

INDIA PESTICIDES LIMITED



An ISO 9001:2015, 14001:2015, 45001:2018 and 10002:2018 Company

CIN No. L24112 UP1984PLC006894

GSTIN- 09AAACI3591D1ZO

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Date: 17.08.2023

To

The Manager, Listing Department BSE Limited P.J. Towers, Dalal Street, Mumbai - 400001 Company Code: 543311 ISIN: INE0D6701023	The Manager, Listing & Compliance Department National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra- Kurla Complex, Mumbai-400051 Symbol: IPL
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Subject: Revised Annual Report for Financial Year 2022-23.

Dear Sir/Madam,

This is in furtherance to our letter dated 02 August, 2023 wherein the Company had earlier submitted its Annual Report for FY 2022-23.

Kindly note that certain inadvertent typo/ printing error was noticed in the statutory section of the Annual Report. In view of the above, we are enclosing herewith the revised Annual Report of the Company for the FY 2022-23 along with the Notice of the 38th AGM. The revised Annual Report is also available on the website of the Company at <https://www.indiapesticideslimited.com/InvestorRelations.php>

A copy of the revised Annual Report for Financial Year 2022-23 has been enclosed herewith for your reference.

Kindly take the above information on record.

Thanking you,

Yours Faithfully

For **India Pesticides Limited**



Ajeet Pandey
Company Secretary & Compliance Officer
Membership No.- A42500



Where Innovation, Quality & Sustainability are ways of life

Delivering Continuous Excellence

Through

Innovation & Sustainability



India Pesticides Limited

Annual Report 2022-23

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Numbers that matter

₹8,982 million **23.2%**
Revenue YoY growth of revenue

₹ 2,102 million **23.4%**
EBITDA EBITDA margin

₹ 1,432 million **15.9%**
PAT PAT margin

27% **20%**
ROCE ROE



As a 'Make in India' Company, we have been instrumental in fostering domestic development and the production of agrochemicals.

Anand Swarup Agarwal, Chairman



Scan QR code to see this annual report online



To know more about the company, visit: www.indiapesticideslimited.com

Forward-looking statements

This report may contain forward-looking statements, which involve expectations and projections related to the Company's financial position, business plans and prospects. These forward-looking statements are identified by words like 'believe,' 'plan,' 'anticipate,' 'estimate,' 'expect,' 'may,' 'will,' or similar expressions. These statements are based on certain assumptions that we believe are reasonable in all material aspects.

However, we want to caution readers that actual results, performances, or achievements may differ significantly from the forward-looking statements due to various factors and uncertainties. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or other circumstances.

With a rich legacy spanning over three decades,

we have continued to empower farmers with innovative crop protection solutions. At India Pesticides Limited (IPL), we leverage our R&D strengths to develop need-based agricultural products that enhance crop productivity, while minimising environmental impact.



Ever since our inception, we have continued to incorporate the latest technological advancements, which has helped us provide farmers with effective farming solutions, transforming their productivity and livelihoods for the better. By implementing stringent quality control measures, we have earned recognition in both domestic and global markets; becoming a reliable partner for farmers seeking sustainable agricultural solutions.

At IPL, we recognise how the environment and agricultural output are interconnected. Throughout our journey, we have remained steadfast in encouraging sustainability in agriculture, anticipating future needs and accelerating the growth of the sector. Our diverse portfolio of differentiated and sustainable solutions further underscores our commitment to supporting farmers globally in their journey towards a greener, more sustainable future.



Agriculture in India is beset with many challenges and with our innovation pipeline we will continue to mitigate these through targeted crop-protection solutions. As we look ahead, we will remain resolute in our commitment to delivering continuous excellence through innovation and sustainability. By collaborating with farmers, governments and other stakeholders, we aim to create more **resilient farming solutions and creating long-term value for all.**

Empowering farmers with innovative solutions

Since our inception in 1984, we have emerged as one of the fastest-growing chemical manufacturers operating globally from India. Consistently innovating and striving to outperform, we have gained deep expertise in the manufacturing of Technicals, Formulations and Active Pharmaceutical Ingredients (APIs).

Notably, we are the sole Indian manufacturer and one of the top five manufacturers worldwide to develop several Technicals, including both Fungicides and Herbicides.

Our offerings comprise various niche and quality products, making us a strategic supplier for multiple countries. In addition, we adhere to industry standards and remain committed to delivering excellence through innovation and sustainability. At IPL, we have a dedicated team of experts who work diligently to create cutting-edge solutions that meet the evolving needs of farmers.

