Girish Joshi (Whole Time Director) (w.e.f. July 1, 2021)
		Kaushal Nakrani (Independent Director)
		Viral Jhaveri (Independent Director)
		C.K.Gopal (Independent Director)
		Hiranand Savlani (Chief Financial Officer)
		Anil Kumar Jani (Non-Executive Director upto June 30, 2021)
		Krunal Bhatt (Company Secretary up to September 30, 2022)
		Manan Bhavsar (Company Secretary w.e.f. October 1, 2022)
		Chetas Desai (Independent Director w.e.f. February 7, 2023)
		Dhinal Shah (Independent Director w.e.f. February 7, 2023)
E.	Relatives of Key Managerial Personnel	Sandeep Engineer HUF
		Kairav Engineer
		Saumya Engineer
		Shilpa Shroff
		Shikha Engineer

Notes:

i. Compensation of key management personnel:

The remuneration of key management personnel during the year was as follows:

(₹ In Million)

	Year ended March 31, 2023	Year ended March 31, 2022
Short term Benefits	180	157
Sitting fees	3	3

The remuneration of key management personnel is determined by the remuneration committee. The same is including employer contribution to provident fund and exclusive of employees stock options and provision for liability in respect of leave earned and gratuity since it is based on actuarial valuation done on an overall basis for all employees.

ii. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

iii. The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of amounts owned by related parties.

iv. Transactions/balances during and end of the year/previous year are stated without considering impact of fair valuation carried out as per Ind AS.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Contd.)

2. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON MARCH 31, 2023

(₹ In Million)

Particulars	Subsidiaries		Joint Venture		Enterprises over which Key Managerial Personal are able to exercise significant influence		Key Managerial Personnel		Relatives of Key Managerial Personnel		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Transactions during the year												
Advance for Purchase of non-current investment												
Astral Pipes Limited (Kenya)	-	-	124	-	-	-	-	-	-	-	124	-
Expenditure on Corporate Social Responsibility												
Astral Foundation	-	-	-	-	89	62	-	-	-	-	89	62
Others	-	-	-	-	2	2	-	-	-	-	2	2
Interest Income												
Seal IT Services Limited, UK	17	10	-	-	-	-	-	-	-	-	17	10
Investment in Subsidiaries												
Gem Paints Private Limited	1,940	-	-	-	-	-	-	-	-	-	1,940	-
Seal IT Services Limited, UK	483	-	-	-	-	-	-	-	-	-	483	-
Purchase of Goods/Services												
Kairamya Journeys LLP	-	-	-	-	80	19	-	-	-	-	80	19
Ameya Lifestyle	-	-	-	-	-	-	-	-	0	7	0	7
Others	0	-	-	-	0	-	-	-	-	-	0	-
Purchase of Property plant & equipment												
Kairav Chemicals Limited	-	-	-	-	-	160	-	-	-	-	-	160
Others	-	-	-	5	-	-	-	-	-	-	-	5
Amount claimed for reimbursement of expenses												
Gem Paints Private Limited	19	-	-	-	-	-	-	-	-	-	19	-
Others	-	-	-	0	0	0	-	-	-	-	0	0
Remuneration (Note i)												
Sandeep Engineer	-	-	-	-	-	-	118	104	-	-	118	104
Hiranand Savlani	-	-	-	-	-	-	45	38	-	-	45	38
Kairav Engineer	-	-	-	-	-	-	-	-	10	8	10	8
Saumya Engineer	-	-	-	-	-	-	-	-	10	8	10	8
Others	-	-	-	-	-	-	17	14	2	2	19	16

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Contd.)

2. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON MARCH 31, 2023 (Contd.)

(₹ In Million)

Particulars	Subsidiaries		Joint Venture		Enterprises over which Key Managerial Personal are able to exercise significant influence		Key Managerial Personnel		Relatives of Key Managerial Personnel		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Rent Paid												
Sandeep Engineer HUF	-	-	-	-	-	-	-	-	2	1	2	1
Kairav Chemicals Limited	-	-	-	-	-	19	-	-	-	-	-	19
Others	-	-	-	-	-	-	0	-	0	-	0	-
Sale of Goods												
Gem Paints Private Limited	7	-	-	-	-	-	-	-	-	-	7	-
Sitting fees												
Kaushal Nakrani	-	-	-	-	-	-	1	1	-	-	1	1
Viral Jhaveri	-	-	-	-	-	-	1	1	-	-	1	1
C. K. Gopal	-	-	-	-	-	-	1	1	-	-	1	1
Others	-	-	-	-	-	-	0	0	-	-	0	0
Balance at the end of the year												
Advance for Purchase of non-current investment												
Astral Pipes Limtied	-	-	109	-	-	-	-	-	-	-	109	-
Advance given for purchase of goods												
Kairamya Journeys LLP	-	-	-	-	6	-	-	-	-	-	6	-
Interest accrued on Loan and Deposit												
Seal IT Services Limited, UK	1	2	-	-	-	-	-	-	-	-	1	2
Loans Given												
Seal IT Services Limited, UK	286	280	-	-	-	-	-	-	-	-	286	280
Payables												
Sandeep Engineer	-	-	-	-	-	-	37	34	-	-	37	34
Saumya Engineer	-	-	-	-	-	-	-	-	1	1	1	1
Kairav Engineer	-	-	-	-	-	-	-	-	0	0	0	0
Others	-	-	-	-	-	2	2	1	0	0	2	3

38. MERGER OF RESINOVA CHEMIE LIMITED AND ASTRAL BIOCHEM PRIVATE LIMITED

The Board of Directors of the Company at its meeting held on June 7, 2021 approved the scheme of amalgamation of the Company with Resinova Chemie Limited ("RCL") and Astral BioChem Private Limited ("ABPL") with an appointed date of April 1, 2021, under section 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme of Amalgamation of Resinova Chemie Limited and Astral BioChem Private Limited with the Company, was approved by the Hon'ble National Company Law Tribunal ("NCLT") Ahmedabad Bench vide its Order dated September 5, 2022. The certified copy of the Order along with certified copy of the Scheme was filed by the respective companies, with the Registrar of Companies on September 6, 2022 ("Effective Date"). The management has determined this as a subsequent adjusting event and hence, the subsidiaries has been amalgamated with effect from appointed date of April 1, 2021.

Name of the subsidiary	% holding	Detail of activities	Relationship history
Resinova Chemie Limited	97.45%	Manufacturing of Adhesive Solutions	Subsidiary before the merger
Astral Biochem Private Limited	100%	Yet to commence business	Subsidiary before the merger

Based on the accounting prescribed in the NCLT Scheme which is in accordance with the accounting prescribed in Appendix C to Ind AS 103, the Company has applied the pooling of interest method to account for the merger since the combining entities are under common control, except for restating for comparative period.

Details of assets and liabilities taken over:

(₹ In Million)

Particulars	As at April 1, 2021
Property, plant and equipment (#)	1,362
Capital work-in-progress	44
Goodwill (#)	1,844
Other Intangible assets	5
Right to Use assets	58
Non-current assets	
Investments	0
Loans	0
Other financial assets	15
Other non-current assets	10
Current assets	
Inventories	745
Trade receivables	374
Cash and cash equivalents	72
Other balances with banks	1,402
Loans	2
Other financial assets	3
Current tax assets	7
Other assets	35
Total Assets	**5,978**

Details of assets and liabilities taken over: (Contd.)

(₹ In Million)

Particulars	As at April 1, 2021
Non current liabilities	
Deferred tax liabilities (Net)	8
Lease liability	1
Provisions	14
Current liabilities	
Lease liability	7
Trade payables	604
Other financial liabilities	78
Other current liabilities	64
Provisions	17
Current Tax Liabilities	8
Total Liabilities	**801**
Net Assets - Acquired at values included in the consolidated financial statements of the Company (A) (#)	**5,177**

(₹ In Million)

Particulars	As at April 1, 2021
Value of investments given up	2,884
Consideration to be paid by allocation of equity shares to Non controlling holders (Refer Note 1 below)	1
Adjusted against other assets	22
Adjusted against other liabilities	(3)
Total consideration paid (B)	**2,904**
Reserves created on Merger (A-B)	**2,273**
Transferred to Retained earnings	2,182
Transferred to Capital Reserve	91

1 The above net assets mainly include net assets of RCL. The net assets of ABPL are less that ₹ 1 Million.

2 As an integral part of the aforesaid Scheme, the non-controlling shareholders of RCL were issued 71 new equity shares having face value and paid-up amount of ₹ 1/- each for one fully paid equity share of RCL, which issued and alloted (Note 14).

3 As a result of above transaction, Non-Controlling Interest (NCI) amounting to ₹ 92 Million was settled by issuance of equity shares. The differential amount of ₹ 91 Million was transferred to capital reserve account as on April 1, 2021. (Note 14)

4 The authorised share capital of the Transferee Company, automatically stands increased from the effective date, by clubbing the authorised share capital of the Transferor Company which is ₹ 58 Million divided into 5 Million equity shares of ₹ 10 each.

Reconciliation of profits as per these financial statements and the audited standalone financial statements for the year ended March 31, 2022 adopted at the meeting of Board of Directors dated May 27, 2022:

(₹ In Million)

Particulars	Year ended March 31, 2022
Profit for the year ended March 31, 2022, of the Company as per financial statement issued on May 27, 2022 (a)	4,048

Reconciliation of profits as per these financial statements and the audited standalone financial statements for the year ended March 31, 2022 adopted at the meeting of Board of Directors dated May 27, 2022: (Contd.)

(₹ In Million)

Particulars	Year ended March 31, 2022
Profits of:	
RCL - for the year ended March 31, 2022 (b)	336
ABPL - for the year ended March 31, 2022 (c)	0
Inter Company elimination:	
Impact of unrealised profit on Inventory	0
Other adjustments:	
Depreciation(#)	235
Tax Impact	(2)
Total (d)	**233**
Restated Profit after Tax for March 31, 2022 (a+b+c+d)	**4,617**

#The Board of Directors of the Company had, at its meeting held on May 27, 2022 approved the consolidated financial statements of the Company for the year ended March 31, 2022 and the same were adopted at the Annual General Meeting of the Company held on August 29, 2022. The Company has also applied guidance given in Ind AS Technical Facilitation Group's Bulletin issued by ICAI (in accordance with Ind AS 103- Business Combination) and used carrying amounts as appearing in the consolidated financial statements of the Company while applying the pooling of interest method.

39. FINANCIAL INSTRUMENTS

1. Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 15 off set by cash and bank balances) and total equity of the Company.

The Company's risk management committee reviews the risk capital structure of the Company. As part of this review the Company considers the cost of capital and the risk associated with each class of capital.

Gearing ratio

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Debt (note i)	21	286
Less: Cash and cash equivalents	3,943	6,268
Net debt	-	-
Equity share capital	269	201
Other equity	26,524	22,707
Less: Revaluation reserve	12	12
Total equity excluding revaluation reserve	**26,781**	**22,896**
Net debt to equity ratio	**0%**	**0%**

i Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings (excluding financial guarantee contracts and contingent consideration), as described in note 15.

2. Category-wise classification of financial instruments

(₹ In Million)

Particulars		As at March 31, 2023	As at March 31, 2022
Financial assets			
Measured at amortised cost			
a	Cash and cash equivalents and other bank balances (Note 10,11)	4,446	6,273
b	Financial assets (Note 5,6 & 9)	3,137	2,552
Measured at fair value through Profit and loss			
a	Fair Value of derivative contracts (Note 6)	0	0
b	Investment in others (Note 4)	0	**0**
Total		7,583	**8,825**
Financial liabilities			
Measured at amortised cost			
a	Borrowings (Note 15)	21	**286**
b	Financial liabilities (Note 18, 19, 40)	7,963	**7,671**
Total		7,984	**7,957**

The above excludes investments in subsidiaries and joint venture.

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

(₹ In Million)

Financial assets/Financial liabilities	Fair value	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			(Note 2(a))	
As at March 31, 2023				
Financial assets measured at fair value through Profit and loss				
a) Investment in others (Note 4)	0	-	-	0
As at March 31, 2022				
Financial assets measured at fair value through Profit and loss				
a) Investment in others (Note 4)	0	-	-	0

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2023 and March 31, 2022.

3. Financial risk management objectives

The Company's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

The Company's business activities are exposed to a variety of financial risks, namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework who are responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

A. Management of market risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- interest rate risk

i. Currency risk

The Company's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

The carrying amounts of the Company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities (Foreign currency)		
In US Dollars (USD)	42	43
In Euro (EUR)	1	2
Assets (Foreign currency)		
In US Dollars (USD)	1	0
In Euro (EUR)	-	0
In Great Britain Pound (GBP)	3	3

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities (INR)		
In US Dollars (USD)	3442	3,259
In Euro (EUR)	84	166
Assets (INR)		
In US Dollars (USD)	119	10
In Euro (EUR)	-	0
In Great Britain Pound (GBP)	287	282

Derivative instruments:

The Company uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts and Currency Options for speculative purposes.

Outstanding Forward Exchange Contracts entered into by the Company :

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Payable		
Outstanding Forward Exchange Contracts		
In EUR		
No. of Contracts	-	1
In INR - (In Million)	-	23

The line items in the balance sheet that includes the above hedging instruments are "other financial assets."

Foreign currency sensitivity analysis
The Company is mainly exposed to the currency: USD, EUR and GBP.

The following table details, Company's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit and equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit and equity, and the balances below would be negative.

Impact on profit or loss and total equity

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Increase in exchange rate by 5%	(156)	(154)
Decrease in exchange rate by 5%	156	154

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and five years. The above sensitivity does not include the impact of foreign currency forward contracts and option contracts which largely mitigate the risk.

ii. Interest rate risk
Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligation with floating interest rates.

Interest rate sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax (₹ In Million)
As at March 31, 2023	100 bps	-
As at March 31, 2022	100 bps	3

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B. Management of credit risk
credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Company. The Company uses its own trading records to evaluate the credit worthiness of its customers. The Company's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (refer note 9 - Trade receivable).

C. Management of liquidity risk
Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ In Million)

Particulars	Carrying amount	Less than 1 year	1-5 years	Total
As at March 31, 2023				
Non-derivative financial liabilities				
Borrowings (Note 15)	21	-	21	21
Lease liabilities (Note 40)	76	29	47	76
Financial Liabilities (Note 18 & 19)	7,887	7,887	-	7,887
Total	**7,984**	**7,916**	**68**	**7,984**
As at March 31, 2022				
Non-derivative financial liabilities				
Borrowings (Note 15)	286	54	232	286
Lease liabilities (Note 40)	64	24	40	64
Financial Liabilities (Note 18 & 19)	7,607	7,607	-	7,607
Total	**7,957**	**7,685**	**272**	**7,957**

40. LEASE:

Company as a lessee

The Company's lease asset classes primarily consist of leases for Tangible assets. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

The carrying amounts of right-of-use assets, lease liabilities along with their movement during the period is as below:

(₹ In Million)

Particulars	Right of use Assets Tangible Assets		Lease Liabilities	
	2022-23	**2021-22**	**2022-23**	**2021-22**
Balance at the beginning of the year	488	391	64	16
Add : Consequent to business combination (Note 38)	-	58	-	8
Balance at the beginning of the year (restated)	**488**	**449**	**64**	**24**
Add: Addition during the year	44	65	45	63
Less: Depreciation/amortisation of expenses	40	26	-	-
Less: Adjustment due to COVID 19	-	-	-	-
Less: Deductions	-	0	-	-
Add: Interest Expenses	-	-	7	2
Less: Payments	-	-	40	25
Balance at the end of the year	**492**	**488**	**76**	**64**
Current			**29**	**24**
Non-Current			**47**	**40**

There is no material impact on Total comprehensive income or the basic and diluted earnings per share.

Company as a lessor
The Company has entered into operating leases on its buildings, these leases have terms less than 1 year.

The Company has not entered into any non-cancellable operating leases as a lessor.

41. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Note (#)
Current Ratio	Current Assets	Current Liabilities	1.84	1.92	-4%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.00	0.02	-76%	a
Debt Service Coverage Ratio	Earnings for debt service [(1)]	Debt service [(2)]	10.98	19.65	-44%	b
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	18.0%	23.5%	-23%	
Inventory turnover ratio	Cost of goods sold [(3)]	Average Inventories	4.29	5.35	-20%	
Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivable	21.28	21.48	-1%	
Trade payables turnover ratio	Purchases of material, services and other expenses	Average Trade Payables	4.54	5.40	-16%	
Net working capital turnover ratio	Revenue from operations	Working capital [(4)]	6.41	5.40	19%	
Net profit ratio	Profit for the year	Revenue from operations	9.7%	11.4%	-15%	
Return on Capital employed	Earnings before interest and taxes	Capital Employed [(5)]	25.4%	29.3%	-13%	
Return on investment (Quoted)	Income generated from investments	Time weighted average investments	4.9%	3.8%	28%	c

[#]Refer note 2(a)

(1) Earnings for debt service = Net profit after taxes + Depreciation + Finance cost + Loss on Sale of Property, Plant and Equipment

(2) Debt service = Interest & Lease Payments + Principal Repayments

(3) Cost of goods sold = Cost of materials consumed + Purchase of Traded goods + Changes in inventories

(4) Working capital = Current assets – Current liabilities

(5) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

a) During the year the Company has repaied long-term borrowings, hence there is an improvement in the ratio.

b) The major reason for decrease in debt-service coverage ratio is the high movement in currency rates during the year which has resulted into increase in the finance cost.

c) During the year return on liquid investment has improved hence there is an improvement in the ratio.

42. SEGMENT REPORTING:

The Company has presented segment information in the Consolidated Financial Statement which is presented in the same financial report. Accordingly, in terms of paragraph 4 of Ind AS 108 – Operating Segments, no disclosure related to segments are presented in this standalone financial statement.

43. EXCEPTIONAL ITEMS:

(a) Information relating to joint venture:

The Company has 50% ownership interest in joint venture Company Astral Pipes Limited, incorporated in Kenya. Its proportionate share in the assets, liabilities, income and expenses etc. In the said joint venture Company is given below:

(₹ In Million)

Particulars	Year ended December 31, 2022	Year ended December 31, 2021
Assets	84	94
Liabilities	1	113
Income	-	16
Expenses (including depreciation)	1	54
Contingent Liabilities	-	-
Capital commitments remaining to be executed	-	-

During the year ended March 31, 2023, the Company has provided allowance for expected credit loss on advance for purchase of non-current investment in Joint Venture viz: Astral Pipes Ltd, Kenya amounting ₹ 15 Million (Previous Year: ₹ 19 Million), which has been disclosed as exceptional item.