Building strong partnerships with our customers and stakeholders is integral to our values, thereby fostering trust and reliability. As we expand our global footprint, we aim to empower farmers and contribute to a greener future through our value-added services.



Our credo

Where Innovation, Quality and Sustainability are ways of life.



Our vision

To be a sustainable helping hand for the farming community on protecting their crops and improving yield and be a dependable partner in the chemical industry.



CARE has reaffirmed
the Company's
Credit Rating at
A+ Stable

Key strengths that set us apart

- Strong R&D and product development capabilities
- Diversified portfolio of niche and quality specialised products
- Enduring relationships with key customers
- Experienced promoters and management team
- Advanced manufacturing facilities, focused on Environment, Health and Safety (EHS)
- Resilient sourcing capabilities and extensive distribution network
- Consistent track record of financial performance



Our mission

To be an R&D driven chemical manufacturing company where innovative technologies are utilised to sustainably manufacture quality agrochemicals and other industrial specialty chemicals.



Our values

- Integrity
- Long-term relations
- Fairness
- Compliance

Chairman's message



Over the years, our expertise in advanced process chemistry and manufacturing process efficiency has helped us empower the farmer community through innovative crop protection solutions. Moreover, our R&D competencies have enabled us to enhance our existing products and explore new ones with considerable growth potential. ”



Dear Shareholders

At India Pesticides Limited, we are committed to driving meaningful change and contributing to the agricultural sector's growth story. As a 'Make in India' Company, we have been instrumental in fostering domestic development and the production of agrochemicals. Our state-of-the-art plants and accredited laboratories adhere to global standards, underscoring our commitment to indigenous innovation.

As I begin it is imperative to discuss about our macro-economic environment and how it impacted our performance.

FY23 at a glance

As I reflect on the year gone by, we have faced several challenges in the operating landscape. The impact of various macroeconomic headwinds across the globe affected our margins. The agriculture industry, in particular, witnessed increasing raw material prices and logistical constraints, which further impacted our operations. However, proactive measures and strategic planning, enabled us to partially mitigate the impact. Our key strengths, such as sourcing most of our raw materials locally and backward integration in the production process, provided stability and support.

As the year progressed, a sudden decline in raw materials costs affected our profit margins. Additionally, high-cost inventory, made it challenging for us to fully pass on the increased costs to our customers, resulting in losses. Nevertheless, through customer-focused strategies and judicious financial management, our revenue growth in FY23 witnessed an upswing. By onboarding customers through planned strategies, our financial performance gained momentum throughout the year, culminating in an impressive 23.2% revenue growth. This achievement is a testament to the effectiveness of our initiatives.

Building on our strengths

Over the years, our expertise in advanced process chemistry and manufacturing process efficiency has helped us empower the farmer community through innovative crop protection solutions. Moreover, our R&D competencies have enabled us to enhance our existing products and explore new ones with considerable growth potential. During the reporting

year, we launched 14 products, which include 10 formulations, 3 technicals and 1 crucial intermediate. I am also pleased to share that our newly launched products garnered positive response from the market, strengthening our top line. Moreover, we continued efforts towards process enhancements that lead to reduced costs and increased efficiency.

Making responsible choices

At India Pesticides, we are dedicated to translating ESG principles into tangible actions. To this end, we strive to make a meaningful impact on society by fostering sustainability in all that we do. We are also endeavouring to raise the share of renewable energy sources in our energy mix to contribute to the global fight against climate change. Additionally, we have implemented responsible waste management practices, to curb our environmental impact.

In FY2023, we made well-calibrated efforts to promote afforestation. By implementing the Miyawaki technique, we were able to enrich the existing greenbelt around our manufacturing sites. Our 'Food Forestation' project transformed previously idle lands into productive areas, cultivating fruits and vegetables.

Over the years, our focus on building stronger communities has remained steadfast. During the year under review, we continued to make a positive impact through various targeted social welfare initiatives. These programmes encompassed a range of activities, including project inaugurals, site visits, awareness programmes, tree plantation drives and projects driving the developments of schools and rural areas.

Way forward

Looking ahead, we anticipate headwinds in the short-term, primarily due to the ongoing downward trend in the technical offering from China. However, we are optimistic that this situation will stabilise going forward. We are also confident about our long-term growth prospects, driven by our strong fundamentals and renewed emphasis on new product development.

Another positive aspect is the fact that, India's economic fundamentals continue to be stable, marked by robust domestic demand and a growing competitiveness in exporting quality goods and services. With our manufacturing prowess and R&D efficiencies, we believe we are poised to capitalise on the potential that lies ahead.