(b) During the year ended March 31, 2022, erstwhile Resinova Chemie Limited, one of the amalgamating Company had fire at storage section of factory premises, damaging Inventories and Property, Plant and Equipment (PPE). As per the best estimate of the management, the Company had recognised insurance claim receivable amounting to ₹ 102 Million to the extent of corresponding loss of inventories and PPE amounting to ₹ 102 Million which were charged off in profit and loss statement under the head 'Exceptional Items'. During the current year, the claim has been settled and amount of ₹ 18 Million has been charged off in profit and loss statement under the head 'Exceptional Items'.

44. TRANSACTIONS WITH STRUCK OFF COMPANIES

There are no transactions with struck of companies during the year ended March 31, 2023 and March 31, 2022.

45. 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). Further, No funds have been received by the Company from any parties (Funding Parties) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors, in its meeting held on May 15, 2023, has proposed a final dividend of ₹ 2.25 per equity share for the financial year ended March 31, 2023. The proposal is subject to the approval of shareholders at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 604 Million.

47. The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification and are not comparable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

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Independent Auditor's Report

To the Members of Astral Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Astral Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint venture comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity 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 "the consolidated financial statements").

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 other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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, its associates and joint venture as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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, associates, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit -procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment of Goodwill (as described in Note 2(y)(iii) of the Consolidated Financial Statements)

Key audit matter	How our audit addressed the key audit matter
The Group's balance sheet includes ₹ 3,125 Million of Goodwill. In accordance with Ind AS 36, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include:	We performed following procedures, among others: • We assessed whether the Group's definition of the CGUs is compliant with the applicable accounting standards • We evaluated the forecast of future cash flows used by the management in the model to compute the Recoverable value of CGUs. • We compared the forecast of future cash flows to business plan and previous forecasts to the actual results.

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
- Projected revenue growth, operating margins and operating cash-flows; and - Business specific discount rates The annual impairment testing is considered a significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated financial statements.	• We focused our analysis on management assumptions in respect of future sales growth rate and discount rate used to compute the Recoverable value of CGUs. • We recalculated estimates using the management model. • We involved valuation specialists to assist in evaluating the key assumptions and methodologies used by the Holding Company in computing the Recoverable value of CGUs. • We assessed the disclosures made in the Consolidated financial statements.
Accounting for acquisition of Gem Paints Private Limited (as described in Note 42A and 43 of the Consolidated Financial Statements)	
The Holding Company has entered into definitive agreements with Gem Paints Private Limited ('Gem Paints') and its shareholders to acquire 51% controlling stake in its Operating Paint Business w.e.f. April 1, 2022. Presently, the Holding Company has subscribed to optionally convertible debentures, allowing the Holding Company to appoint majority of the directors on board of Gem Paints Private Limited for a consideration of ₹ 1,940 Million. Accordingly, in terms of the control defined in Ind AS 110, Consolidated Financial Statements, Gem Paints has become subsidiary of the Holding Company. The Group has accounted the above acquisition as per Ind AS 103, Business Combinations. The allocation of the purchase price to identifiable assets and liabilities acquired was performed by the Group with support from external advisors and consequentially Goodwill of ₹ 553 Million was recognized. The individual assets acquired, especially Brands and Distribution Network, have no observable market values to determine fair value. To determine the corresponding fair values, valuation models based on assumptions are used. This measurement is dependent on estimates of future cash flows as well as the discount rate applied and, subject to considerable uncertainty. The non-operating business of Gem Paints including its subsidiaries and associates ('disposal group'), has been classified as Assets Held for Sale and Liabilities associated with Asset Held for Sale in terms of Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations. Accordingly, net profit and Other comprehensive Income generated from non-operating business of Gem Paints is presented as 'Profit from Discontinued operations' and 'Other Comprehensive Income' of Discontinued Operations respectively in the Consolidated Financial Statements. Such classification of the assets, liabilities income and expenses of the disposal group, in terms of Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations requires certain management estimates and judgements. Due to the matter described, we considered the above-mentioned business combination and presentation of disposal group as key audit matter.	We performed following procedures, among others: • Read the business purchase agreements for the acquisition of Gem Paints and evaluated the interpretation of specific sections of the agreements and the application of Group's accounting policies to thereon. • Obtained understanding of the deal structure and evaluate the accounting treatment in accordance with Ind AS 103. • Evaluated, based on the business purchase agreements as well as the criteria defined in Ind AS 110, Consolidated Financial Statements, the assessment made by the Management with regard to the control over Gem Paints. • Assessed the management's conclusion regarding classification of the assets, liabilities income and expenses of non-operating business of Gem Paints, in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations. • Evaluated qualifications and objectivity of the external advisors engaged by the Company to perform the purchase price allocation. • Recalculated the model using the management inputs and assumptions for ascertaining mathematical accuracy. • Compared the inputs in the model to internal and external data. • Analyzed management's assumptions in respect of future growth rate and discount rate used in valuation. • Involved valuation specialists to assist in evaluating the key assumptions and methodologies. • Assessed the disclosures made in the Consolidated Financial Statements.

Independent Auditor's Report (Contd.)

OTHER INFORMATION

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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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 including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective 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 the 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 consolidated 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of their respective Company 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 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

Independent Auditor's Report (Contd.)

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 associates and joint venture 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 associates and joint venture 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 associates and joint venture of which we are the independent auditors and whose financial information we have audited, 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 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 MATTER

(a) We did not audit the financial statements and other financial information, in respect of five subsidiaries, whose financial statements include total assets of ₹ 8,053 Million as at March 31, 2023, and total revenues of ₹ 5,476 Million and net cash inflows of ₹ 919 Million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 0.81 Million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of three associates and a joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the report(s) of such other auditors.

    Certain of these subsidiaries and a joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Independent Auditor's Report (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies, incorporated in India, as noted in the 'Other Matter' paragraph we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

    (a) We/the other auditors whose report we have relied upon 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;

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (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 who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its associates, 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 the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in **"Annexure 2"** to this report;

    (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Holding Company, its subsidiaries and associates, incorporated in India, to their directors in accordance with the provisions of section 197 read with **Schedule V** to the Act;

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint venture, as noted in the 'Other matter' paragraph:

        i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint venture in its consolidated financial statements – Refer Note 34 to the consolidated financial statements;

        ii. The Group, its associates and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

        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 ended March 31, 2023. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by

Independent Auditor's Report (Contd.)

subsidiaries and associates, incorporated in India, during the year ended March 31, 2023.

iv. (a) The respective managements of the Holding Company, its subsidiaries and associates, 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 associates respectively that, to the best of its knowledge and belief, as stated in the note 47 to the consolidated financial statements, 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 Holding Company or any of such subsidiaries and associates to or in any other person or entity, 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 Holding Company or any of such subsidiaries and associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and associates, 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 associates respectively that, to the best of its knowledge and belief, other than as disclosed in the note 47 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries and associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, and associates 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 (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company, is in accordance with section 123 of the Act.

As stated in note 48 to the consolidated financial statements, the Board of Directors of the Holding Company, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

No dividend has been declared or paid during the year by the subsidiary and associate companies, incorporated in India.

vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries and associates incorporated in India, hence reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZSJ1477

Place of Signature: Ahmedabad
Date: May 15, 2023

Independent Auditor's Report (Contd.)

Annexure

To the Independent Auditor's Report of even date on the Consolidated Financial Statements of Astral Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Astral Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's, its subsidiaries' and associate's, which are companies incorporated in India, internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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.

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 internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to consolidated 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 consolidated 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 CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or

Independent Auditor's Report (Contd.)

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company, its subsidiaries and associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to two subsidiaries and an associate, which are Companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate, incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Anil Jobanputra**
Partner
Membership Number: 110759
UDIN: 23110759BGVZSJ1477

Place of Signature: Ahmedabad
Date: May 15, 2023

Consolidated Balance Sheet

As at March 31, 2023

(₹ In Million)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3 (A)	13,923	11,572
(b) Capital work-in-progress	3 (D)	1,261	1,232
(c) Goodwill	4	3,125	2,567
(d) Other Intangible assets	3 (B)	1,813	233
(e) Right Of Use Assets	3 (C)	644	588
(f) Financial assets			
(i) Investments	5	0	0
(ii) Loans	6	2	1
(iii) Other financial assets	7	226	93
(g) Deferred tax assets (Net)	8	110	3
(h) Other non-current assets	9	135	132
Total non-current assets		**21,239**	**16,421**
Current assets			
(a) Inventories	10	8,746	7,334
(b) Financial assets			
(i) Trade receivables	11	3,545	2,691
(ii) Cash and cash equivalents	12	5,295	6,413
(iii) Other balances with bank	13	1,526	5
(iv) Loans	6	206	4
(v) Other financial assets	7	92	188
(c) Current tax assets (Net)	14	182	276
(d) Other current assets	9	947	540
		20,539	**17,451**
Assets classified as held for sale	43	1,953	-
Total current assets		**22,492**	**17,451**
Total assets		**43,731**	**33,872**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	269	201
(b) Other equity	16	26,843	23,165
Equity attributable to equity share holders of the Parent		**27,112**	**23,366**
Non-controlling Interests		2,477	278
Total equity		**29,589**	**23,644**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	316	328
(ii) Lease liabilities	39	49	73
(b) Provisions	18	31	17
(c) Deferred tax liabilities (Net)	8	409	401
Total non-current liabilities		**805**	**819**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	457	523
(ii) Lease liabilities	39	49	59
(iii) Trade payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		416	199
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,584	7,285
(iv) Other financial liabilities	20	**2,695**	**600**
(b) Other current liabilities	21	647	556
(c) Provisions	18	26	18
(d) Current tax liabilities (Net)	22	80	169
Total current liabilities		**11,954**	**9,409**
Liabilities directly associated with assets classified as held for sale	43	1,383	-
Total current liabilities		**13,337**	**9,409**
Total liabilities		**14,142**	**10,228**
Total equity and liabilities		**43,731**	**33,872**

See accompanying notes to the consolidated financial statements

As per report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Statement of Consolidated Profit and Loss

For the year ended March 31, 2023

(₹ in Million, except as stated otherwise)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	23	51,585	43,940
Other income	24	267	349
Total		**51,852**	**44,289**
Expenses			
Cost of materials consumed	25	33,622	30,300
Purchase of traded goods	26	604	314
Changes in inventories of finished goods, work-in-progress and traded goods	27	121	(1,334)
Employee benefits expense	28	3,193	2,453
Finance costs	29	400	129
Depreciation and amortisation expense	30	1,781	1,269
Other expenses	31	5,946	4,654
Total		**45,667**	**37,785**
Profit before share of loss of joint venture, exceptional items and tax		**6,185**	**6,504**
Share of loss of joint venture		(15)	(19)
Profit before exceptional items and tax		**6,170**	**6,485**
Exceptional Items	45	(18)	-
Profit before tax		**6,152**	**6,485**
Tax expense	32		
Current tax		1,659	1,583
Deferred tax		(102)	(2)
Total tax expense		**1,557**	**1,581**
Profit for the year from continuing operations		**4,595**	**4,904**
Profit before tax from discontinued operations		150	-
Tax expense of discontinued operations		(20)	-
Profit for the year from Discontinued operations	43	**130**	**-**
Profit for the year		**4,725**	**4,904**
Other comprehensive income			
Continuing operations:			
Items that will not be reclassified to profit or loss			
- Remeasurements gain/(loss) on defined benefit plans		(11)	2
Income Tax relating to items that will not be reclassified to profit or loss		0	0
Items that will be reclassified to profit or loss			
- Currency Translation (Loss)/Gain (net)		8	4
		(3)	6
Discontinued operations:	43		
Items that will not be reclassified to profit or loss			
- Net fair value gains on equity instruments at fair value through other comprehensive income.		393	-
Items that will be reclassified to profit or loss			
- Currency Translation (Loss)/Gain (net)		56	-
		449	-
Total other comprehensive income		446	6
Total comprehensive income for the year		**5,171**	**4,910**
Profit for the year from continuing operations attributable to:-			
Owners of the Company		4,566	4,838
Non-controlling Interests		29	66
		4,595	**4,904**
Profit for the year from discontinued operations attributable to:-			
Owners of the Company		-	-
Non-controlling Interests		130	-
		130	**-**
Profit for the year			
Owners of the Company		4,566	4,838
Non-controlling Interests		159	66
		4,725	**4,904**
Other Comprehensive Income/(loss) of continuing Attributable to:			
Owners of the Company		16	6
Non-controlling Interests		(19)	0
		(3)	**6**
Other Comprehensive Income/(loss) of discontinued Attributable to:			
Owners of the Company		-	-
Non-controlling Interests		449	-
		449	**-**
Other Comprehensive Income/(loss) attributable to:			
Owners of the Company		16	6
Non-controlling Interests		430	0
		446	**6**
Total Comprehensive Income attributable to:-			
Owners of the Parent		4,582	4,844
Non-controlling Interests		589	66
		5,171	**4,910**
Earnings per equity share (Face Value of ₹ 1/- each)	33		
-Basic (in ₹)		17.00	18.01
-Diluted (in ₹)		17.00	18.01

See accompanying notes to the consolidated financial statements

As per report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Statement of Consolidated Cash Flows

For the year ended March 31, 2023

(₹ in Million)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A	**Cash flows from Operating Activities**		
	Profit before tax	**6,152**	**6,485**
	Adjustments for:		
	Depreciation and amortisation expense	1,781	1,269
	Finance costs	400	129
	Interest income	(56)	(46)
	Unrealised foreign exchange flactuations	(25)	(9)
	Gain on Sale of mutual funds (net)	(94)	(83)
	(Profit)/Loss on sale of Property,Plant and Equipment (Net)	12	17
	Share Based payment expense	18	16
	Allowance for expected credit loss	25	18
	Bad-debts written off	4	1
	Credit balances written back	(1)	(2)
	Loss on settlement of fire insurance claim	18	-
	Share of loss of joint venture	15	19
	Operating profit before Working Capital Changes	**8,249**	**7,814**
	Changes in working capital:		
	(Increase)/Decrease in Inventories	(904)	(2,613)
	(Increase)/Decrease in Trade receivables, financial assets and other assets	(597)	(377)
	Increase/(Decrease) in Trade Payables, financial liabilities other liabilities and provisions	475	2,285
	Cash generated/(used) from operations	**7,223**	**7,109**
	Income taxes paid (net of refunds)	(1,654)	(1,678)
	Net cash generated/(used) from Operating Activities [A]	**5,569**	**5,431**
B	**Cash flows from investing activities**		
	Payment for purchase of property, plant and equipment and intangible assets (including capital advances and capital creditors)	(3,110)	(3,460)
	Proceeds from Sale of property, plant and equipment (net)	11	14
	(Increase)/Decrease in other balances with banks	(1,500)	4,043
	Interest Received	32	35
	Proceeds from sale of mutual fund (net)	94	83
	Loan given	(200)	-
	Advance given for purchase of non-current investments in Joint Venture	(124)	-
	Net Cash flow generated/(used) in Investing Activities [B]	**(4,797)**	**715**
C	**Cash flow from Financing Activities**		
	Dividend paid	(603)	(451)
	Payment for acquisition of non-controlling interest in Subsidiary	(483)	-
	Proceeds from issue of Equity Shares	0	0
	Finance Cost paid	(366)	(123)
	Proceeds from Long Term Borrowings	58	221
	Repayment of Long Term Borrowings	(324)	(240)
	Payment of lease liabilities	(70)	(71)
	Proceeds/(Repayment) from Short Term Borrowings	(118)	224
	Net Cash flow generated/(used) in Financing Activities [C]	**(1,906)**	**(440)**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]	**(1,134)**	**5,706**
	Cash and cash equivalents at the beginning of the year (Note 12)	**6,413**	**707**
	Cash and cash equivalents acquired on business combination (Note 42A)	16	-
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0	0
	Cash and Cash Equivalents at the end of the year (Note 12)	**5,295**	**6,413**

Note: The above Cash Flow Statement has been prepared as per 'Indirect Method' as set out in Ind AS 7 on Statement of Cash Flows.

Statement of Consolidated Cash Flows (Contd.)

For the year ended March 31, 2023

Changes in liabilities arising from financing activities

(₹ In Million)

Particulars	Non-current borrowings	Current borrowings	Total
Balance as at April 1, 2021	**438**	**229**	**667**
Cash flows	(19)	224	205
Foreign exchange adjustments	(21)	-	(21)
Balance as at March 31, 2022	**398**	**453**	**851**
On account of business combination (Note 42A)	212	94	306
Cash flows	(266)	(118)	(384)
Foreign exchange adjustments	0	-	0
Balance as at March 31, 2023	**316**	**457**	**773**

See accompanying notes to the consolidated financial statements.

As per report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Statement of Consolidated Changes In Equity

For the year ended March 31, 2023

A) EQUITY SHARE CAPITAL (NOTE 15)

(₹ In Million)

Particulars	Amount
Balance as at April 1, 2022	201
Add: movement during the year (Note 15 (f))	0
Balance as at March 31, 2022	**201**
Add: movement during the year (Note 15 (f))	68
Balance as at March 31, 2023	**269**

B) OTHER EQUITY (NOTE 16)

(₹ In Million)

Particulars	Attributable to the equity holders of the parent									
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Foreign Currency translation reserve	Retained earnings	Stock options outstanding account	Total	Non-controlling Interests	Total Other Equity
Balance as at April 1, 2021	**4,023**	**260**	**4**	**12**	**9**	**14,444**	**5**	**18,757**	**212**	**18,969**
Profit for the year	-	-	-	-	-	4,838	-	4,838	66	4,904
Other comprehensive income for the year, net of tax	-	-	-	-	4	2	-	6	0	6
Total comprehensive income for the year	**4,023**	**260**	**4**	**12**	**13**	**19,284**	**5**	**23,601**	**278**	**23,879**
Premium on shares issued under Employee Stock option scheme 'ESOP 2015' (Note 15 (f))	8	-	-	-	-	-	-	8	-	8
Recognition of share-based payments	-	-	-	-	-	-	16	16	-	16
Exercise of stock options	-	-	-	-	-	-	(8)	(8)	-	(8)
Payment of dividends	-	-	-	-	-	(452)	-	(452)	-	(452)
Balance as at March 31, 2022	**4,031**	**260**	**4**	**12**	**13**	**18,832**	**13**	**23,165**	**278**	**23,443**
Profit for the year	-	-	-	-	-	4,566	-	4,566	159	4,725
Other comprehensive income for the year, net of tax	-	-	-	-	27	(11)	-	16	430	446
Total comprehensive income for the year	**4,031**	**260**	**4**	**12**	**40**	**23,387**	**13**	**27,747**	**867**	**28,614**

Statement of Consolidated Changes In Equity (Contd.)