The trust and cooperation of all our stakeholders are invaluable to us; and I would like to thank everyone who has been a part of our journey. It is their confidence in our capabilities that pushes us to raise the bar, while doing what we do best.

With a dedication to producing need-based, effective farming solutions, we are determined to deliver continuous excellence through innovation and sustainability.

Best regards,

Anand Swarup Agarwal
Chairman

CEO's message



During FY23, we have launched 14 products, which include 10 formulations, 3 technicals and 1 very important intermediate. We have successfully expanded our installed capacity by 2,500 metric tons to 24,000 metric tons per year.



Dear Shareholders

India Pesticides Limited continues its journey towards fulfilling its commitment to enriching the business, environment, farmers and society at large.

FY23 has demonstrated the resilience of our product offerings and business model, showcasing the unwavering commitment of our team to driving growth. Despite several macroeconomic challenges across the globe, we remained very consistent in delivering sustainable top-line throughout the year.

Our expertise in advanced process chemistry, manufacturing process efficiency, and backward integration strategies has positioned our company at the forefront of the industry. Major headwinds still remain because of the continual downward trend of the technical offering from China, which we feel should stabilize in another 1 or 2 quarters. Furthermore, our R&D competencies have enabled us to enhance our existing products and explore new areas with significant growth potential.

With steadfast focus on research, the Company achieved notable success and established its own niche in the agrochemical industry.



Apart from product development, we are also working towards process innovations that lead to cost savings and efficiencies for the company. We take great pride in being a 'Make in India' company, promoting the domestic development and production of agrochemicals. Our cutting-edge plants and accredited labs are on par with global standards, supporting our commitment to indigenous innovation.

During FY23, we have launched 14 products, which include 10 formulations, 3 technicals and 1 very important intermediate. We have successfully expanded our installed capacity by 2,500 metric tons to 24,000 metric tons per year. Our expansion projects under the subsidiary at Hamirpur plant are progressing as planned and we will be able to commence the operation of the first plant at Hamirpur by Q4 FY24.

Our unwavering commitment to delivering sustainable long-term growth remains steadfast. At the core of our strategy is a strong focus on research and development, driving continuous innovation in both our products and processes. Through our dedicated R&D effort, we strive to develop inherently safer processes and systems.

We are happy to inform you that we have received NABL accreditation for our QC lab, thus strengthening our analytical capability and confidence. During this year, we have received

CIB registration for 6 Technicals and almost about 100 formulation registrations thereby increasing our overall portfolio of registrations.

Additionally, to grow our global footprint, we have ongoing international registrations in key regions, including the EU, U.S., U.K., and various South Asian countries. The data generation and subsequent registration procedures are well underway.

Our Capex plans are being executed as planned at our existing manufacturing units and also in our Wholly Owned subsidiary unit Shalvis Specialities Limited at Hamirpur District Uttar Pradesh

India Pesticides Limited as a corporate is committed to uphold its social responsibility with reverberating belief "Care the world with Care" we believe that focusing on sustainability during all our initiatives can lead to the growth of our communities.

Our commitment to maintaining the work environment safe, secure and healthy for its employees, Stakeholders is a journey that follows continual improvement.

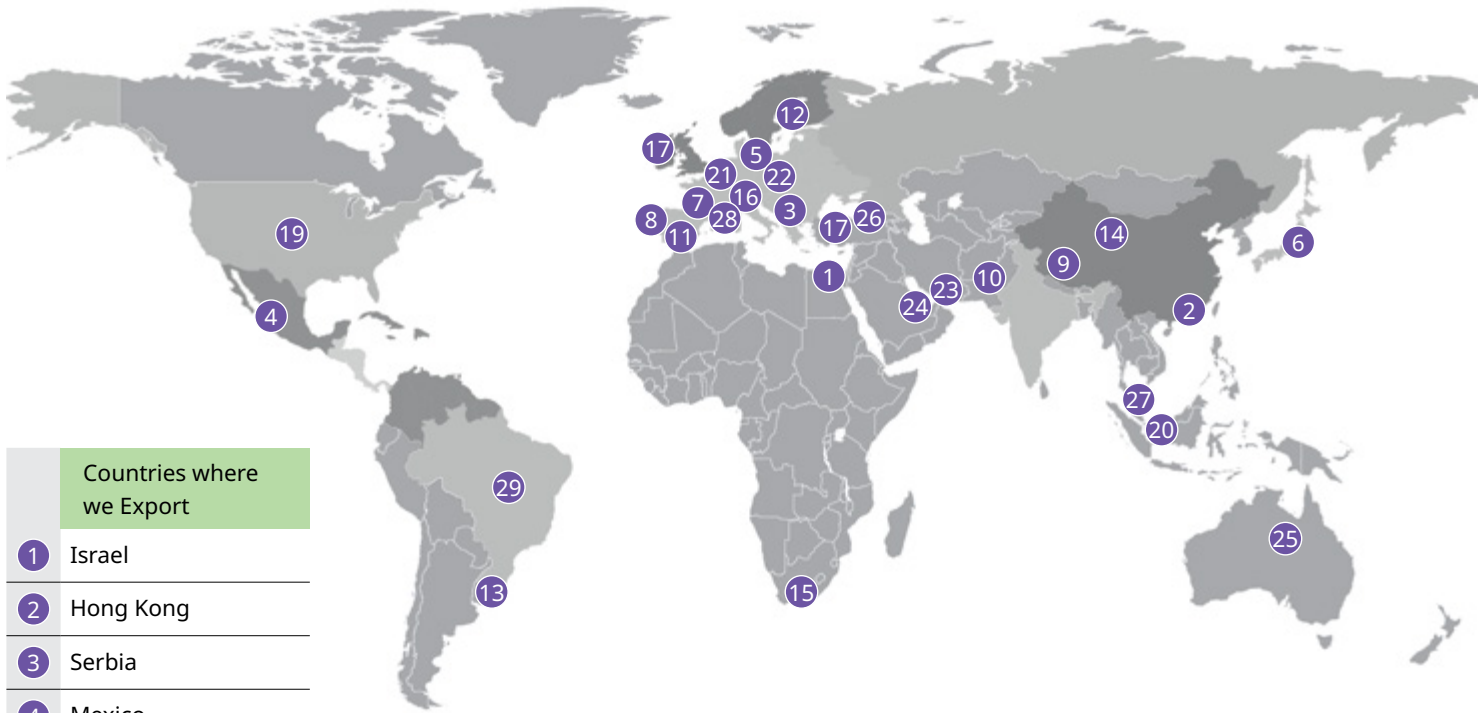
With this promise, we march ahead in the new year with increased energy, and enthusiasm to achieve higher goals.

We sincerely thank all the Board of Directors who bring to our door-step diversified experiences and share their valuable knowledge to keep us on the right track for continuous progress. Our people drive our success each year, living our purpose and upholding the values we hold dear. I would like to take this opportunity to thank them for their commitment to our business. Also, I thank our shareholders, suppliers, and customers, look forward to their continued support as we position India Pesticides for long-term growth and success.

Regards,

Dheeraj Kumar Jain
Chief Executive Officer

Delivering excellence across borders



Countries where we Export	
1	Israel
2	Hong Kong
3	Serbia
4	Mexico
5	Germany
6	Japan
7	France
8	Portugal
9	Nepal
10	Pakistan
11	Spain
12	Finland
13	Uruguay
14	China
15	South Africa
16	Italy
17	Ireland
18	Turkey

Countries where we Export	
19	USA
20	Malaysia
21	Belgium
22	Hungary
23	Dubai
24	UAE
25	Australia
26	Georgia
27	Singapore
28	Switzerland
29	Brazil