For the year ended March 31, 2023

B) OTHER EQUITY (NOTE 16) (Contd.)

(₹ In Million)

Particulars	Attributable to the equity holders of the parent									
	Securities premium	General reserve	Capital reserve	Revaluation reserve	Foreign Currency translation reserve	Retained earnings	Stock options outstanding account	Total	Non-controlling Interests	Total Other Equity
Consequent to acquisition of non-controlling interest in Subsidiary (Note 42B)	-	-	-	-	(17)	(322)	-	(339)	(144)	(483)
Pursuant to Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited (Note:44)	-	-	91	-	-	(5)	-	86	(101)	(15)
Consequent to business combination (Note 42A)									1,855	1,855
Premium on shares issued under Stock option Scheme 'ESOP 2015' (Note 13(f))	12	-	-	-	-	-	-	12	-	12
Utilised during the year for issue of Bonus Shares	(67)	-	-	-	-	-	-	(67)	-	(67)
Recognition of share-based payments	-	-	-	-	-	-	18	18	-	18
Exercise of stock options	-	-	-	-	-	-	(11)	(11)	-	(11)
Payment of dividends	-	-	-	-	-	(603)	-	(603)	-	(603)
Balance as at March 31, 2023	**3,976**	**260**	**95**	**12**	**23**	**22,457**	**20**	**26,843**	**2,477**	**29,320**

See accompanying notes to the consolidated financial statements

As per report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Notes forming part of the Consolidated Financial Statements

For the year ended March 31, 2023

1. GROUP'S BACKGROUND:

The consolidated financial statements comprise financial statements of Astral Limited ("the Parent" or "the Company" or "Holding Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2023.

The Parent is a public Company domiciled in India and is incorporated under the provision of Companies Act applicable in India. Its shares are listed in two recognized stock exchange in India, Bombay Stock Exchange and National Stock Exchange. The Company was established in 1996, with the aim to manufacture pro-India plumbing and drainage systems in the country. Astral Limited is equipped with production facilities at Santej, Dholka & Jamnagar (Gujarat), Ghiloth (Rajasthan), Sangli and Aurangabad (Maharashtra), Sitarganj (Uttarakhand), Hosur (Tamil Nadu) and Ramdaspur Cuttack (Odisha) to manufacture Plumbing systems, Drainage systems, Agriculture, Industrial, Electrical Conduit Pipes, water tanks and faucets with all kinds of necessary fittings. Erstwhile Resinova Chemie Limited, one of the amalgamating Company was engaged in business of manufacturing of various types of Adhesives and Sealants with production facilities at Santej (Gujarat), Unnao and Rania (Uttar Pradesh).

The Consolidated financial statements were approved for issue by the board of directors on May 15, 2023.

2. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of Consolidated Financial Statements

The Consolidated financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter read with Section 133 of the Companies Act, 2013, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). All accounting policies are consistently applied.

These consolidated financial statements are prepared under the accrual basis and historical cost measurement, except for certain financial instruments (refer accounting policy on financial instruments), which are measured at fair values. The consolidated financial statements provide comparative information in respect of the previous period. The consolidated financial statements are presented in Indian National Rupee (₹) which is the functional currency of the Holding Company, and all values are rounded to the nearest Million, except where otherwise indicated. All amounts individually less than ₹ 0.5 Million have been reported as "0".

b) Fair value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either.

- In the principal market for the asset or liabilities or
- In the absence of a principal market in the most advantageous market for the asset and liabilities.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

1) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

2) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

3) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the contractual arrangement with the other vote holders of the investee;
- the size of the Company's holding of voting rights relative to the size and dispersion of holdings ofthe other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on 31 March.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets), are eliminated in full. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

d) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods unless (a) the impairment loss was caused by a specific external event of an exceptional nature that is not expected to recur; and (b) subsequent external events have occurred that reverse the effect of that event.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

e) Investment in Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decision about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint venture are incorporated in these consolidated financial statements using the equity method of accounting. Under equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit and loss and other comprehensive income of the joint venture. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long term interest that, in substance, form part of Group's net investment in the joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of a joint venture' in the statement of profit or loss. Any reversal of the impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with a joint venture of the Group, profit and losses resulting from the transaction with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in joint venture that are not related to the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group. The financial statements of the joint venture used in applying the equity method are prepared as of a date different from that used by the entity, adjustments are made for the effects of significant transactions or events that occur between that date and the date of the entity's financial statements. The difference between the end of the reporting period of the joint venture and that of the Company is of three months. The length of the reporting periods and difference between the ends of the reporting periods are same from period to period.

f) Inventories

Inventories are stated at lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase and other expenses incurred in bringing the inventories to their present location and condition. Raw materials, Stock in Trade, Stores, Spares and Packing materials are valued on weighted average costs. Work-in-progress and finished goods include appropriate proportion of overheads.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

g) Cash and cash equivalents

Cash and Cash equivalents consists of cash in hand & at bank and all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase.

h) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, if any.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Trade receivables (Contract balances)

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Interest Income

Interest income from financial assets is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is recorded using the effective interest rate (EIR). Interest income is accrued on a time basis, by reference to the principal outstanding and the interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claims are accounted to the extent that there is no uncertainty in receiving the claims.

i) Property, plant and equipment

Property, Plant and Equipment are stated at actual cost less accumulated depreciation and impairment losses, if any. The actual cost capitalised includes material cost, freight, installation cost, duties and taxes and other incidental expenses incurred during the construction/installation stage.

Properties in the course of construction for production, supply or administration purposes are carried at cost, less any recognised impairment loss. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment are charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives and residual values of the property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on items of property, plant and equipment acquired/disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

j) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is de-recognised.

Useful lives of intangible assets

Intangible assets are amortised over their estimated useful life on a straight-line basis over a period of 5 years except assets like Brand, Distribution Network which is amortised over 7 years since in the opinion of the management the benefits will be available for that period.

k) Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

l) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is reduced from the carrying amount of the asset.

m) Foreign Currencies

In preparing the consolidated financial statements of the Group, the transactions in currencies other than the entity's functional currency (₹) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognised in the consolidated statement of profit and loss in the period in which they arise.

Translation of Financial Statements of foreign entities

On Consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of Profit and Loss are translated at the average exchange rates for the period. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of foreign operation, the component of OCI relating to that particular operation is recognised in the Consolidated Statement of Profit and Loss.

n) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined Contribution Plan:

The Group's contribution to Provident Fund is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Parent Company and its Indian Subsidiaries operate defined contribution plans pertaining to ESIC and Provident fund scheme for eligible employees.

Defined benefit plans:

The Parent Company and its Indian Subsidiaries operate a gratuity scheme for employees. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to in the consolidated statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, gains and losses on curtailments and settlements; and
- Net interest expense or income

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits:
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the balance sheet date. The Group determines the liability for such accumulated leaves using the Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.

Share based payment:
Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). Equity settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

o) Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalisation of borrowing cost is suspended and charged to statement of Profit and loss during the extended period when active development of the qualifying asset is interrupted.

All other borrowing costs are recognised in the consolidated statement of profit and loss in the period in which they are incurred.

p) Earnings per share
Basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

q) Taxation

Current Tax
The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) credit paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognised as deferred tax asset in the Consolidated Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary Company as per their applicable laws and then aggregated.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Group Company will pay normal tax during the specified period. Such asset is reviewed at each Balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

Current and deferred tax are recognised in the consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly to equity, as the case may be.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

r) Provisions, Contingent Liabilities and Contingent Assets and Commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent Asset

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

s) Non-derivative Financial Instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of profit and loss.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in consolidated statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognised by the Group are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

t) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts/options and interest rate swaps.

The use of foreign currency forward contracts/options is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The counter party to the Group's foreign currency forward contracts is generally a bank. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the consolidated statement of profit and loss immediately.

Profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal occurs.

u) Impairment

Financial assets (other than at fair value)

The Group assesses at each Balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, Plant and Equipment and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest Group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

v) Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/non-current classification based on operating cycle.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Group has identified twelve months as its operating cycle.

w) Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Managing Director.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue/ expenses/assets/liabilities".

x) Non-current assets held for sale and discontinued operations

Discontinued operations are reported when a component of the Group comprising operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group operations is classified as held for sale or has been disposed of, if the component either (1) represents a separate major line of business or geographical area of operations and (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or (3) is a subsidiary acquired exclusively with a view to resale

Non-current assets are classified as held for sale, if its carrying amount will be recovered principally through a sale transaction rather than through continuing use, and the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable and sale is expected to be completed within one year from date of classification.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Consolidated Balance Sheet. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

y) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing as material adjustment to the carrying amounts of assets and liabilities within next financial year.

i. Useful lives of property, plant and equipment and intangible assets

As described in Note 2(i) and Note 2(j), the Group reviews the estimated useful lives and residual values of property, plant and equipment and intangible assets at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment and intangible assets.

ii. Provisions and Contingent Liabilities

Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

iii. Impairment of Goodwill

Goodwill of ₹ 2,933 Million (Previous year: 2,375 Million) and ₹ 192 Million (Previous year: 192 Million) have been allocated for impairment testing purpose to the Cash Generating Unit (CGU) viz., 'Paints and Adhesives' and 'Plumbing' Segment respectively.

The recoverable amount of all cash generating units (CGUs) has been determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU's using a growth rate based on Company's projection of business and growth of the industry in which the Company is operating. Discount rate ranging from 8% to 14.5% has been applied. The values assigned to the assumption reflect past experience and are consistent with the management's plans for focusing operations in these markets. The growth rate does not exceed the long term average growth rate for the respective business in which the CGU operates. The management believes that the planned market share growth is reasonably achievable.

An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and growth rate), based on a reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

iv. Business Combinations and Disposal Group:

Measurement of fair values:

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Property, plant and equipment:

Sales comparison method under the Market approach and cost technique: The valuation model considers quoted market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence. (Note 3)

Intangible assets:

Relief-from-royalty method and multi-period excess earnings method: The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets. (Note 3)

Disposal Group:

As described under note 43, the classification of the assets, liabilities income and expenses of the non-operating business of Gem Paints including its subsidiaries and associates presented as Disposal group basis management estimates and judgements.

z) Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

i. Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group's financial statements.

ii. Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

iii. Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Group is currently assessing the impact of the amendments.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(Contd.)

3. PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS, RIGHT OF USE ASSETS AND CAPITAL WORK IN PROGRESS (CWIP)

(₹ In Million)

		GROSS CARRYING AMOUNT							ACCUMULATED DEPRECIATION AND AMORTIZATION						NET CARRYING AMOUNT	
Sr No	Assets	As at April 1, 2022	Acquired on account of business combination (Note 42A)	Recalssified on account of Ind AS 116	Additions	Disposals/ Adjustments	Effect of Foreign currency Translation	As at Mach 31, 2023	As at April 1, 2022	Reclassified on account of Ind AS 116	For the year	Disposals/ Adjustments	Effect of Foreign Currency Translation	As at Mach 31, 2023	As at Mach 31, 2023	As at March 31, 2022
A. PROPERTY, PLANT AND EQUIPMENT																
a	Land	2,473	264	-	162	1	10	2,908	75	-	16	-	3	94	2,814	2,398
		1,779	-	-	*699*	*1*	*(4)*	*2,473*	*64*	-	*13*	*1*	*(1)*	*75*	*2,398*	*1,715*
b	Buildings	3,776	245	-	1,137	-	-	5,158	576	-	174	2	-	748	4,410	3,200
		3,154	-	-	*645*	*23*	-	*3,776*	*449*	-	*129*	*2*	-	*576*	*3,200*	*2,705*
c	Plant and Equipments	9,474	258	36	1,398	24	21	11,163	4,131	14	1033	10	14	5,182	5,981	5,343
		7,933	-	*13*	*1,571*	*44*	*1*	*9,474*	*3,290*	*5*	*868*	*30*	*(2)*	*4,131*	*5,343*	*4,643*
d	Furniture and Fixtures	600	6	-	108	2	2	714	238	-	62	2	1	299	415	362
		541	-	-	*55*	*(5)*	*(1)*	*600*	*184*	-	*55*	*0*	*(1)*	*238*	*362*	*357*
e	Vehicles	227	11	-	39	26	-	251	101	-	30	15	-	116	135	126
		197	-	-	*37*	*7*	-	*227*	*81*	-	*24*	*3*	*(1)*	*101*	*126*	*116*
f	Computers and Office Equipments	340	4	-	79	1	2	424	197	-	58	1	2	256	168	143
		290	-	-	*44*	*(6)*	-	*340*	*144*	-	*48*	*(5)*	-	*197*	*143*	*146*
Total (A)		**16,890**	**788**	**36**	**2,923**	**54**	**35**	**20,618**	**5,318**	**14**	**1373**	**30**	**20**	**6,695**	**13,923**	**11,572**
		13,894	**-**	***13***	***3,051***	***64***	***(4)***	***16,890***	***4,212***	***5***	***1137***	***31***	***(5)***	***5,318***	***11,572***	**-**
B. OTHER INTANGIBLE ASSETS																
a	Computer Software	73	-	-	19	4	-	88	52	-	8	-	-	60	28	21
		63	-	-	*10*	-	-	*73*	*44*	-	*8*	-	-	*52*	*21*	*19*
b	Brands	450	1,317	-	63	-	-	1,830	238	-	259	-	-	497	1,333	212
		450	-	-	-	-	-	*450*	*174*	-	*64*	-	-	*238*	*212*	*276*
c	Distribution network	-	527	-	-	-	-	527	-	-	75	-	-	75	452	-
		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (B)		**523**	**1,844**	**-**	**82**	**4**	**-**	**2,445**	**290**	**-**	**342**	**-**	**-**	**632**	**1,813**	**233**
		513	**-**	**-**	***10***	**-**	**-**	***523***	***218***	**-**	***72***	**-**	**-**	***290***	***233***	**-**
C. RIGHT OF USE ASSETS																
a	Leasehold Land	438	114	-	-	-	-	552	14	-	6	-	-	20	532	424
		436	-	-	*2*	-	-	*438*	*9*	-	*5*	-	-	*14*	*424*	*427*
b	Buildings	250	-	-	44	26	5	273	137	-	54	9	4	186	87	113
		185	-	-	*63*	-	*2*	*250*	*93*	-	*44*	-	-	*137*	*113*	*92*
c	Plant, Machinery & Vehicles	72	-	(36)	-	-	2	38	21	(14)	6	-	-	13	25	51
		79	-	*(13)*	-	*(7)*	*(1)*	*72*	-	*(5)*	*11*	*(16)*	*(1)*	*21*	*51*	*79*
Total (C)		**760**	**114**	**(36)**	**44**	**26**	**7**	**863**	**172**	**(14)**	**66**	**9**	**4**	**219**	**644**	**588**
		700	**-**	***(13)***	***65***	***(7)***	***1***	***760***	***102***	***(5)***	***60***	***(16)***	***(1)***	***172***	***588***	**-**

Figures in the italics are of Previous Year.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(Contd.)

Notes:

1. Land includes land purchased from Telangana State Industrial Infrastructure Corporation at Telangana, where title will be transferred in the name of the Company after implementation of the project in the allotted land.

Particulars	Gross Carrying Amount (₹ in Million)	Title deeds held in the name of	Whether title deed holder is director or relative of promoter
Land	290	Telangana State Industrial Infrastructure Corporation (TSIIC)	No

2. Leasehold land includes land having carrying amount of ₹ 53 Million for which Application of transfer of lease agreement from erstwhile Subsidiary, Resinova Chemie Limited to Astral Limited is filed before Gujarat Industrial Development Corporation (GIDC) to give impact of merger NCLT order.

3. Pursuant to amalgamation with Rex Polyextrusion Private Limited, the title deeds of, Land and Building of ₹ 193 Million and ₹ 218 Million respectively, were under process with concerned government authorities for transfer in the name of the Holding Company during the previous year. During the current year, the same has been transferred in name of the Holding Company.

4. Building includes ₹ 13 Million as Gross carrying amount for which the procedure for transfer of title in the name of Holding Company was in process during previous year. During the current year, the same has been transferred in the name of the Holding Company.

D. Capital work in progress (CWIP) Ageing Schedule:

(₹ In Million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023					
Projects in progress	1,163	59	28	11	1,261
Total	**1,163**	**59**	**28**	**11**	**1,261**
As at March 31, 2022					
Projects in progress	1,139	42	51	-	1,232
Total	**1,139**	**42**	**51**	**-**	**1,232**

4. GOODWILL

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Goodwill at the beginning of the year	2,567	2,570
Add: Arrising on account of business combination (Note 42A)	553	-
Add: Currency translation differences	5	(3)
Total	**3,125**	**2,567**

5. INVESTMENTS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Investments		
Investment in Equity Instruments of Joint Venture at cost		
Unquoted		
i) 1,000,000 (as at March 31, 2022: 1,000,000) Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	29	29
Less: Group's share of Loss	**(29)**	**(29)**
Total	**-**	**-**
Investment in Preference Shares of Joint Venture at cost		
Unquoted		
i) 7,200,000 (as at March 31, 2022: 7,200,000) Non-Cumulative Redeemable Preference Shares of Kenyan Shilling 50/- each fully paid up in Astral Pipes Limited, Kenya.	217	217
Less: Loan component of compound financial instrument (Note 6)	**(52)**	**(52)**
Less: Group's share of Loss	**(165)**	**(165)**
Total	**-**	**-**
Investments in Joint venture	**-**	**-**
Investment in Equity Instruments of Others at fair value through profit and loss		
Unquoted		
i) 10,000 (100 % holding) (as at March 31, 2022: 10,000) Shares of ₹ 10/- each subscribed in Astral Foundation, India. (Note 40(a))	0	0
Investments in Others	**0**	**0**
Total	**0**	**0**

Note:

a) Aggregate carrying value of unquoted investments is ₹ 0 Million as at March 31, 2023 (as at March 31, 2022: ₹ 0 Million).