26
Company branches

18
Warehouses

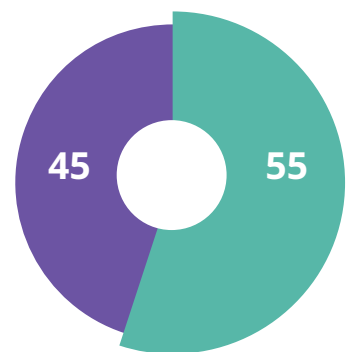
5112
Dealers

20
Sales depots

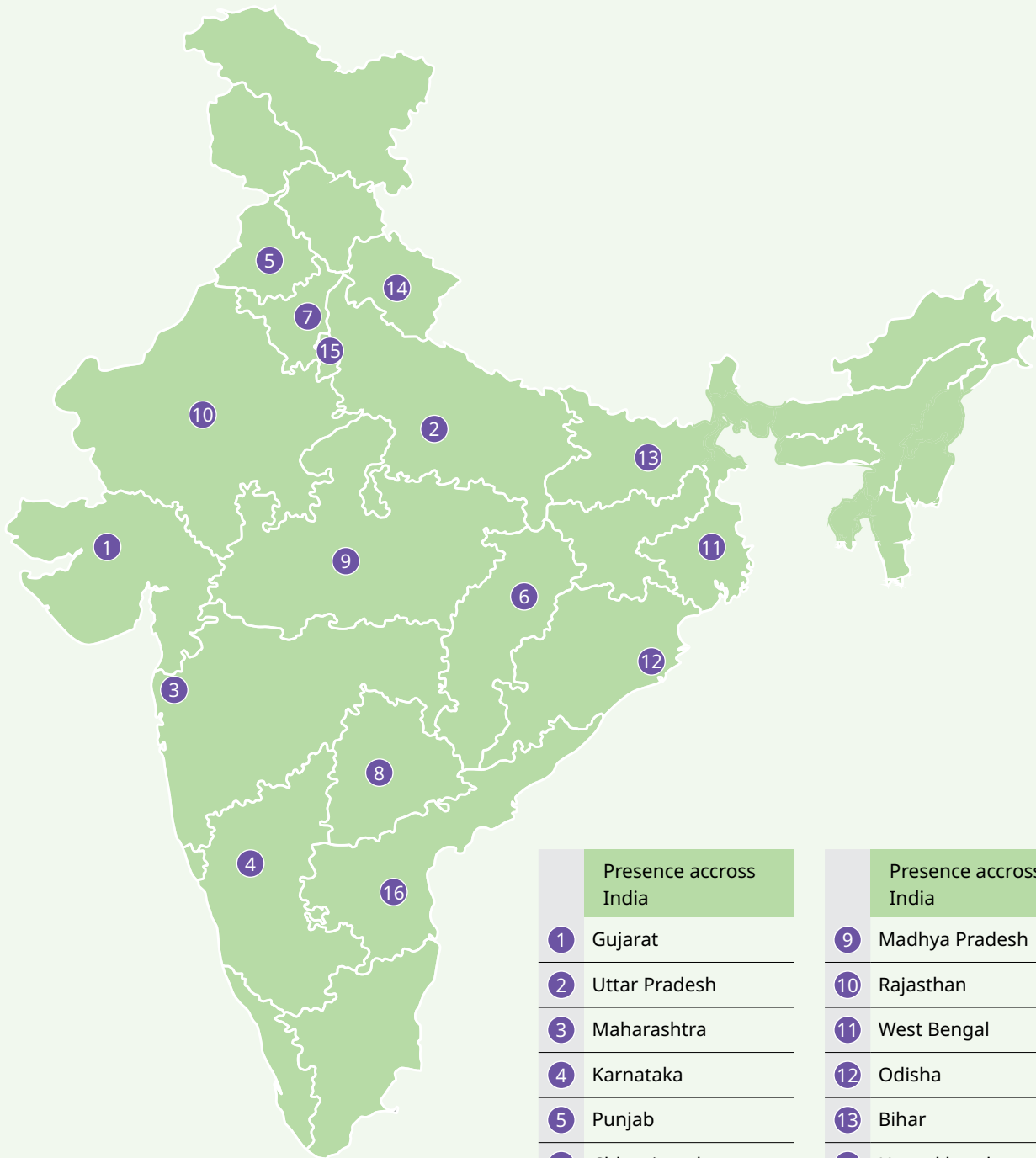
29
Exporting countries

16
State distribution

Revenue share
(in %)



● Domestic ● Export



Presence across India		Presence across India	
1	Gujarat	9	Madhya Pradesh
2	Uttar Pradesh	10	Rajasthan
3	Maharashtra	11	West Bengal
4	Karnataka	12	Odisha
5	Punjab	13	Bihar
6	Chhattisgarh	14	Uttarakhand
7	Haryana	15	Delhi
8	Telangana	16	Andhra Pradesh

Map not to scale. Only for representation purpose.

Innovative product portfolio

With intensive expertise spanning over three decades, we have developed a diverse selection of products. Aspiring to contribute to the development of the agricultural sector in the country, we deliver a comprehensive range of effective crop protection solutions to farmers across the globe.

Ensuring the quality of our products is our foremost priority. To this end, we have implemented several measures in place that check the quality of our offerings, ensuring that they meet the highest standards.

TECHNICALS

- Herbicides
- Fungicides
- Insecticides
- Intermediaries

FORMULATIONS

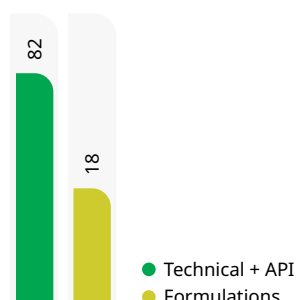
- Acaricide
- Fungicides
- Growth regulators
- Herbicides
- Insecticides

ACTIVE PHARMA INGREDIENTS (APIs)

- Anti-fungal drugs
- Anti-scabies drugs

Revenue share

(in %)



TECHNICALS AND APIs

We manufacture generic agrochemical Technicals, including fungicides, insecticides and herbicides, to support modern agriculture and enhance crop productivity sustainably.