6. LOANS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
(Unsecured, considered good, unless otherwise provided for)		

6. LOANS (Contd)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Loan component of compound financial instrument* (Note 5)	72	72
Less: Group's share of Loss**	**(72)**	**(72)**
	-	**-**
Loans and Advances to Employees	2	1
Total	**2**	**1**
Current		
(Unsecured, considered good)		
Loan given^	200	-
Loans and Advances to Employees	6	4
Total	**206**	**4**

Note: Refer note 38 for detailed disclosure on the fair values.

*Includes portion of compound financial instrument and fair valuation of loan of ₹ 72 Million as at March 31, 2023 (as at March 31, 2022: ₹ 72 Million).

**to the extent of not adjusted with investment in Joint Venture.

^Loan amount given for business purposes, carries interest rate of 7% p.a. and same is repayable within a year.

7. OTHER FINANCIAL ASSETS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
(Unsecured, considered good, unless otherwise provided for)		
Security deposits	115	87
Earmarked deposit accounts (with maturity more than 12 months from the balance sheet date)	2	6
Advance for purchase of non current investment (Note 36)	143	19
Less: Allowance for expected credit loss*	**(34)**	**(19)**
	109	**-**
Total	**226**	**93**
Current		
(Unsecured, considered good)		
Security deposits	14	13
Interest accrued on loans and deposits	30	9
Discount receivables	48	46
Fair Value of derivative contracts	0	0
Insurance claim receivable	0	118
Others	0	2
Total	**92**	**188**

Note: Refer note 38 for detailed disclosure on the fair values.

*Group's share of loss to the extent of not adjusted with investment in Joint Venture.

8. DEFERRED TAX (NET)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred tax assets (Net)	110	3
Total	**110**	**3**
Deferred tax liabilities (Net)	409	401
Total	**409**	**401**
Net Total	**299**	**398**

Deferred tax liabilities/(assets) in relation to:

(₹ In Million)

Particulars	As at April 1, 2021	Recongnised in statement of profit and loss	Other Adjustments	As at March 31, 2022
Tangible and Intangible assets	452	(43)	-	409
Unabsorbed Depreciation	0	-	-	0
Provisions for doubtful trade receivables	(25)	6	-	(19)
Disallowances under Section 43B of Income Tax Act	(22)	13	-	(9)
Others	(5)	22	(0)	17
Total	**400**	**(2)**	**(0)**	**398**

(₹ In Million)

Particulars	As at April 1, 2022	On account of Business Combination (Note: 42A & 44)*	Recongnised in statement of profit and loss	Other Adjustments	As at March 31, 2023
Tangible and Intangible assets	409	13	(28)		394
Unabsorbed Depreciation	0	-	0		-
Provisions for doubtful trade receivables	(19)	(4)	(6)		(29)
Disallowances under Section 43B of Income Tax Act	(9)	(6)	(40)		(55)
Others	17	0	(28)	(0)	(11)
Total	**398**	**3**	**(102)**	**(0)**	**299**

*Includes ₹ 5 Million, created on account of merger of earstwhile subsidiaries viz Resinova Chemie Limited and Astral Bio Chem Private Limited.

9. OTHER ASSETS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital Advances	129	129
Prepaid Expenses	6	3
Total	**135**	**132**

9. OTHER ASSETS (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Prepaid Expenses	256	160
Balances with Government Authorities	196	108
Advances to Suppliers	495	272
Total	**947**	**540**

10. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Materials	4,032	2,893
Work-in-Progress	605	371
Finished Goods	3,419	3,690
Traded Goods	263	78
Packing Materials	160	107
Stores, Spares and Consumables	267	195
Total	**8,746**	**7,334**

11. TRADE RECEIVABLES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Unsecured, considered good	3,545	2,691
Unsecured, credit impaired	134	93
Less: Allowance for expected credit loss	(134)	(93)
Total	**3,545**	**2,691**

Note: Refer note 38 for information about credit risk and market risk of Trade receivables.

Break-up of trade receivables

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from other than related parties	3,545	2,691
Total	**3,545**	**2,691**

Notes:

1. The Group offers credit period up to 180 days.
2. Before accepting any new customer, the Group assesses the potential customer's creditability and defines credit limits for each customer. Such Limits are reviewed annually.
3. In determining the allowances for credit impaired trade receivables , the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

4. At March 31, 2023: ₹ 391 Million (At March 31, 2022: ₹ 453 Million) had been sold to a provider of invoice discounting and debt factoring services. The Group is committed to underwrite any of the debts transferred and therefore continues to recognise the debts sold within trade receivables until the debtors repay of default. Since the trade receivables continue to be recognised, the business model of the Group is not affected.

5. Movement in Expected Credit Loss Allowance

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	93	76
Changes during the year	41	17
Balance at the end of the year	**134**	**93**

6. Trade receivables Ageing Schedule

(₹ In Million)

Particulars	Curent but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade Receivables – considered good	2,944	549	23	29	-	-	3,545
Undisputed Trade Receivables – which have significant increase in credit risk	-	3	-	-	-	-	3
Undisputed Trade receivable – credit impaired	-	21	6	37	23	8	95
Disputed Trade receivables – credit impaired	-	-	-	1	11	24	36
Total	**2,944**	**573**	**29**	**67**	**34**	**32**	**3,679**
As at March 31, 2022							
Undisputed Trade Receivables – considered good	2,510	152	29	-	-	-	2,691
Undisputed Trade receivable – credit impaired	-	28	19	2	1	4	54
Disputed Trade receivables – credit impaired	-	-	-	11	13	15	39
Total	**2,510**	**180**	**48**	**13**	**14**	**19**	**2,784**

12. CASH AND CASH EQUIVALENTS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on Hand	8	5
Balances with Banks in current accounts	463	399
Balances with Banks in deposit accounts	772	4,005
Investments in mutual funds and bonds	3,800	1,740
Cheques on hand	252	264
Total	**5,295**	**6,413**

13. OTHER BALANCES WITH BANKS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
In deposit accounts	1,525	4
Unclaimed dividend and bonus accounts (Note 20)	1	1
Total	**1,526**	**5**

Note: Unclaimed dividend and bonus account balance can only be used for the purpose it has been maintained.

14. CURRENT TAX ASSETS (NET)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Taxes receivable (Net of Provisions)	182	276
Total	**182**	**276**

15. EQUITY SHARE CAPITAL

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised Share Capital		
500,000,000 (as at March 31, 2022: 210,500,000) Equity Shares of ₹ 1/- each	500	211
	500	**211**
Issued, Subscribed & Fully Paid Share Capital		
268,611,572 (as at March 31, 2022: 200,920,181) Equity Shares of ₹ 1/- each fully paid up	269	201
Total	**269**	**201**

a) Rights, preferences and restrictions attached to shares:

The Parent Company has issued only one class of equity shares having value of ₹ 1/- per Share. Each holder of equity shares is entitled to one vote per share and are entitled to dividend as and when declared. All shares rank equally with regard to the Parent Company's residual assets after distribution of all preferential amounts.

b) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	No. of Shares	₹ In Million
Balance as at April 1, 2021	**20,09,07,768**	**201**
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note f)	12,413	0
Balance as at March 31, 2022	**20,09,20,181**	**201**
Add: Shares Issued – pursuant to Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited (Note 44)	5,32,500	1
Add: Bonus Shares issued (Note 16(c))	6,71,52,893	67
Add: Shares issued - under Employee Stock option scheme 'ESOP 2015' (Note f)	5,998	0
Balance as at March 31, 2023	**26,86,11,572**	**269**

Note: 147,512,276 shares were allotted as bonus shares in the last five financial years by capitalisation of Securities Premium.

c) Number of Shares reserved for issue under options:

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding at the end of the year	1,19,034	1,06,959

d) Details of share held by each shareholder holding more than 5% shares:

(₹ In Million)

Name of Shareholders	As at March 31, 2023	As at March 31, 2022
Sandeep Pravinbhai Engineer		
No. of Shares	8,48,17,218	6,30,70,765
% of Shares Held	31.58	31.39
Saumya Polymers LLP		
No. of Shares	2,63,95,932	1,97,96,949
% of Shares Held	9.83	9.85
Jagruti Sandeep Engineer		
No. of Shares	2,03,18,688	1,52,39,016
% of Shares Held	7.56	7.58
Kairav Chemicals Limited		
No. of Shares	1,84,80,065	1,38,60,049
% of Shares Held	6.88	6.90

e) Shares held by Promoters and promoter group companies in Holding Company:

Particulars	No of Shares	% of Total Shares	% Change during the year
As at March 31, 2023			
Sandeep Pravinbhai Engineer	8,48,17,218	31.58	0.19
Jagruti Sandeep Engineer	2,03,18,688	7.56	(0.02)
Saumya Polymers LLP	2,63,95,932	9.83	(0.02)
Kairav Chemicals Limited	1,84,80,065	6.88	(0.02)
As at March 31, 2022			
Sandeep Pravinbhai Engineer	6,30,70,765	31.39	(0.00)
Jagruti Sandeep Engineer	1,52,39,016	7.58	(0.01)
Saumya Polymers LLP	1,97,96,949	9.85	(0.00)
Kairav Chemicals Limited	1,38,60,049	6.90	(0.00)

f) Share options granted under the Employee Stock Options scheme:

1. Details of the Employee stock option plan of the Holding Company

Astral Limited (the Holding Company) formulated Employees Stock Option Scheme viz. Astral Employee Stock Option Scheme 2015 ("the Scheme") for the benefit of employees of the Holding. Shareholders of the Holding approved the Scheme by passing special resolution through postal ballot dated October 21, 2015 and was further amended vide shareholders resolution passed in the Annual General Meeting held on August 21, 2020. Under the said Scheme, Nomination and Remuneration Committee is empowered to grant stock options to eligible employees of the Holding, up to 150,000 (Ex-bonus) Minimum vesting period of stock option is one year and exercise period of stock option is one year from the date of vesting.

The Committee granted 16,282 stock options on November 14, 2015, 21,600 stock options on March 30, 2017, 22,400 stock options on November 13, 2017, 7,450 stock options (Ex-bonus) on June 29, 2019, 9,310 stock options on October 24, 2019, 12,413 stock options on August 4, 2020 ,12,413 stock options on July 1, 2021 and 15,996 stock options on October 8, 2022 totaling 119,724 stock options till date. Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

The Holding Company made bonus issue of shares in the proportion of 1:3 i.e. 1 (One) bonus equity shares of ₹ 1/- each for every 3(Three) fully paid-up equity shares held during the financial year. A fair and reasonable adjustment was made in respect of options unvested/yet to be exercised, options available for grant and their exercise price to give effect to the bonus in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2015. Post Bonus issue adjustment the Exercise price of all stock options available for grant and options unvested/yet to be exercised arrives at ₹ 22.5 share (Ex-bonus exercise price of all stock options was ₹ 30/- share). Each stock option is exercisable into one equity share of face value of ₹ 1/- each.

Further the Holding has obtained in principle approval from stock exchanges for additional 37,652 equity shares under Astral Employee Stock Option Scheme, 2015 pursuant to Bonus Issue of shares by the Holding as approved by shareholders vide ordinary resolution dated March 3, 2023.

The following stock based payment arrangement were in existence during the current and previous year.

Option Series	October 8, 2022	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Grant date	08-Oct-22	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Number of shares	15,996*	12,413	12,413*	9,310	9,310*
Expiry date	07-Oct-24	30-06-2023	03-08-2022	22-10-2021	27-06-2021
Exercise price	₹22.5*	₹30	₹30*	₹40.00	₹40*
Fair value at grant date	2,205	1,939	903	1,090	1,013

* Adjusted pursuant to bonus issue.

2. Movement in stock options during the year

The following is the reconciliation of stock option outstanding at the beginning and at the end of the year

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Option Outstanding, beginning of the year	11,997	12,413
Options Granted during the year (including bonus adjustment)	15,996	12,413
Options Exercised during the year	5,998	12,413
Option Lapsed/surrendered/forfeited	416	416
Bonus impact on Option series outstanding at the beginning of the Year	1,999	-
Option Outstanding, end of the year	23,578	11,997
Of which:		
Not Vested	23,578	11,997
Add: Adjustment on Account of Bonus Issue in ratio of 1:3 during the year	35,653	-
Options available for grant	**1,19,034**	**1,06,959**

Options available for grants during the year 2022-23, has been adjusted with bonus shares issued during the year.

3. Fair value of share options granted

Fair value of the share options granted during the year is ₹ 2,205/- (previous financial years ₹ 1,939/-, ₹ 903/-, ₹ 1,090/- and ₹ 1,013/- respectively for options granted on July 1, 2021 , August 4, 2020, October 24, 2019 and June 29, 2019). The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model;

(₹ In Million)

Option Series	October 8, 2022	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Option grant date	08-10-2022	01-07-2021	04-08-2020	24-10-2019	29-06-2019
Fair value at Grant date	₹ 2,205	₹ 1,939	₹ 903	₹ 1,090	₹ 1,013

3. Fair value of share options granted (Contd.)

(₹ In Million)

Option Series	October 8, 2022	July 1, 2021	August 4, 2020	October 24, 2019	June 29, 2019
Exercise Price	₹ 30	₹ 30	₹ 30	₹ 40	₹ 40
Expected Volatility	61%	191%	79%	58%	66%
Expected life of Option	2 years	2 years	2 years	2 years	2 years
Dividend Yield	0.77%	0.81%	0.65%	0.65%	0.60%
Risk Free Interest Rate	7.31%	6.04%	6.02%	6.60%	6.88%

4. Stock options exercised
The following stock options were exercised during the current and previous year:

(₹ In Million)

Option series	Number exercised	Avg Share price at exercise date	Exercise date
Granted on July 1, 2021	5,998	1,654	23-Jul-22
Granted on August 4, 2020	12,413	1,976	28-Aug-21

5. Stock options outstanding at the end of the year
The stock option outstanding at the end of the current year had a weighted average exercise price of as ₹ 22.5 (Previous year: ₹ 30/-), and weighted average remaining contractual life of 401 days (Previous year: 456 days).

16. OTHER EQUITY

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Reserve		
Balance at the beginning of the year	4	4
Pursuant to Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited (Note 44)	91	
Balance at the end of the year	**95**	**4**
Securities Premium		
Balance at the beginning of the year	**4,031**	**4,023**
Add: Premium on shares issued under Employee Stock option scheme 'ESOP 2015' (Note 15 (f))	**12**	**8**
Less: Utilised during the year for issue of Bonus Shares (Note c)	67	-
Balance at the end of the year	**3,976**	**4,031**
General Reserve		
Balance at the beginning of the year	260	260
Balance at the end of the year	**260**	**260**
Revaluation Reserve		
Balance at the beginning of the year	12	12
Balance at the end of the year	**12**	**12**
Foreign Currency Translation Reserve		

16. OTHER EQUITY (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	13	9
Add: Other comprehensive income arising from Currency Translation (Loss)/Gain	27	4
Add: Consequent to business combination (Note 42B)	(17)	-
Balance at the end of the year	**23**	**13**
Stock Options Outstanding Account		
Balance at the beginning of the year	23	8
Add: On account of options granted during the year	26	24
	49	**32**
Less: Option Lapsed/surrendered/forfeited	-	1
Less: Exercise of employee stock options	11	8
	38	**23**
Less: Deferred employee Compensation expenses	18	10
Balance at the end of the year	**20**	**13**
Retained earnings		
Balance at the beginning of the year	18,832	14,444
Add: Profit for the year	4,566	4,838
Add: Pursuant to Scheme of Amalgamation of Resinova Chemie Limited and Astral Biochem Private Limited with Astral Limited (Note 44)	(5)	-
Add: Consequent to business combination (Note 42B)	(322)	-
Add: Other comprehensive income	(11)	2
Less: Payment of dividend on equity shares (Note a & b)	603	452
Balance at the end of the year	**22,457**	**18,832**
Total	**26,843**	**23,165**

Notes:

a) In August 2022 and November 2022, the dividend of ₹ 1.75 per share (total dividend ₹ 352 Million) and ₹ 1.25 per share (total dividend ₹ 251 Million) respectively, was paid to holders of fully paid equity shares.

b) In August 2021 and November 2021, the dividend of ₹ 1/- per share (total dividend ₹ 201 Million) and ₹ 1.25 per share (total dividend of ₹ 251 Million) respectively, was paid to holders of fully paid equity shares.

c) During the year, the Holding Company allotted 67,152,893 equity shares of ₹ 1/- each as fully paid up bonus shares by utilising securities premium amounting to ₹ 67 Million, pursuant to an ordinary resolution passed after taking the consent of shareholders through Extra Ordinary General Meeting.

d) Nature and Purpose of reserve

Capital reserve

The Holding Company has created capital reserve out of capital subsidies received from state Governments of ₹ 4 Million, further Capital Reserve of ₹ 91 Million created on business combination of Resinova Chemie Limited and Astral Biochem Private Limited.

Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. It is available for utilization in accordance with the provisions of the Companies Act, 2013. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income. It can be used for distribution to equity shareholders only in compliance with the Companies Act, 2014, as amended.

Revaluation Reserve
The Holding Company has created revaluation reserve out of revaluation of land carried out during the year 2004-05.

Foreign Currency Translation Reserve
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Stock Options Outstanding Account
Stock Option Outstanding Account is used to recognise grand date fair value options vested to employees under various equity settled schemes. The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Stock Options Outstanding Account.

Retained earnings
Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

17. BORROWINGS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Secured - at amortised cost		
Term Loans From Banks	361	112
Less: Current maturity of long term loans	66	16
	295	**96**
Buyers Credit	-	243
Less: Current maturity of long term buyers credit	-	28
	-	215
Unsecured - at amortised cost		
Buyers Credit	21	43
Less: Current maturity of long term buyers credit	-	26
	21	17
Total	**316**	**328**
Current		
Secured - at amortised cost		
Current maturity of long term borrowings	66	70
Working capital demand loans from banks	391	453
Total	**457**	**523**

Notes:

a) Refer note 38 for information about liquidity risk.

b) **Holding Company:**
Buyers Credit: Rate of interest for Buyer's Credit ranges from 4.00% to 6.00% p.a.

1 HSBC Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2022: ₹ 243 Million) repaid.

2 Kotak Mahindra Bank Limited Buyers Credit of ₹ Nil (as at March 31, 2022: ₹ 43 Million) repaid.

3 Axis Bank Limited Buyers Credit of ₹ 21 Million (as at March 31, 2022: ₹ Nil) repayable by November 2024.

c) **Indian Subsidiary:**
Term Loans are Secured by way of first charge, in respect of entire current assets of the Company both present and future and fixed assets of the Company, both present and future (Note 3,9,10) also secured by Personal Guarantee of Mr. Anand Gandotra and Mrs. Pratibha Gandotra. Rate of interest for Term Loan ranges from 7 to 8.85%.

1 HDFC Bank Limited Term Loans of ₹ 231 Million repayable within 85 months (i.e. by December 2027).

d) **Foreign Subsidiary:**
Rate of interest for Term Loans and mortgage loans ranges from 2.75% p.a. to 6.25% p.a. Rate of interest on working capital loans ranging from 2.51% to 6.01% p.a.

1. The subsidairy Company has availed term loan and mortgage loan from banks amounting to ₹ 130 Million (as at March 31, 2022: ₹ 112 Million) is secured by fixed charge on book debt and a floating charge on the assets of the Company.
2. The subsidairy Company has availed working capital demand loan from banks amounting to ₹ 391 Million (as at March 31, 2022: ₹ 453 Million) is secured by fixed charge on book debt and a floating charge on the assets of the Company.

18. PROVISIONS

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Provisions for Employee Benefits (Note 35)	31	17
Total	**31**	**17**
Current		
Provisions for Employee Benefits (Note 35)	26	18
Total	**26**	**18**

19. TRADE PAYABLES

(₹ In Million)

	Particulars	As at March 31, 2023	As at March 31, 2022
	Current		
a	total outstanding dues of micro enterprises and small enterprises	416	199
Total		**416**	**199**
b	total outstanding dues of creditors other than micro enterprises and small enterprises		
	Operational Buyers Credit	2,789	2,479
	Due to others	4,795	4,806
Total		**7,584**	**7,285**

Notes:

a) Refer note 38 for information about credit risk, market risk and liquidity risk of Trade payables.

b) Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the Auditor.

c. Trade Payables Ageing Schedule

(₹ In Million)

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Total outstanding dues of micro enterprises and small enterprises	-	411	5	-	-	-	416
Total outstanding dues of creditors other than micro enterprises and small enterprises	135	6,640	807	2	-	-	7,584

c. Trade Payables Ageing Schedule (Contd.)

(₹ In Million)

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 years	1-2 years	2-3 years	More than 3 years	
Total	**135**	**7,051**	**812**	**2**	**-**	**-**	**8,000**
As at March 31, 2022							
Total outstanding dues of micro enterprises and small enterprises	-	199	-	-	-	-	199
Total outstanding dues of creditors other than micro enterprises and small enterprises	144	6,211	928	2	-	-	7,285
Total	**144**	**6,410**	**928**	**2**	**-**	**-**	**7,484**

20. OTHER FINANCIAL LIABILITIES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Interest accrued but not due on borrowings and buyers credits	29	3
Payable for capital goods	303	388
Unclaimed dividends and bonus* (Note 13)	1	1
Consideration payable in relation to business combination (Note 42A)	1,940	-
Others	422	208
Total	**2,695**	**600**

*All the amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company have been transferred within the time frame prescribed for the same.

21. OTHER CURRENT LIABILITIES

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Statutory dues	507	466
Advance received from customers	140	90
Total	**647**	**556**

22. CURRENT TAX LIABILITIES (NET)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Income tax payable (net of advance taxes)	80	169
Total	**80**	**169**

23. REVENUE FROM OPERATIONS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers	51,451	43,839
Other operating revenues	134	101
Total	**51,585**	**43,940**

Note: The revenue generated by Group consists of plastic products, mainly, Pipe & Fittings, Tank, Faucets & sanitaryware, Paints and Adhesives products, which is disclosed in note 37 as segment revenue. Hence, no disaggregation of revenue is provided. Other information relating to contract balances, i.e. Trade Receivables and Advance from customers., is stated in note 11 and 21 respectively.

24. OTHER INCOME

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income:		
From Banks	30	18
From Others	26	28
Profit on Sale of mutual funds (Net)	94	83
Foreign exchange gains (Net)	58	105
Miscellaneous Income	59	115
Total	**267**	**349**

25. COST OF MATERIALS CONSUMED

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of Raw material:		
Inventories at the beginning of the year	2,893	1,686
Add: Acquired from business combination (Note 42A)	213	-
Add: Purchases	33,477	30,858
Less: Inventories at the end of the year	4,032	2,893
	32,551	**29,651**
Consumption of Packing material:		
Inventories at the beginning of the year	107	81
Add: Acquired from business combination (Note 42A)	26	-
Add: Purchases	1,098	675
Less: Inventories at the end of the year	160	107
	1,071	**649**
Total	**33,622**	**30,300**

26. PURCHASE OF TRADED GOODS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of traded goods	604	314
Total	**604**	**314**

27. CHANGES IN INVENTORIES OF FINISHED GOODS, TRADED GOODS AND WORK-IN-PROGRESS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
Finished Goods	3,419	3,690
Work-in-progress	605	371
Traded Goods	263	78
Total [A]	**4,287**	**4,139**
Inventories at the beginning of the year		
Finished Goods	3,690	2,671
Work-in-progress	371	86
Traded Goods	78	48
Total [B]	**4,139**	**2,805**
Inventories acquired from business combination (Note 42A)		
Finished Goods	269	-
Total [C]	**269**	**-**
Net (Increase)/Decrease [B]+[C]-[A]	**121**	**(1,334)**

28. EMPLOYEE BENEFITS EXPENSE

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	2,928	2,232
Share based payments to employees (Note 15 (f))	18	16
Contribution to Provident and Other Funds (Note 35)	115	98
Staff Welfare Expenses	132	107
Total	**3,193**	**2,453**

29. FINANCE COSTS

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on		
Term loan and working capital loan	128	33
Others	13	5
Other borrowing costs	30	23
Exchange differences regarded as an adjustment to borrowing costs	229	68
Total	**400**	**129**

30. DEPRECIATION AND AMORTISATION EXPENSE

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, Plant and Equipment (Note 3 (A))	1,373	1,137
Amortisation on intangible assets (Note 3 (B))	342	72
Amortisation on Right of Use Assets (Note 3 (C))	66	60
Total	**1,781**	**1,269**

31. OTHER EXPENSES

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of Stores, Spares and Packing Materials	871	680
Power and Fuel	1,019	777
Rent (Note 36 & 39)	105	82
Repairs Expenses	193	135
Insurance expenses	124	89
Rates and Taxes	26	22
Royalty expense	22	23
Communication expenses	46	37
Travelling expenses	440	265
Factory and Other expenses	88	62
Printing and Stationary expenses	13	8
Freight and Forwarding	866	788
Commission	26	27
Advertisement and Sales Promotion expenses	1,530	1,251
Directors Sitting Fees (Note 36)	3	3
Donations and Contributions	20	10
Expenditure on Corporate Social Responsibility (Note 36)	97	66
Security Service Charges	96	69
Legal and Professional	145	118
Payments to Auditors	13	10
Bad Debts Written Off	4	1
Expected credit loss for trade receivables	25	18
Net Loss on Foreign Currency transactions and translations	1	-
Loss on Sale of Property, plant and equipment (Net)	12	1
Other Expenses	161	112
Total	**5,946**	**4,654**

Note: Donations and contributions include political contribution made by Holding Company ₹ 20 Million (Previous year: ₹ 10 Million).

32. TAX EXPENSES

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
In respect of the current year	1,670	1,576
In respect of earlier years	(11)	7
	1,659	**1,583**
Deferred tax		
In respect of the current year	(102)	(2)
	(102)	**(2)**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below:

(₹ In Million)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	**6,152**	**6,485**
Income tax expense @ 25.168% (FY 2021-22: 25.168%)	1,548	1,632
Differences due to:		
Differences arising from different tax rates in the subsidiaries	(11)	(81)
Effect of allowances/disallowances	29	16
Others	2	7
Total	**1,568**	**1,574**
Adjustments in respect of current income tax of previous year	(11)	7
Tax expense as per Consolidated statement of Profit and loss	**1,557**	**1,581**

The Group's weighted average tax rates for the year ended March 31, 2023 and March 31, 2022 were 25.49% and 24.27% respectively.

33. EARNINGS PER SHARE:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022**
Profit for the year attributable to owners of the Holding Company **(₹ In Million)**	4,566	4,838
Weighted average number of equity shares for Basic EPS(*)	268,609,715	268,596,818
Add: Effects of dilutive shares options outstanding	14,233	9,500
Weighted average number of equity shares for Diluted EPS	268,623,948	268,606,319
Nominal Value per share **(₹)**	1/-	1/-
Basic Earnings Per Share **(In ₹)**	17.00	18.01
Diluted Earnings Per Share **(In ₹)**	17.00	18.01

*Includes 532,500 equity shares issued to non-controlling interest (Note 44).

**Earnings per share for previous year has been adjusted for Bonus shares issued in current year as per Ind AS 33, Earnings per share (Note 15 & 16).

Note: Please refer note 43(d) for Earnings per share of discontinued operations.

34. CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:

(₹ In Million)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities			
1	Disputed Income Tax/Goods and Service Tax (GST)/Central Excise/Sales Tax and PF demands *	94	55
Commitments			
1	Capital Contracts remaining to be executed (Net of Advances)	1,142	1,146
2	Letters of Credits for purchases	596	933

*Future cash outflows in respect of the above matters are determined only on receipt of judgments/decisions pending at various forums/authorities.

35. EMPLOYEE BENEFITS:

Post-employment Benefit

Defined Contribution Plan:

The Holding Company and one of its Indian subsidiaries make provident fund contributions to defined contribution benefit plans for eligible employees. Under the scheme the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

Amount towards Defined Contribution Plan have been recognised under "Contribution to Provident and Other funds" in Note no. 28 "Employee Benefits Expense" of ₹ 80 Million (Previous Year: ₹ 64 Million).

Defined Benefit Plan:

The Holding Company and one of its Indian subsidiaries have defined benefit plans for gratuity to eligible employees, contributions for which are made to insurance service providers, which invests the funds as per Insurance Regulatory and Development Authority (IRDA) guidelines. The details of these defined benefit plan recognised in the consolidated financial statements are as under:

General Description of the Plan:

The Holding Company and one of its Indian subsidiaries operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose to the Holding Company and one of its Indian Subsidiaries to various risk such as:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

a) Movement in present value of defined benefit obligation are as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Obligations at the beginning of the year	123	110

a) Movement in present value of defined benefit obligation are as follows: (Contd.)

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Acquired on business combination (Note 42A)	33	-
Current service cost	21	18
Interest cost	12	7
Actuarial (gain)/loss – due to change in financial assumptions	(3)	(6)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	2	0
Actuarial (gain)/loss- due to experience adjustments	10	3
Benefits paid	(11)	(9)
Present value of benefit obligation at the end of the year	**187**	**123**

b) Movement in the fair value of plan assets are as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Plan assets at the beginning of the year, at fair value	110	58
Interest Income	8	5
Return on plan assets excluding interest income	(2)	0
Contributions from the employer	56	55
Benefits paid	(11)	(8)
Fair value of plan assets at the end of the year	**162**	**110**

c) The amount included in the balance sheet arising from the entities obligation in respect of defined benefit plan is as follows:

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Present value of benefit obligation at the end of the year	(187)	(123)
Fair value of plan assets at the end of the year	162	110
Net liability arising from defined benefit obligation	**(25)**	**(13)**

d) Amount recognised in the Statement of Profit and Loss in respect of the defined benefits plans are as follows:

(₹ In Million)

Particulars	Gratuity	
	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	21	18
Net Interest expense	4	2
Components of defined benefit costs recognised in the Statement of Profit and Loss	**25**	**20**
Remeasurement on the net defined benefit liability:		
Actuarial (gains)/losses on obligation for the period	9	(2)
Return on plan assets, excluding interest income	2	0
Components of defined benefit costs recognised in Other Comprehensive Income	**11**	**(2)**
Total	**36**	**18**

e) Investment details of plan assets:

To fund the obligations under the gratuity plan, Contributions are made to insurance service providers, who invests the funds as per IRDA guidelines.

f) The defined benefit obligations shall mature after year ended March 31, 2023 as follows:

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
1st Following Year	21	9
2nd Following Year	10	5
3rd Following Year	14	6
4th Following Year	14	6
5th Following Year	11	10
Sum of Years 6 To 10	74	47
Thereafter	293	235

g) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ In Million)

Particulars	Gratuity	
	As at March 31, 2023	As at March 31, 2022
Delta effect of +1% change in the rate of Discounting	(15)	(12)
Delta effect of -1% change in the rate of Discounting	18	14
Delta effect of +1% change in the rate of salary Increase	17	14
Delta effect of -1% change in the rate of salary increase	(15)	(12)
Delta effect of +1% change in the rate of employee turnover	0	0
Delta effect of -1% change in the rate of employee turnover	(0)	(0)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Group expects to make a contribution of ₹ 40 Million (as at March 31, 2022: ₹ 38 Million) to the defined benefit plans during the next financial year.

h) The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	Gratuity	
	Year ended March 31, 2023	Year ended March 31, 2022
Discount Rate	7.41% to 7.52%	6.80% to 6.87%
Expected return on plan assets	7.41% to 7.52%	6.80% to 6.87%
Annual Increase in Salary Costs	7.00%	6.00% to 7.00%

h) The principal assumptions used for the purpose of actuarial valuation were as follows: (Contd.)

Particulars	Gratuity	
	Year ended March 31, 2023	**Year ended March 31, 2022**
Rate of Employee turnover	For service 4 years and below 7.00% & For service 5 years and above 4.00%. 8% p.a for one of the Indian Subsidiary.	For service 4 years and below 7.00% to 10.00% p.a. & For service 5 years and above 2.00% to 4.00% p.a.
Mortality Tables	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Future Salary increases are based on long term average salary rise expected taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market. Future Separation and mortality rates are obtained from relevant data of Life Insurance Corporation of India.

Defined Benefit Pension Scheme of Foreign Subsidiary:
The Group pays fixed contribution into a separate entity. The Group has no further obligations once the contribution has been paid. An amount of ₹ 11 Million (Previous Year: ₹ 13 Million) is charged to Consolidated Statement of Profit and loss under Contribution to provident and other funds in Note no. 28 "Employee Benefits Expense ".

36. RELATED PARTY DISCLOSURES:

1. Name of the related parties and their relationships

Sr. No.	Description of Relationship	Name of Related Parties
a.	Joint Venture	Astral Pipes Limited
b.	Enterprises over which Key Managerial Personal are able to exercise significant influence	Kairav Chemicals Limited
		Saumya Polymers LLP
		Astral Charitable Trust
		Kairamya Journeys LLP
		Ameya Lifestyle
		Astral Foundation (Section 8 Company)
c.	Key Managerial Personnel	Sandeep Engineer (Managing Director)
		Jagruti Engineer (Whole Time Director)
		Girish Joshi (Whole Time Director)
		Kaushal Nakrani (Independent Director)
		Viral Jhaveri (Independent Director)
		C.K.Gopal (Independent Director)
		Hiranand Savlani (Chief Financial Officer)
		Krunal Bhatt (Company Secretary up to September 30, 2022)
		Manan Bhavsar (Company Secretary w.e.f October 1, 2022)
		Chetas Desai (Independent Director w.e.f February 7, 2023)
		Dhinal Shah (Independent Director w.e.f February 7, 2023)
d.	Relatives of Key Managerial Personnel (KMP)	Sandeep Engineer HUF
		Kairav Engineer
		Saumya Engineer
		Shilpa Shroff
		Shikha Engineer

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(Contd.)

2. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on march 31, 2023

(₹ In Million)

Particulars	Joint Venture		Enterprises over which KMP are able to exercise significant influence		Key Management Personnel (KMP)		Relatives of Key Management Personnel		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Part 1: Transaction during the year										
Advance for Purchase of non-current investment										
Astral Pipes Limited	124	-	-	-	-	-	-	-	**124**	-
Amount claimed for reimbursement of expenses										
Others	-	0	0	-	-	-	-	-	**0**	0
Purchase of Goods/Services										
Kairamya Jourenys LLP	-	-	82	26	-	-	-	-	**82**	26
Astral Pipes Limited	0	-	-	-	-	-	-	-	**0**	-
Others	-	-	1	0	-	-	-	-	**1**	0
Purchase of Assets										
Kairav Chemicals Limited	-	-	-	160	-	-	-	-	**-**	160
Astral Pipes Limited	-	5	-		-	-	-	-	**-**	5
Expenditure on Corporate Social Responsibility										
Astral Foundation	-	-	89	62	-	-	-	-	**89**	62
Others	-	-	2	1	-	-	-	-	**2**	1
Remuneration (Note a)										
Sandeep Engineer	-	-	-	-	118	104	-	-	**118**	104
Hiranand Savlani	-	-	-	-	45	38	-	-	**45**	38
Kairav Engineer	-	-	-	-	-	-	10	8	**10**	8
Saumya Engineer	-	-	-	-	-	-	10	8	**10**	8
Shilpa Shroff	-	-	-	-	-	-	2	2	**2**	2
Others	-	-	-	-	17	14	-	-	**17**	14
Sitting Fees Paid										
Kaushal Nakrani	-	-	-	-	-	-	1	1	**1**	1
Viral Jhaveri	-	-	-	-	-	-	1	1	**1**	1
C. K Gopal	-	-	-	-	-	-	1	1	**1**	1
Others	-	-	-	-	-	-	0	0	**0**	0
Rent Paid										
Jagruti Engineer	-	-	-	-	0	-	-	-	**0**	-
Sandeep Engineer HUF	-	-	-	-	-	-	1	1	**1**	1
Shikha Engineer	-	-	-	-	-	-	1	-	**1**	-
Kairav Chemicals Limited	-	-	-	19	-	-	-	-	**-**	19

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(Contd.)