Our portfolio also includes Active Pharmaceutical Ingredients (APIs). These are essential components of pharmaceutical drugs and are used to achieve the desired effects in finished pharmaceutical products. APIs are instrumental in the manufacturing of final medications that are designed to treat dermatological problems, such as anti-fungal and anti-scabies medications effectively.

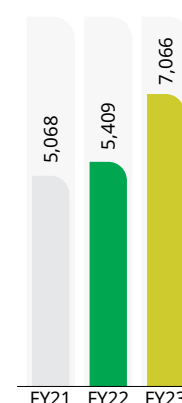


Some of our key products and their application

Key Technicals	Category	Application
Prosulfocarb	Herbicide	Utilised in field crops, such as wheat and potatoes.
Pretilachlor	Herbicide	Widely employed for protecting rice crops.
Cymoxanil	Fungicide	Used to control downy mildews in grapes, potatoes, vegetables and various other crops.
Captan	Fungicide	Used to protect fruits, vegetables and ornamental plants.
Folpet	Fungicide	Employed to control fungal growth in vineyards, cereals and crops. It also serves as a biocide in paints.
Diafenthiuron	Insecticides	Used specifically on cotton plants.
Thiamethoxam	Insecticides	A versatile systemic insecticide with numerous applications in various conditions.
Ziram	Fungicide	Employed for safeguarding apples, almonds, peaches, pears and other crops.
Pyriproxyfen	Insecticides	Used in field crops.
Etridiazole	Fungicide	Green house.
PEDA	Intermediate	Used for Pretilachlor.

Revenue

Technicals + API (₹ million)



Innovative product portfolio contd...

FORMULATIONS

Through meticulous research and constant attention to quality, our R&D team has developed innovative formulations, which enhance crop yields while safeguarding the environment and promoting responsible farming practices. From insecticides and fungicides to herbicides and plant growth regulators, our high-quality products cater to various crop-specific requirements, enabling farmers to tackle pest and disease challenges efficiently.

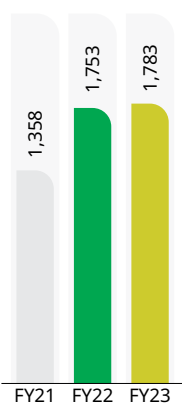


Some of our key products and their application

Few branded formulations	Category
Grip, Pendizet, Trisol, Clogold, Midash, Safer, Eliminator, Penda, Aatish	Herbicides
Dollar, Vardhan, Vecto, Trim, Sodhit, Captax-50, Natraj, Sanjeevani, Talwar	Fungicides
Carbo, Amida, Frem, Byprten, Immidiator, Tridev, Difen, Frame, Soldier, Crotax	Insecticides
Star, Talvar, Contanol, Guru, Shakti, Sparkle, Chakra, Namaskar	Others

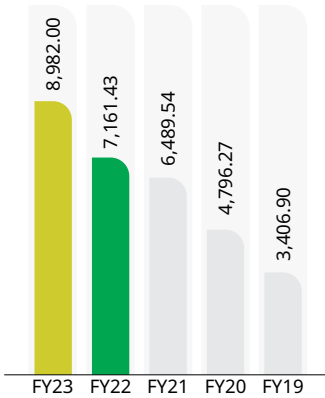
Revenue

Formulations (₹ million)

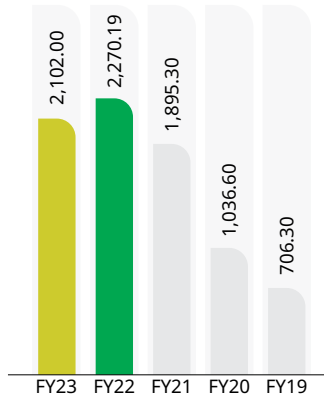


Sustaining our financial prowess

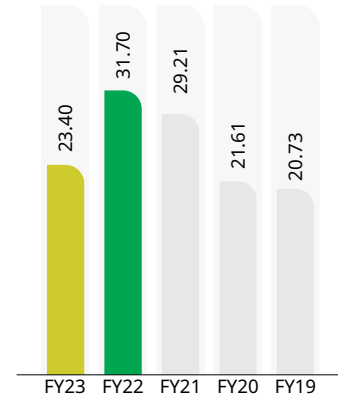
Revenue from operations
(₹ million)



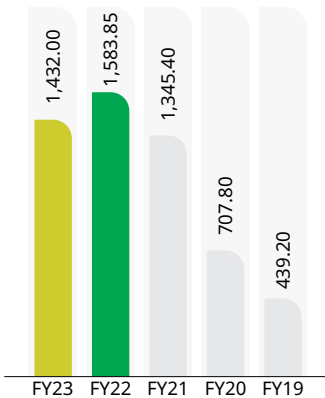
EBITDA
(₹ million)



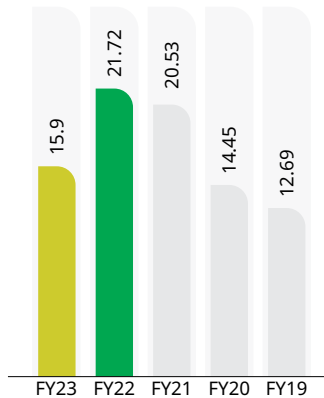
EBITDA Margin
(%)



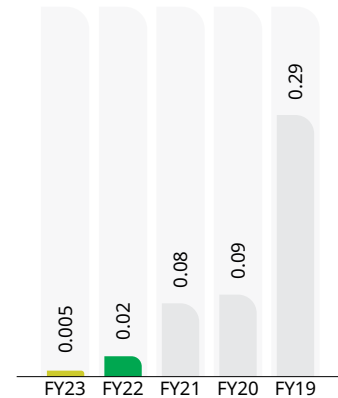
PAT
(₹ million)



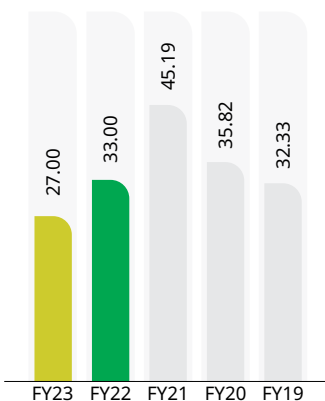
PAT Margin
(%)



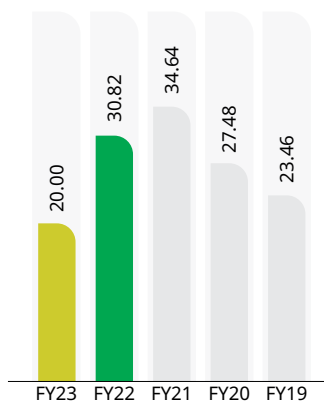
Debt Equity Ratio
(times)



ROCE
(%)



ROE
(%)



Elevating manufacturing expertise

At IPL, we focus on enhancing our operations to bolster manufacturing efficiency. As part of our growth strategy, we invest substantially in state-of-the-art manufacturing facilities that deploy cutting-edge technology. These advanced facilities not only enable us to maintain the highest standards of quality, but also boost productivity.

Our focus extends beyond domestic markets and we work diligently to build robust export logistic and supply chain networks. By growing our reach internationally, we endeavour to cater to the increasing demand of customers worldwide, all while ensuring timely and uninterrupted product delivery.

As we continue to innovate and adopt sustainable practices, we remain dedicated to achieving excellence in all organisational aspects, positioning the organisation as one of the trusted leaders in the agrochemical industry.



Best-in-class manufacturing facilities

In the districts of Lucknow and Hardoi in Uttar Pradesh, we have built two manufacturing plants. These facilities are equipped with advanced machinery and leverage cutting-edge technologies to assist us in achieving operational excellence and cost optimisation. Our focus on reducing

operational costs and enhancing efficiency is crucial for ensuring profitability and long-term growth. To this end, we ensure the implementation of well-researched processes and prudent resource management. With these efforts, we are well on track to meeting the highest quality standards, while maximising productivity and

minimising costs. This approach will also strengthen our market position and enable us to deliver greater value to our customers and stakeholders.

2

Manufacturing facilities

Plant capacities

Dewa Road, Lucknow

Technicals (MTPA)

2,100

Formulations (MTPA)

3,000

Plant capacities

Sandila, Hardoi

Technicals (MTPA)

21,900

Formulations (MTPA)

3,500

Total

Dewa Road, Lucknow & Sandila, Hardoi

Technicals (MTPA)

24,000

Formulations (MTPA)

6,500

Strategically located facilities

We recognise the significance of strategic locations for businesses to effectively serve their customers and reduce transportation costs. Our proximity to nearby manufacturing facilities ensures easy access to key raw materials, facilitating uninterrupted operations. This has also helped us optimise our supply chain and ensure timely delivery of products and services. Another advantage of our strategically located facilities is the availability of cheap labour in these regions, which enables us to curtail production costs. In addition, we benefit from a readily available market for our formulations in Uttar Pradesh.

of ₹50 crore is planned for specialised product development. Additionally, we are allocating ₹60 crore for the Shalvis Specialities Limited (WOS) project at Hamirpur, which will significantly contribute to our expansion and enhance our capabilities.