2. Disclosure of transactions between the Company and related parties and the status of outstanding balances as on march 31, 2023 (Contd.)

(₹ In Million)

Particulars	Joint Venture		Enterprises over which KMP are able to exercise significant influence		Key Management Personnel (KMP)		Relatives of Key Management Personnel		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Part 2: Balance at the end of year										
Advance for Purchase of non-current investment										
Astral Pipes Limited	124	-	-	-	-	-	-	-	**124**	-
Advances given for purchase of Goods/ Services										
Kairamya Jourenys LLP	-	-	6	2	-	-	-	-	**6**	2
Payables										
Sandeep Engineer	-	-	-	-	37	34	-	-	**37**	34
Saumya Engineer	-	-	-	-	-	-	1	1	**1**	1
Kairav Engineer	-	-	-	-	-	-	0	0	**0**	0
Others	-	-	-	-	2	1	0	0	**2**	1

Notes

a) Compensation of key management personnel:

The remuneration of key management personnel during the year was as follows:

(₹ In Million)

	Year ended March 31, 2023	Year ended March 31, 2022
Short term Benefits	180	156
Sitting fees	3	3

The remuneration of key management personnel is determined by the remuneration committee. The same is including employer contribution to provident fund and exclusive of employees stock options and provision for liability in respect of leave earned and gratuity since it is based on actuarial valuation done on an overall basis for all employees.

b) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

c) The amounts outstanding are unsecured and will be settled in cash. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of amounts owned by related parties.

d) Transactions/balances during and end of the year/previous year are stated without considering impact of fair valuation carried out as per Ind AS.

37. SEGMENT REPORTING:

Information reported to the chief operating decision maker (CODM) for the purpose of resources allocation and assessment of segment performance focuses on the types of goods delivered. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group has determined its business segment as "Plumbing" and "Paints and Adhesives".

Segment revenue and results

The following is an analysis of the Group's revenue and results from operations by reportable segment.

(₹ In Million)

Segment	Segment revenue		Segment profit	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Plumbing	37,675	33,658	5,144	5,200
Paints and Adhesives	13,910	10,282	1,349	1,254
Total	**51,585**	**43,940**	**6,493**	**6,454**
Add: Un-allocated Income/(Expenses) (net)			92	179
Finance costs			(400)	(129)
Share of loss of joint venture			(15)	(19)
Profit Before tax			**6,170**	**6,485**

Note:

1. Segment revenue reported above represents, revenue generated from external customers. There were no inter segment sales in current year as well as in previous year.

Segment Assets and Liabilities

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Segment Assets		
Plumbing	21,441	23,644
Paints and Adhesives	13,393	9,949
Total Segment Assets	**34,834**	**33,593**
Unallocated	6,944	279
Assets classified as held for sale and discontinued operations (Note 43)	1,953	-
Total Assets	**43,731**	**33,872**

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Segment Liabilities		
Plumbing	6,842	6,830
Paints and Adhesives	2,334	1,977
Total Segment Liabilities	**9,176**	**8,807**
Unallocated	3,583	1,421
Liabilities directly associated with assets classified as held for sale (Note 43)	1,383	-
Total Liabilities	**14,142**	**10,228**

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than current and deferred tax assets, unclaimed dividend, and advance given for purchase of non-current investment. With reference to Note 44, Cash and cash equivalent and other bank balances of the Holding Company are disclosed as 'Unallocated' Assets as at March 31, 2023.

- All liabilities are allocated to reportable segments other than borrowings, unpaid dividend, and current and deferred tax liabilities.

Geographical Information

The Group operates in two principal geographical areas – India and outside India.
The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

(₹ In Million)

Particulars	Revenue from external customers		Non-current Assets *	
	Year Ended March 31, 2023	Year Ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
Within India	47,718	39,993	19,812	15,243
Outside India	3,867	3,947	1,089	1,081
Total	**51,585**	**43,940**	**20,901**	**16,324**

*Non-current assets exclude those relating to financial assets, tax assets and deferred tax assets.

38 FINANCIAL INSTRUMENTS:

1. Capital management

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 17 off set by cash and bank balances) and total equity of the Group.

The Parent Company's risk management committee reviews the risk capital structure of the group. As part of this review the group considers the cost of capital and the risk associated with each class of capital.

Gearing ratio

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Debt (note i)	773	851
Less: Cash and cash equivalents	5,295	6,413
Net debt	-	-
Equity share capital	269	201
Other Equity	26,843	23,165
Non controlling interests	2,477	278
Total	**29,589**	**23,644**
Less: Revaluation Reserve	**12**	**12**
Total equity excluding revaluation reserve	**29,577**	**23,632**
Net debt to equity ratio	**-**	**-**

i) Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in notes 17.

2. Category-wise classification of financial instruments

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets		
Measured at amortised cost		
a) Cash and cash equivalents and other bank balances (Note 12 and 13)	6,821	6,418
b) Financial assets (Note 6,7 and 11)	4,071	2,977

2. Category-wise classification of financial instruments (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Measured at fair value through Profit and loss		
a) Fair Value of derivative contracts (Note 7)	0	0
b) Investment in Others (Note 5)	0	0
Total	**10,892**	**9,395**
Financial liabilities		
Measured at amortised cost		
a) Borrowings (Note 17)	773	851
b) Lease payments (Note 39)	98	132
c) Financial liabilities (Note 19 and 20)	10,695	8,084
Total	**11,566**	**9,067**

The above excludes investments in joint venture.

In respect of financial instruments, measured at amortised cost, the fair value approximates the amortised cost.

(₹ In Million)

Particulars	Fair value	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		(Note 2(b))		
As at March 31, 2023				
Financial assets measured at fair value through Profit and loss				
a) Fair Value of derivative contracts (Note 7)	0	-	0	-
b) Investment in Others (Note 5)	0	-	-	0
As at March 31, 2022				
Financial assets measured at fair value through Profit and loss				
a) Fair Value of derivative contracts (Note 7)	0	-	0	-
b) Investment in Others (Note 5)	0	-	-	0

There have been no transfers amount in Level 1, Level 2 and Level 3 during the years ended March 31, 2023 and March 31, 2022.

3. Financial risk management objectives

The Group's financial liabilities comprise mainly of borrowings, trade payables and other financial liabilities. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other financial assets.

The Group's business activities are exposed to a variety of financial risks, namely market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework who are responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Parent Company.

A) Management of market risk

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;

- interest rate risk

i) Currency risk

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates. The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

The carrying amounts of the Group's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities (Foreign currency)		
In US Dollars (USD)	42	43
In Euro (EUR)	2	3
Assets (Foreign currency)		
In US Dollars (USD)	3	1
In Pound (GBP)	3	3

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities (₹)		
In US Dollars (USD)	3470	3,273
In Euro (EUR)	166	235
Assets (₹)		
In US Dollars (USD)	207	72
In Pound (GBP)	287	282

Derivative instruments:

The Group uses foreign currency forward contracts and currency options to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of foreign currency forward contracts is governed by the Parent Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Group does not use forward contracts and Currency Options for speculative purposes.

Outstanding Forward Contracts entered into by the Group:

Particulars	As at March 31, 2023	As at March 31, 2022
Payable		
Outstanding Forward Exchange Contracts		
In USD		
No. of Contracts	1	-
In US Dollars - (In Million)	0	-
In ₹ - (In Million)	21	-
In EURO		
No. of Contracts	1	1
In EURO - (In Million)	0	0
In ₹ - (In Million)	31	24

A) Management of market risk (Contd.)

Interest rate swaps to hedge against fluctuations in interest rate changes: As at March 31, 2023: No. of contracts - Nil (as at March 31, 2022: No. of contracts - Nil).

The line items in the balance sheet that includes the above hedging instruments are "other financial assets" and "other financial liabilities".

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency: USD, EUR, GBP and AED.

The following table details, Group's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the exposure outstanding not hedged on receivables and payables in the Group at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit and equity where the rupee strengthens 5% against the relevant currency. For a 5% weakening of the rupee against the relevant currency, there would be a comparable impact on the profit and equity, and the balances below would be negative.

Impact on profit or loss and total equity

(₹ In Million)

Particulars	As at March 31, 2023	As at March 31, 2022
Increase in exchange rate by 5%	(157)	(156)
Decrease in exchange rate by 5%	157	156

The Group, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and five years. The above sensitivity dose not include the impact of foreign currency forward contracts and option contracts which largely mitigate the risk.

ii) Interest risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligation with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax (₹ in Million)
As at March 31, 2023	100 bps	9
As at March 31, 2022	100 bps	10

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

B) Management of credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group. The Group uses its own trading records to evaluate the credit worthiness of its customers. The Group's exposure are continuously monitored and the aggregate value of transactions concluded, are spread amongst approved counter parties (Refer note 11 - Trade receivable).

C) Management of liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

C) Management of liquidity risk (Contd.)

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ In Million)

Particulars	Carrying amount	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2023					
Financial liabilities					
Borrowings (Note 17)	773	457	299	17	773
Lease payments (Note 39)	98	49	49	-	98
Financial liabilities (Note 19 and 20)	10,695	10,695	-	-	10,695
Total	**11,566**	**11,201**	**348**	**17**	**11,566**
As at March 31, 2022					
Financial liabilities					
Borrowings (Note 17)	851	523	300	28	851
Lease payments (Note 39)	132	59	73	-	132
Financial liabilities (Note 19 and 20)	8,084	8,084	-	-	8,084
Total	**9,067**	**8,666**	**373**	**28**	**9,067**

39. LEASES:

Group as a lessee:

The Group's lease asset classes primarily consist of leases for Tangible assets. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

The carrying amounts of right-of-use assets, lease liabilities along with their movement during the year is as below:

(₹ In Million)

Particulars	Right of Use Assets		Lease Liabilities	
	Tangible Assets			
	2022-23	2021-22	2022-23	2021-22
Balance at the beginning of the year	588	598	132	135
Add: Consequent to business combination (Note 42A)	114	-	-	-
Add: Additions during the year	44	65	45	63
Add: Effect of Foreign currency Translation on Gross block	7	1	2	-
Less: Amortisation of expenses	66	60	-	-
Less: Effect of Foreign currency Translation on accumulated amortisation	4	(1)	-	-
Less: Transfer to Property, Plant and Equipment (net)	22	8	-	-

The carrying amounts of right-of-use assets, lease liabilities along with their movement during the year is as below: (Contd.)

(₹ In Million)

Particulars	Right of Use Assets – Tangible Assets		Lease Liabilities	
	2022-23	2021-22	2022-23	2021-22
Less: Disposal/adjustment	17	9	18	-
Add: Interest Expenses	-	-	8	5
Less: Payments	-	-	71	71
Balance at the end of the year	**644**	**588**	**98**	**132**
Current			49	59
Non-current			49	73

40. PARTICULARS OF SUBSIDIARIES AND JOINT VENTURE CONSIDERED IN THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS:

Name of the Company	Nature of Business	Proportion of Ownership Interest		Country of Incorporation
		As at March 31, 2023	As at March 31, 2022	
Subsidiaries				
Seal IT Services Limited	Manufacturing of adhesive solutions	95.00%	80.00%	United Kingdom
Gem Paints Private Limited	Manufacturing of Paints	51.00%	NA	India
Subsidiary of Seal It Services Limited				
Seal IT Services Inc.	Manufacturing of Silicone Tape	95.00%	80.00%	USA
Subsidiary of Gem Paints Private Limited				
Esha Paints Private Limited	Yet to commence Business	51.00%	NA	India
Enterprise Software and Technology Services Private limited*	IT and Computer Services	51.00%	NA	Singapore

Name of the Company	Nature of Business	Proportion of Ownership Interest		Country of Incorporation
		As at December 31, 2022	As at December 31, 2021	
Joint Venture				
Astral Pipes Limited*	Manufacturing of pipes and fittings	50.00%	50.00%	Kenya
Associates of Gem Paints Private Limited				
Womenova Agro Food Park Private Limited	Manufacturing of Food and Food Supplements	17.85%	-	India
Samwin Consolidation LLP	Activities Auxiliary to Financial Intermediation	17.00%	-	India
Cyphysignals India Private Limited	Information Technology Services	11.33%	-	India

* The financial statements are considered as at and year ended December 31.

Note (a): Holding Company along with erstwhile Indian subsidiary, Resinova Chemie Limited, has 100% of equity ownership in Astral Foundation. Astral Foundation, Section 8 Company of the Companies Act, 2013, execute the CSR activities. The objective of the Investments is not to obtain economic benefits and these Company is also prohibited to give any right over their profits to the members, hence, in line with Ind AS 110, the Holding Company doesn't have control over the entity. Accordingly, such investments is not considered for Consolidated Financial Statement of the Group.

41. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE ENTERPRISES CONSOLIDATED AS SUBSIDIARIES:

a) As at and for the year ended March 31, 2023

Name of the entity in the Group	As at 31 March, 2023		For the year ended 31 March, 2023		For the year ended 31 March, 2023		For the year ended 31 March, 2023	
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount (₹ In Million)	As % of consolidated profit or loss	Amount (₹ In Million)	As % of consolidated OCI	Amount (₹ In Million)	As % of TCI	Amount (₹ In Million)
Holding Company								
Astral Limited	98.82%	26,793	98.09%	4,479	-62.50%	(10)	97.53%	4,469
Subsidiaries								
Gem Paints Private Limited	9.58%	2,596	7.16%	327	-6.25%	(1)	7.11%	326
Esha Paints Private Limited	0.00%	0	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidairies								
Seal It Services Limited	3.74%	1,013	2.69%	123	50.00%	8	2.86%	131
Enterprise Software & Technology Services Private Limited	2.47%	671	-0.02%	(1)	2806.25%	449	9.78%	448
Joint Venture								
Astral Pipes Limited	-	-	-0.33%	(15)	-	-	-0.33%	(15)
Associate Enterprises								
Womenova Agro Food Park Private Limited	-	-	0.00%	(0)	-	-	0.00%	(0)
Samwin Consolidation LLP (Including Cyphysignals India Private Limited)	-	-	-	-	-	-	-	-
Non-controlling interests in all subsidiaries and other component	**-9.14%**	**(2,477)**	**-0.64%**	**(29)**	**(26.88)**	**(430)**	**-10.02%**	**(459)**
	105.47%	**28,596**	**106.96%**	**4,884**	**100.00%**	**16**	**106.94%**	**4,900**
Adjustments arising out of Consolidation	-5.47%	(1,484)	-6.96%	(318)	0.00%	-	-6.94%	(318)
Consolidated	**100.00%**	**27,112**	**100.00%**	**4,566**	**100.00%**	**16**	**100.00%**	**4,582**

b) As at and for the year ended March 31, 2022

Name of the entity in the Group	As at 31 March, 2022		For the year ended 31 March, 2022		For the year ended 31 March, 2022		For the year ended 31 March, 2022	
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount (₹ In Million)	As % of consolidated profit or loss	Amount (₹ In Million)	As % of consolidated OCI	Amount (₹ In Million)	As % of TCI	Amount (₹ In Million)
Holding Company								
Astral Limited	85.87%	20,064	83.67%	4,048	16.67%	1	83.59%	4,049
Subsidiaries								
Astral Bio Chem Private Limited	-0.04%	(10)	0.00%	0	-	-	-	-
Resinova Chemie Limited	17.00%	3,972	6.95%	336	16.67%	1	6.96%	337

b) As at and for the year ended March 31, 2022 (Contd.)

Name of the entity in the Group	As at 31 March, 2022		For the year ended 31 March, 2022		For the year ended 31 March, 2022		For the year ended 31 March, 2022	
	Net assets (Total Assets minus Total Liabilities)		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount (₹ In Million)	As % of consolidated profit or loss	Amount (₹ In Million)	As % of consolidated OCI	Amount (₹ In Million)	As % of TCI	Amount (₹ In Million)
Foreign Subsidairies								
Seal It Services Limited (Including Seal IT Service Inc., USA)	3.77%	882	5.87%	284	66.67%	4	5.95%	288
Joint Venture								
Astral Pipes Limited	-	-	-0.39%	(19)	-	-	-0.39%	(19)
Non-controlling interests in all subsidiaries	-1.19%	(278)	-1.36%	(66)	0.00%	0	-1.36%	(66)
	105.41%	**24,630**	**94.73%**	**4,583**	**100.00%**	**6**	**94.74%**	**4,589**
Adjustments arising out of Consolidation	-5.41%	(1,264)	5.27%	255	0.00%	-	5.26%	255
Consolidated	**100.00%**	**23,366**	**100.00%**	**4,838**	**100.00%**	**6**	**100.00%**	**4,844**

42. BUSINESS COMBINATION

A acquisition 51% stake in gem paints private limited

The Holding Company has entered into definitive agreements with Gem Paints Private Limited (hereafter known as Gem Paints) and its shareholders to acquire 51% controlling stake in its Operating Paint Business w.e.f. April 1, 2022. Presently, the Holding Company has subscribed to optionally convertible debentures, allowing the Holding Company to appoint majority of the directors on board of Gem Paints Private Limited for a consideration of ₹ 1,940 Million. Basis the above, Gem Paints has become subsidiary of the Holding Company. Gem Paints is engaged into the business of manufacturing and supply of various types of paints, varnishes, coatings, products related to home décor, industrial paints.

The Group has accounted the above acquisition as per Ind AS 103, Business Combinations and consideration has been allocated on fair value of acquired assets and liabilities.

Under the definitive agreements, the operating paint business of Gem Paints is proposed to be demerged to a subsidiary of Gem Paints, wherein the Holding Company will acquire 51% controlling stake. Presently, the Order for scheme of arrangement for demerger is reserved by NCLT and awaiting for pronoucement for the same. Accordingly, no effect for the scheme has been given in these financial statements.

The Group has elected to measure the non-controlling interests at fair value.

Assets acquired and Liabilities asssumed on acquisition date:

(₹ In Million)

Particulars	As at April 1, 2022
Property, plant and equipment	788
Intangible assets	1,844
Capital work-in-progress	16
Right of use assets	114
Financial assets	
Investments	0
Other financial assets	10
Deferred tax assets (Net)	2
Total non-current assets	**2,774**
Inventories	508
Financial assets	
Trade receivables	579

Assets acquired and Liabilities asssumed on acquisition date: (Contd.)

(₹ In Million)

Particulars	As at April 1, 2022
Cash and cash equivalents	16
Other balances with banks	16
Loans	1
Other financial assets	0
Current tax assets (net)	13
Other current assets	4
Total current assets	**1,137**
Total assets	**3,911**
Borrowings	212
Provisions	33
Total non-current liabilities	**245**
Borrowings	94
Trade payables	258
Other financial liabilities	30
Other current liabilities	23
Current tax liabilities (Net)	10
Total current liabilities	**415**
Total liabilities	**660**
Net Asset Acquired	**3,251**

Goodwill arising on account of business combination:

(₹ In Million)

Particulars	As at April 1, 2022
Consideration payable	1,940
Add: Fair value of non-controlling interest* (49%)	1,864
Less: Fair value of identified net asset acquired	3,251
Goodwill arising on acquisition of Gem Paints	**553**

*excludes share of loss ₹ 9 Million pertaining to non-controlling interest of non-operating business of Gem Paints as referred to in note no. 43.

Intangible assets, which represents Brands (including trademarks) and Distribution Network on the date of acquisition, has been initially recognised at its fair value, which has been determined considering the expected growth rate, discount rate and royalty rate. The values assigned to such assumptions, which involves significant judgements, are consistent with the management's plans for focusing operations relating to the acquired Intangible assets.

The goodwill of ₹ 553 Million comprises the value of expected synergies arising from the acquisition.

There is no contingent liabilities for the acquired entity as at April 1, 2022.

There is no significant transaction costs have been incurred for the said acquisition.

B. Acquisition of additional interest in seal it services limited, united kingdom

Pursuant to meeting of Board of Directors dated September 15, 2022, the Holding Company has executed Share Purchase Agreement to acquire additional 15% of equity shares of its Subsidiary Company named Seal IT Services Limited, UK from its existing shareholders at a consideration of GBP 5.25 Million (equivalent ₹ approximately ₹ 483 Million including transaction cost). Post acquisition, the equity ownership of Holding Company is increase from existing 80% to 95%. Acquision has been accounted in accordance with Ind AS 110 - Consolidated Financial Statements.

The Group elected to measure the non-controlling interest in the acquiree at the proportionate share of its interest in the acquiree's identifiable net assets.

(₹ In Million)

Particulars	As at April 1, 2022
Cash consideration paid to non-controlling shareholders*	483
Carrying value of the additional interest in Seal It Service Limited	144
Difference recognised in equity	**339**

*Including transaction cost of approximately ₹ 2 Million.

43. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As described in note no. 42, under the definitive agreement, the operating paint business of Gem Paints is proposed to be demerged to a wholly owned subsidiary of Gem Paints viz. Esha Paints Private Limited. Presently, the scheme of demerger is under regulatory approvals and accordingly, non-operating business of Gem Paints including its subsidiary and associates, has been presented as 'Discontinued Operations' as per Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations.

a. The results of the discontinued operation are presented as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023
Revenue from operations	-
Other income	208
Total Income	**208**
Total Expenses^	58
Profit before tax	**150**
Tax expense	20
Profit after tax	**130**

^ Includes share of net loss from associates which are part of discontinued operation.

b. The major classes of assets and liabilities of the discontinued operation are as follows:

(₹ In Million)

Particulars	As at March 31, 2023
Non-current assets	
Property, plant and equipment	86
Goodwill	0
Financial assets	
Investments	1,070
Loans	218
Other financial assets	125

b. The major classes of assets and liabilities of the discontinued operation are as follows: (Contd.)

(₹ In Million)

Particulars	As at March 31, 2023
Current assets	
Financial assets	
Investments	51
Other balances with Banks	130
Loans	152
Other financial assets	121
Assets classified as held for sale and discontinued operation (A)	**1,953**
Liabilities	
Non-Current liabilities	
(i) Provisions	3
Current liabilities	
Financial liabilities	
(i) Borrowings	124
(i) Trade Payables	0
(ii) Other financial liabilities	1,256
Liability directly associated with discontinued operation (B)	**1,383**
Net assets directly associated with discontinued operations (A)-(B)	**570**
Amounts included in accumulated OCI:	
Items that will be reclassified to profit or loss	
Currency Translation (Loss)/Gain (net)	56
Items that will not be reclassified to profit or loss	
Equity instruments through Other Comprehensive Income	393
Total accumulated OCI	**449**

c. Net cash flows attributable to the operating, investing and financing activities of discontinued operations are as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023
Operating	0
Investing	(187)
Financing	119

d. Earnings per share of the discontinued operation are as follows:

(₹ In Million)

Particulars	Year ended March 31, 2023
Basic, profit/(loss) per share for the year from discontinued operation	0.48
Diluted, profit/(loss) per share for the year from discontinued operation	0.48

44. NON-CONTROLLING INTEREST (NCI)

NCI relates to 2.55% shares in Previous year held by other shareholders in Resinova Chemie Limited. Resinova Chemie Limited was engaged in business of manufacturing of various types of Adhesives and Sealants.

The Hon'ble National Company Law Tribunal ("NCLT") Ahmedabad Bench vide its Order dated September 5, 2022 approved the Scheme of Amalgamation of RCL and ABPL with the Company with appointed date April 1, 2021. As an integral part of the aforesaid Scheme, the non-controlling shareholders of Resinova Chemie Limited were issued 71 Equity Shares having face value and paid up amount of ₹ 1/- each for every 1 fully paid equity share of Resinova Chemie Limited.

As a result of above transaction, Non-Controlling Interest (NCI) amounting to ₹ 92 Million was settled by issuance of 5,32,500 Equity Shares of ₹ 1 Million. The differential amount of ₹ 91 Million was transferred to capital reserve account.

A. Material partly-owned subsidiaries

Proportion of equity interest held by non-controlling interests

Name of entity	As at March 31, 2023	As at March 31, 2022
Seal IT Services Limited, UK (including step down subsidiary Seal IT Services Inc., USA)	95.00%	80.00%
Gem Paints Private Limited, India	51.00%	-
Esha Paints Private Limited, India	51.00%	-
Enterprise Software and Technology Services Private Limited, Singapore	51.00%	-
Resinova Chemie Limited^	0.00%	97.55%

Information regarding non-controlling interest

(₹ In Million)

Name of entity	As at March 31, 2023	As at March 31, 2022
Accumulated balances of non-controlling interest:		
Seal IT Services Limited, UK (including step down subsidiary Seal IT Services Inc., USA)	47	177
Gem Paints Private Limited, India	1,982	-
Enterprise Software and Technology Services Private Limited. India	448	-
Resinova Chemie Limited^	-	101
Total	**2,477**	**278**

^ Resinova Chemie Limited, amalgamated with the Holding Company, as approved by the Hon'ble National Company Law Tribunal ("NCLT") vide its Order dated September 5, 2022 with appointed date April 1, 2021.

Financial information of subsidiaries that have material Non-Controlling Interests (NCI) is provided below:

Movement of Non-controlling interest in Gem Paints Private Limited for the year ended 31 March 2023

Particulars	₹ In Million
Opening carrying value as at April 1, 2022	**-**
Consequent to business combination (Note 42A)	1,855
NCI's share of profit for the year	127
NCI's share of other comprehensive income for the year	0
Total	**1,982**

Summarised statement of profit and loss for the year ended 31 March 2023 for a subsidiary named Gem Paints Private Limited having material non-controlling interest*

Particulars	₹ In Million
Revenue from contracts with customers	2,158
Profit for the year	129
Profit for the year from continuing operations	**(2)**
Attributable to:	
Owners of the Company	2
Non-controlling Interests	(4)
Profit for the year from discontinued operations	**131**
Attributable to:	
Owners of the Company	-
Non-controlling Interests	131
Other comprehensive income	(1)

Summarised balance sheet of Gem Paints Private Limited as at 31 March 2023*

Particulars	₹ In Million
Non-current assets	3,221
Current assets	3,078
Assets classified as held for sale and discontinued operations	1,505
Non-current liabilities	190
Current liabilities	2,314
Liability directly associated with discontinued operations	1,383
Equity:	
Equity attributable to owners of the Group	1,935
Non-controlling interest (including discontinued operations)	1,982

Summarised cash flow information of Gem Paints Private Limited for the year ended 31 March 2023*

Particulars	₹ In Million
Operating	483
Investing	(1,186)
Financing	1,813
Net increase/(decrease) in cash and cash equivalents	**1,110**

*This information is based on amounts before inter-Company eliminations and after giving impact of fair valuation on account of business combination.

45. EXCEPTIONAL ITEMS

During the previous year ended March 31, 2022, erstwhile Resinova Chemie Limited, one of the amalgamating Company with Holding Company, had fire at storage section of factory premises, damaging Inventories and Property, Plant and Equipment (PPE). As per the best estimate of the management, the Holding Company had recognised insurance claim receivable amounting to ₹ 102 Million to the extent of corresponding loss of inventories and PPE amounting to ₹ 102 Million which were charged off in profit and loss statement under the head 'Exceptional Items'. During the current year, the claim has been settled and amount of ₹ 18 Million has been charged off in profit and loss statement under the head 'Exceptional Items'.

46. TRANSACTIONS WITH STRUCK OFF COMPANIES

Group has not done any transactions with struck off companies during the year ended March 31, 2023 and March 31, 2022.

47. 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 Group 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). Further, no funds have been received by the Group from any parties (Funding Parties) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

48. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of Holding Company, in its meeting held on May 15, 2023, has proposed a final dividend of ₹ 2.25 per equity share for the financial year ended March 31, 2023. The proposal is subject to the approval of shareholders of the Holding Company at the Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 604 Million of the Holding Company.

49. The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification.

See accompanying notes to the consolidated financial statements

As per report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Per **Anil Jobanputra**
Partner
Membership No: 110759

Place: Ahmedabad
Date: May 15, 2023

For and on behalf of the Board of Directors of Astral Limited
CIN: L25200GJ1996PLC029134

Sandeep P. Engineer
Chairman & Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole Time Director
DIN: 00067276

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

Place: Ahmedabad
Date: May 15, 2023

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture.

PART–A: SUBSIDIARIES

(₹ In million except otherwise stated)

Name of Subsidiary	Seal IT Services Ltd., UK	Seal IT Services Inc, USA^	Astral Foundation, India	Gem Paints Private Limited, India	Esha Paints Private Limited, India^^	Enterprise Software And Technology Services Private Limited, Singapore^^
Financial Period Ended	March, 2023	March, 2023	March, 2023	March, 2023	March, 2023	December, 2022
Reporting currency	GBP	GBP	Refer Note 1 below	INR	INR	SGD
Exchange Rate @	101.597	101.597		-	-	61.727
Share capital	0	-		150	0	247
Reserves & surplus	1169	(161)		2,446	-	424
Total assets	2567	652		5140	0	671
Total Liabilities	1399	812		2544	0	0
Investments	55	-		797	-	546
Turnover	3226	287		2158	0	0
Profit before taxation	211	(43)		396	-	(1)
Provision for taxation	-45	-		69	-	-
Profit after taxation	166	(43)		327	-	(1)
Proposed Dividend	-	-		-	-	-
Controlling stake	95	95		51	51	51

^Seal It Services Inc. is the 100% subsidiary of Seal IT Services Limited.

^^Enterprise Software And Technology Services Private Limited, Singapore & Esha Paints Private Limited is the 100% subsidiary of Gem Paints Private Limited.

@ P&L Item converted at yearly average exchange rate.

Notes:

1. Astral Foundation is incorporated under Section 8 of the Companies Act, 2013 and it is prohibited to give any right over their profits to the members. In view of restrictions on Section 8 companies, the parent Company's proportionate share in Astral Foundation has not been considered in Consolidated Financial Statement.

PART–B: ASSOCIATE AND JOINT VENTURE

(₹ In million except otherwise stated)

Name of Associate/Joint Venture	Astral Pipes Limited, Kenya (Note b)
Latest audited Balance Sheet Date	December 31, 2022
Shares of Joint Ventures/Associates held by the company on March 31, 2023	
No. of shares	10,00,000 Equity Shares
	72,00,000 Preference Shares
Amount of investment	0
Extent of holding %	50
Description of how there is significant influence	Joint Venture
Reason why the joint venture is not consolidated	N.A.
Net-worth attributable to Shareholding as per latest audited Balance Sheet	167
Profit/(Loss) for the year	(2)
I. Considered in Consolidation	(15)
ii. Not Considered in Consolidation	NA

Note a: No Associate or Joint Venture was liquidated or sold during the year.

Note b: Cumulative Additional loss provided for ₹ 14 million in profit and loss statement.

Note c: The figures of associate Companies related to non core business of Gem Paints Private Limited are not disclosed because the same are falling under discontinued operations.

For and on behalf of the Board of Directors

Sandeep P. Engineer
Managing Director
DIN: 00067112

Jagruti S. Engineer
Whole-Time Director
DIN: 00067276

Place: Ahmedabad
Date: May 15, 2023

Hiranand A. Savlani
Chief Financial Officer

Manan Bhavsar
Company Secretary

ASTRAL®

REGISTERED & CORPORATE OFFICE:

Astral Limited
CIN: L25200GJ1996PLC029134
207/1, 'Astral House', B/h Rajpath Club,
Off S. G. Highway, Ahmedabad - 380 059, Gujarat, India.
Ph: +91 79 6621 2000 | Fax: +91 79 6621 2121
Website: www.astralltd.com | Email: info@astralltd.com

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NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Astral Limited will be held on Friday August 11, 2023, at 11:00 a.m. through video conferencing ("VC")/Other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

a. the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the reports of Board of Directors and Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.

2. To confirm Interim Dividend declared by the Board of Directors and to declare Final Dividend on equity shares for the financial year ended on March 31, 2023.

3. To consider re-appointment of Mrs. Jagruti S. Engineer (DIN: 00067276), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. 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 152 and any other applicable provisions of the Companies Act, 2013 (Act) and rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Kairav Engineer (DIN: 03383621), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from July 1, 2023 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom, a notice under Section 160 of the Act has been received from a member signifying its intention to propose his appointment, be and is hereby appointed as a Director and the period of his office shall be liable to determination by retirement of directors by rotation.

RESOLVED THAT in accordance with the provisions of Section 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") as amended from time to time read with Schedule V of the Act, and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company hereby accords its approval to the appointment of Mr. Kairav Engineer (DIN: 03383621), as the Whole-Time Director for a term of five consecutive years effective from July 1, 2023 until June 30, 2028 on the terms and conditions set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Kairav Engineer."

5. 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 152 and any other applicable provisions of the Companies Act, 2013 and rules, circulars, orders and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Hiranand Savlani (DIN: 07023661), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from July 1, 2023 in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom, a notice under Section 160 of the Act has been received from a member signifying its intention to propose his appointment, be and is hereby appointed as a Director and the period of his office shall be liable to determination by retirement of directors by rotation.

RESOLVED THAT in accordance with the provisions of Section 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") as amended from time to time read with Schedule V of the Act, and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company hereby accords its approval to the appointment of Mr. Hiranand Savlani (DIN: 07023661), as the Whole-Time Director, designated as "Whole-Time Director and Chief Financial Officer" for a term of five consecutive years effective from July 1, 2023 until June 30, 2028 on the terms and conditions set out in the explanatory statement attached to this notice and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. Hiranand Savlani."

6. 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 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. V. H. Savaliya & Associates, Cost Accountants (FRN: 100346), appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provision of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations), as amended from time to time, Mrs. Kaushal Nakrani (DIN: 08405226), who was appointed as an Independent Director of the Company for a term of five years up to March 28, 2024, by the Members at the 23rd AGM, in terms of Section 149 of the of the Act and who has submitted a declaration that she meets the criteria of Independence as provided in the Act and the Regulations and who is eligible for re-appointment and in respect of whom, the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (Five) years commencing from March 29, 2024, not liable to retire by rotation."

By Order of the Board of Directors
Sd/-
Manan Bhavsar
Company Secretary

Regd. Office:
"ASTRAL HOUSE", 207/1, B/h Rajpath Club,
Off. S.G. Highway, Ahmedabad – 380059
CIN: L25200GJ1996PLC029134
Phone: 079-66212000
Website: www.astralltd.com
Email: co@astralltd.com

Place: Ahmedabad
Date: May 15, 2023

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs has vide its circular no. 14/2020 dated April 08, 2020, circular no. 17/2020 dated April 13, 2020, circular no. 20/2020 dated May 05, 2020 and circular no. 02/2021 dated January 13, 2021, and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022 and Circular no. 10 dated December 28, 2022 (hereinafter collectively to be referred as the "MCA circulars") and SEBI Circular dated January 05, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispended the personal presence of the members at the meeting prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 27th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per notes no. 19 and 20 and available at the Company's website www.astralltd.com.

2. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 1800 22 55 33.

3. In line with the aforesaid MCA Circulars and SEBI Circular, the Notice of AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice and Annual Report 2022-23 has been uploaded on the website of the Company at www.astralltd.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

4. Pursuant to the aforesaid MCA circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. (i) Information regarding re-appointment of Director as per SEBI Regulations and Secretarial Standards and (ii) Explanatory Statement in respect of special business to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. Pursuant to the provisions of the Companies Act, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unclaimed/unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, the unclaimed dividend in respect of financial year 2016-17 (Interim) is due for transfer to IEPF on December, 2023. The members, who have not encashed the above referred unclaimed/unpaid dividend, may please approach the Company and/or R&T Agent for payment of such unpaid dividend. Shareholders may please note that no claim of dividend will be entertained after the transfer of unclaimed dividend to the Investor Education & Protection Fund (IEPF).

   The detailed history along with due dates of transfer to IEPF of dividend and sale proceeds of bonus fractional shares and details of unclaimed dividend are available on Investor Relation page on the website on the Company at https://astralltd.com/wp-content/uploads/2022/12/Website-Upload.pdf

8. The Company has fixed Friday August 4, 2023 as the 'Record Date' for determining entitlement of members to receive dividend for the financial year 2022-23, if approved at the AGM.

   Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after August 16, 2023, subject to applicable TDS.

9. Pursuant to the 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 payable to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the Depository Participant (if shares are held in electronic form) and Company/Registrar & Transfer Agent ("R & T Agent") (if shares are held in physical form).

A resident individual shareholder with 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 e-mail to tds@bigshareonline.com and dividend@astralpipes.com by August 04, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax 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. For this purpose the shareholder may submit the above documents (PDF/JPG Format) by e-mail to tds@bigshareonline.com and dividend@astralpipes.com The aforesaid declarations and documents need to be submitted by the shareholders by August 04, 2023.

A separate detailed communication to the shareholders is being sent by the Company in this regard.

10. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 7 days before the meeting so as to enable the management to keep the information ready.

11. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

12. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical mode. The shareholders who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.

13. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.

14. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

15. Process and manner for members opting for voting through electronic means:

i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021, December 14, 2021, May 05, 2022 and December 28, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, August 4, 2023 shall be entitled to avail the facility of remote e-voting or e-voting on the date of the AGM and participating at AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, should treat this Notice as intimation only.

iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, August 4, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.

iv. The remote e-voting will commence on Tuesday August 8, 2023 at 9.00 a.m. and will end on Thursday August 10, 2023 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. Friday August 4, 2023 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

vi. The voting rights of the 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. Friday, August 4, 2023.

vii. The Company has appointed CS Monica Kanuga, Practicing Company Secretary (Membership No. FCS: 3868; CP No: 2125, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

16. Process for those members whose email ids are not registered:

a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to co@astralltd.com.

b) Members holding shares in Demat mode can get their E-mail ID and mobile number registered by contacting their respective Depository Participant.

c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

17. SHAREHOLDERS INSTRUCTIONS FOR E-VOTING:

(i) The voting period begins on Tuesday August 8, 2023 (9:00 a.m.) and ends on Thursday August 10, 2023 (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 i.e. Friday, August 4, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI Listing Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email-id in their demat accounts in order to access e-Voting facility.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Pursuant to aforesaid SEBI Circular dated December 9, 2020, login method for e-Voting and joining virtual meetings for individual shareholders holding securities in Demat mode, is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL's Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are www.cdslindia.com and click on Login icon & New System Myeasi. 2) After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/KARVY/LINK INTIME as per information provided by Issuer/Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.

	3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeASPortal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com/
2. Click on "Shareholders" module.
3. Now Enter your User ID:
    a. For CDSL: 16 digits beneficiary ID,
    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. **If you are a first-time user follow the steps given below:**

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details fields.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN of Astral Limited.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non–Individual Shareholders and Custodians – For Remote Voting only.

(a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" Module.

(b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

(c) After receiving the login details, user would be able to link the account(s) for which they wish to vote on.

(d) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

(e) It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(f) Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address co@astralltd.comW if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or write to the Company Secretary. Contact details of Company Secretary are as at the top of notice.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43

18. THE INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/ EGM through VC/OAVM 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 system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

19. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.astralltd.com and on the website of CDSL i.e. www.cdslindia.com within two working days of conclusion of the 27th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

20. INSTRUCTIONS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No.4

The Board of Directors on the recommendation of Nomination and Remuneration Committee, at their meeting held on May 15, 2023 appointed Mr. Kairav Engineer (DIN: 03383621) as an Additional Director of the Company with effect from July 1, 2023. Under Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company, he holds office up to the date of the Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Kairav Engineer as a candidate for the office of Director of the Company.

Mr. Kairav Engineer is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief resume and other details of Mr. Kairav Engineer are provided in annexure to this Notice pursuant to the provision of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The approval of Members is being sought to the terms, conditions and stipulations for the appointment of Mr. Kairav Engineer as a Whole-Time Director for the term of five consecutive years effective from July 1, 2023 until June 30, 2028 and the remuneration payable to him.

The material terms of appointment and remuneration are given below:

(a) Remuneration: ₹ 12,50,000/- (Rupees Twelve Lacs Fifty Thousand Only) per month for a period from July 1, 2023 to June 30, 2028 including all allowances and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

(b) The Whole-Time Director shall be entitled to an annual increment at the rate of upto 20% w.e.f April 1, 2024 per financial year on cumulative basis.

(c) The Company shall reimburse to the Whole-Time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

(d) Board of Directors is entitled to make changes within the overall amount fixed by the members.

(e) Minimum Remuneration:
Notwithstanding anything herein contained, in the event of loss or inadequacy of profits in any financial year during the period of his office as the Whole-Time Director, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Mr. Kairav Engineer as provided herein above.

(f) Other Terms:
Subject to the superintendence, control and direction of the Board of Directors, Mr. Kairav Engineer shall manage and conduct the business and affairs of the Company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

Mr. Kairav Engineer satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment.

The appointment can be terminated by Mr. Kairav Engineer or the Company, by one party giving to the other 3 (three) calendar months' notice in writing or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

The period of office of Mr. Kairav Engineer shall be liable to determination by retirement of directors by rotation. If Mr. Kairav Engineer is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Whole-Time Director, and such re-appointment as director shall not be deemed to constitute break in his appointment as a Whole-Time Director.

Based on the recommendation of Nomination and Remuneration Committee and given his expertise, knowledge and experience, the Board considers and recommends the appointment of Mr. Kairav Engineer as a Whole-Time Director to be in the interest of the Company and in view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, recommends the Ordinary Resolution as set out in the accompanying Notice of 27th AGM for the approval of the Members.

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Kairav Engineer under Section 190 of the Act.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Kairav Engineer and Mrs. Jagruti Engineer (Mother) and Mr. Sandeep Engineer (Father), to whom the resolution relates, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of 27th AGM. Mr. Kairav Engineer is related to Mrs. Jagruti Engineer, the Whole-Time Director and Mr. Sandeep Engineer, the Chairman and Managing Director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on May 15, 2023 appointed Mr. Hiranand Savlani (DIN: 07023661) as an Additional Director of the Company with effect from July 1, 2023. Under Section 161(1) of the Companies Act, 2013 read with Articles of Association of the Company, he holds office up to the date of the Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Hiranand Savlani as a candidate for the office of Director of the Company.

Mr. Hiranand Savlani is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief resume and other details of Mr. Hiranand Savlani are provided in annexure to this Notice pursuant to the provision of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The approval of Members is being sought to the terms, conditions and stipulations for the appointment of Mr. Hiranand Savlani as the Whole-Time Director, designated as a "Whole-Time Director and Chief Financial Officer" for a term of five consecutive years effective from July 1, 2023 until June 30, 2028 and the remuneration payable to him.

The material terms of appointment and remuneration are given below:

(a) Remuneration: ₹ 45,00,000/- (Rupees Forty Five Lacs Only) per month for a period from July 1, 2023 to June 30, 2028 including all allowances and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

(b) The Whole-Time Director shall be entitled to an annual increment at the rate of upto 15% w.e.f April 1, 2024 per financial year on cumulative basis.

(c) ESOP: The perquisite value of Employees Stock Options that may be Granted to Mr. Hiranand Savlani shall be in addition to the remuneration under (a) and (b) above.

(d) The Company shall reimburse to the Whole-Time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.

(e) Board of Directors is entitled to make changes within the overall amount fixed by the members.

(f) Minimum Remuneration: Notwithstanding anything herein contained, in the event of loss or inadequacy of profits in any financial year during the period of his office as the Whole-Time Director, the Company will, subject to applicable laws and such sanctions and approvals as may be required, pay remuneration to Mr. Hiranand Savlani as provided herein above.

(g) Other Terms:
Subject to the superintendence, control and direction of the Board of Directors, Mr. Hiranand Savlani shall manage and conduct the business and affairs of the Company relating to the Finance and Control and as Chief Financial Officer of the Company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

Mr. Hiranand Savlani satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment.

The appointment can be terminated by Mr. Hiranand Savlani or the Company, by one party giving to the other 3 (three) calendar months' notice in writing or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

The period of office of Mr. Hiranand Savlani shall be liable to determination by retirement of directors by rotation. If Mr. Hiranand Savlani is re-appointed as a director, immediately on retirement by rotation he shall continue to hold office of Whole-Time Director and such re-appointment as director shall not be deemed to constitute break in his appointment as a Whole-Time Director.

Based on the recommendation of Nomination and Remuneration Committee and given his expertise, knowledge and experience, the Board considers and recommends the appointment of Mr. Hiranand Savlani as the Whole-Time Director, designated as "Whole-Time Director and Chief Financial Officer" to be in the interest of the Company and in view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, recommends the Ordinary Resolution as set out in the accompanying Notice of 27th AGM for the approval of the Members.

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Hiranand Savlani under Section 190 of the Act.

Except Mr. Hiranand Savlani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of 27th AGM. Mr. Hiranand Savlani is not related to any Director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Item No. 6

The Board of Directors after considering the recommendation of Audit Committee, appointed M/s V.H. Savaliya & Associates, Cost Accountants as the Cost Auditors to carry out the audit of cost records of the Company for the financial year ending on March 31, 2024 and decided the remuneration of ₹ 2,50,000 Lacs (Rupees Two Lakh and fifty Thousand only) plus applicable GST and out of pocket expenses.

As per the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration to the cost auditors fixed by the Board of Directors shall be ratified by the members by passing a resolution.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in item No. 6 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending on March 31, 2024.

None of the Directors, Key Managerial Personnel or their relatives, is, in any way, concerned or interested (financially or otherwise) in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No. 7

The Members at the 23rd AGM held on August 2, 2019, approved the appointment of Mrs. Kaushal Nakrani as an Independent Director of the Company for a period of 5 (five) years with effect from March 29, 2019. Mrs. Kaushal Nakrani will complete her present term on March 28 2024.

The Nomination and Remuneration Committee on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Mrs. Kaushal Nakrani as an Independent Director for a second term of 5 (five) year on the Board of the Company w.e.f. March 29, 2024.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given the background and experience and contributions made by Mrs. Kaushal Nakrani during her tenure, the continued association of Mrs. Kaushal Nakrani would be beneficial to the Company, and it is desirable to continue to avail her services as an Independent Director.

Section 149 of the Act prescribes that an independent director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mrs. Kaushal Nakrani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Mrs. Kaushal Nakrani meet the criteria of necessary skills and Capabilities required for the role to act as Independent Director in terms of Business Strategies, Governance, Risk & Compliance, Merger & Acquisition and Diversity.

The Company has received notice in writing from a Member under Section 160 of the Act proposing the candidature of Mrs. Kaushal Nakrani for the office of Independent Director of the Company.

The Company has also received declaration from Mrs. Kaushal Nakrani that she meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act.

Further, in accordance with Regulation 25(2A) of Listing Regulations, the appointment of an Independent Director shall be subject to approval of Members by way of a special resolution.

As per the provision of Section 149(13) read with explanation to Section 152(6) of the Companies Act, 2013 ("the Act"), the period of office of Independent Director will not be liable to determination by retirement of directors by rotation at the Annual General Meeting ("AGM").

No director, key managerial personnel or their relatives except Mrs. Kaushal Nakrani, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 7.

The Board recommends the resolution set forth in item no. 7 for the approval of members.

Regd. Office:
"ASTRAL HOUSE", 207/1, B/h Rajpath Club,
Off. S.G. Highway, Ahmedabad – 380059
CIN: L25200GJ1996PLC029134
Phone: 079-66212000
Website: www.astralltd.com
Email: co@astralltd.com

Place: Ahmedabad
Date: May 15, 2023

By Order of the Board of Directors

Sd/-
Manan Bhavsar
Company Secretary

Annexure to Notice

Details of Directors seeking re-appointment/appointment:

Name	Mrs. Jagruti Engineer	Mrs. Kaushal Nakrani
DIN	00067276	08405226
Date of Birth	July 15, 1965	October 26, 1964
Age	57	58
Qualification	Bachelor of Arts (B.A.)	B.com & LLB
Brief Resume/Experience	Mrs. Jagruti Engineer, is the Promoter Director of the Company since incorporation. She has been managing the Administration, Human Resource and Corporate Social Responsibility Departments of the Company and has contributed significantly towards the growth of the Company and her services are indispensable.	She has been a practicing advocate since more than 22 years in the Gujarat High Court and practicing in the areas of Banking Law, Legal Audit, Arbitration Matters, Matrimonial Matters, and Co-operative Societies Matters etc. She is also penal advocate of various public sector banks
Remuneration last drawn as Director	₹ 12.10 million per annum for FY 2022-23	Nil
Nature of Expertise in Specific Functional areas;	She is Expertise in business Strategies, Merger & acquisition, innovative and diversity.	She is Expertise in business Strategies, Merger & acquisition, innovative and diversity
Remuneration proposed to be paid	As approved by members in 24th AGM held on August 21, 2020	Nil
Date of first appointment on the Board	March 25, 1996	March 29, 2019
Relationship with other Directors/KMPs	Wife of Mr. Sandeep P. Engineer, Chairman & Managing Director of the Company.	None
No. of meetings of the Board of Director attended during the year (FY 2022-23)	5	8
Directorships in other Companies as on date of notice*	1. Astral Foundation 2. Seal IT services Ltd., UK (Unlisted) 3. Seal IT services Inc., USA (Unlisted)	Nil
Membership/Chairmanship of Committees of other Boards	Nil	Nil
No. of Shares held (as on date of this Notice)		
(a) own	(a) 2,03,18,688	Nil
(b) for other persons on beneficial on a beneficial basis.**	(b) 2,63,95,932	Nil
Names of listed entities, in which he/she also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	Nil	Nil

*He/She has not resigned from any listed entity in the past three years.

**Shareholding includes shareholding as beneficial owner.

Details of Directors seeking re-appointment/appointment:

Name	Mr. Kairav Engineer	Mr. Hiranand Savlani
DIN	03383621	07023661
Date of Birth	November 26, 1988	October 14, 1968
Age	34	54
Qualification	Bachelor of Science (BS)	B.com, CA, CS, CMA, LLB
Brief Resume/Experience	Mr. Kairav Engineer, holds a Bachelor of Science (BS) in Industrial Engineering and a BS in Management from Georgia Tech, Atlanta-USA. He joined the Company in August, 2011. Since then, he has held a series of positions in the Company; the most recent one being business development, brand management, product development and projects at Astral. In this role, he has led the Company's brilliant branding campaigns, gotten engaged in new product research and launch, co-managed investor's relations, led the projects and supervised marketing research. Having been a key architect of brand building activities at Astral, he led the Branding Department to contribute immensely in achieving positive brand preference and brand consideration among consumers. Currently, he is also managing the Sales and Marketing of the piping business.	Mr. Hiranand Savlani is Chief Financial officer of Astral Limited. He is finance professional with more than 26 years of experience: He holds a graduate degree in Commerce from HL College of Commerce, Gujarat, along with being Company Secretary, Cost and Works Accountant and Gold medallist as well as all India Ranker in Chartered Accountancy. He also holds an LL.B. degree from the University of Gujarat. His experience in field of finance is diverse and wide which includes various areas like financial planning, insurance, global taxation, investor relation, merger acquisitions, legal and statutory compliances. He joined Astral in 2003 with a First-Generation Promoter. In span of 20 years the group's revenue has grown more than 330 times from ₹ 15 cores to more than ₹ 5000 crores. Under his leadership Astral has done six successful acquisitions and two mergers and a successful QIP. The group has diversified from core piping sector to multi product segments like adhesives and sealants, paints, Sanitary ware and Faucet, infrastructure pipes and plastic tanks. All these strategic M&A has helped Astral in, de-risking business from concentration risk. Astral is now an established brand in all operating categories, has access to advanced technologies, strategically located manufacturing and warehouse facilities, has sound track record of continuous growth and financial performance. **MAJOR CAREER ACHIEVEMENTS** • Successful completion of IPO and QIP • Accomplished 6 acquisition and 2 mergers • SAP implementation • Received 16th ICAI Awards CACFO - For Mid Corporates - Manufacturing & Infrastructure on January 10, 2023 • Received Most Innovative CFO Award @ THE BUSINESS LEADERSHIP AWARDS on September 29, 2022 • Received ET ascent Presents National Awards on September 20, 2022 in category: BEST CFO (EXCELLENCE IN SUSTAINED WEALTH CREATION). • Getting recognition/award from the various reputed institutes like Institute of Chartered Accountants of India, Institute of Cost & Works Accounts of India • Received certificate from White Page International in the category of "50 Best Finance Leaders 2021" • Received certificate from White Page International in the category of "Asia's 100 Power Leaders in Finance 2022" • Top 100 CFO award for four consecutive years from 2018 to 2022 • Received award in the category of "CFO LEADERSHIP" organised by the Gujarat Leadership Awards 2020 • Received certificate of Merit in 4th CMA Awards, organised in 2016 • Received award for "Most Influential CFO" from CIMA in the year 2015 • Delivered lectures at various forum o FICCI Budget speech o Institute of Chartered Accountants of India o The institute of Cost Accountants of India • Media interaction with various channels o Bloomberg Quint o CNBC TV18, Awaaz, Bazaar o ET now o ZEE Business

Details of Directors seeking re-appointment/appointment: (Contd.)

Name	Mr. Kairav Engineer	Mr. Hiranand Savlani
Remuneration last drawn as Director	Not Applicable - being the first appointment as Whole-Time Director	Not Applicable - being the first appointment as Whole-Time Director
Nature of Expertise in Specific Functional areas;	He is Expertise in business Strategies, innovative and diversity	He is Expertise in business Strategies, Merger & acquisition, Finance & accounting and Governance risk & Compliance.
Remuneration proposed to be paid	As per the resolution set out in Item No. 4 of the Notice convening this Meeting read with explanatory statement thereto	As per the resolution set out in Item No. 5 of the Notice convening this Meeting read with explanatory statement thereto
Date of first appointment on the Board	July 1, 2023	July 1, 2023
Relationship with other Directors/ KMPs	Son of Mr. Sandeep Engineer, Chairman & Managing Director and Mrs. Jagruti Engineer, Whole-Time Director of the Company.	None
No. of meetings of the Board of Director attended during the year (FY 2022-23)	Nil	Nil
Directorships in other Companies as on date of notice*	1. Kairav Chemicals Limited (Unlisted) 2. Gem Paints Private Limited 3. Esha Paints Private Limited	Nil
Membership/Chairmanship of Committees of other Boards	Nil	Nil
No. of Shares held (as on date of this Notice)		
(a) own	Nil	(a) 2,17,970
(b) for other persons on beneficial on a beneficial basis.**	Nil	Nil
Names of listed entities, in which he/ she also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	Nil	Nil

*He/She has not resigned from any listed entity in the past three years.

**Shareholding includes shareholding as beneficial owner.