Local sourcing

We are reducing our reliance on imported raw materials through indigenous sourcing. This approach strengthens our supply chain, enhances manufacturing capabilities and ensures stable costs. By supporting local industries, we aim to foster economic growth and bolster our position.

Capacity expansion

During FY2023, we focused on capacity expansion at Sandila, with a Technicals capacity of 21,900 MTPA. We have successfully launched one herbicide intermediate and are diversifying into stabilisers and additive products. Looking ahead to FY2024, we have strategic plans for further growth. In this regard, a dedicated capex outflow

~58%

Local raw material sourcing

Sharpening our R&D focus

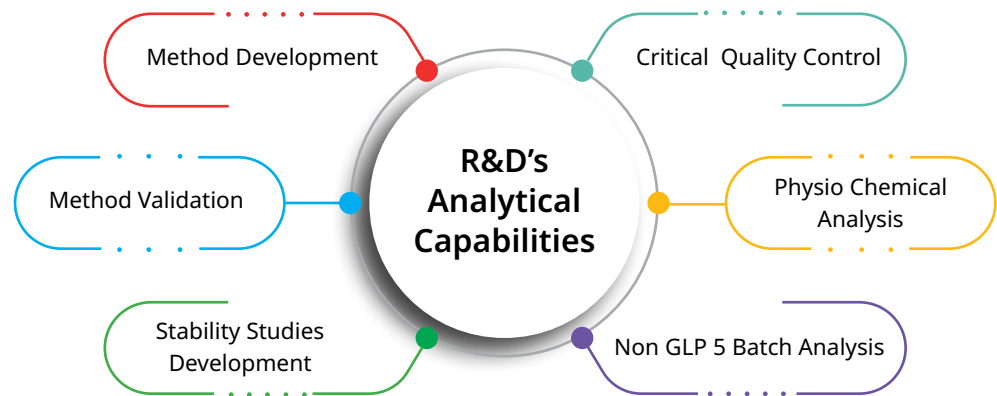
We consistently evaluate our portfolio to identify focus areas, which enables us to make necessary adjustments to our production processes to align with sustainability standards and achieve economic viability.

These initiatives play a crucial role in expanding our product line and granting us a competitive edge. Our commitment to continuous improvement has helped us expand our consumer base and cater to the evolving needs of our customers. In addition, our R&D efforts reaffirm our position as a forward-thinking and customer-centric organisation.

2

In-house NABL and DSIR certified advanced laboratories

R&D's Analytical Capabilities



Innovation and product development

Throughout the reporting year, we introduced a highly selective systemic herbicide, specifically developed for exclusive export purposes. This new herbicide further enhances our product portfolio and strengthens our position in global markets. Additionally, our newly launched herbicide technical product has obtained the prestigious Technical Equivalence (TEQ) certification from the European Union (EU). This certification is a testament to the quality and efficacy of our products, offering opportunities for expansion and market penetration within the EU and beyond.

Our R&D Initiatives in three modules

MODULE I	MODULE II	MODULE III
<ul style="list-style-type: none"> Laboratory for gram level operation Process development for existing products Specialised formulations like WDG, SC, EC etc. development activities Quality assurance Analytical method development 	<ul style="list-style-type: none"> Pilot plant for 1 - 10 kg production Data generation required for designing of commercial plant Semi commercial activity to meet the initial market study of the particular product 	<ul style="list-style-type: none"> Provide facilities for up-scaling from pilot plant to commercial scale Transfer procedures and operations to manufacturing team.

14

New products launched
10 Formulations, 3 Technicals and 1 intermediate

R&D efficiencies

We have a strong and dynamic Research and Development team comprising highly skilled and experienced scientists. These professionals drive the development of innovative, cost-effective and sustainable products. Our R&D team benefits from consistent support and guidance from a distinguished panel of experts. This panel consists of Senior Scientists hailing from esteemed National Laboratories, premier research institutes and renowned universities. Together, this collaborative force empowers us to remain at the cutting edge of technology, ensuring

that we deliver exceptional solutions to meet the evolving needs of our customers and the world.

40
R&D team members

15+ years
Average experience of R&D team

Future strategies

Leveraging our R&D capabilities, we look forward to driving innovation across both existing and upcoming products and processes. We emphasise expanding our overall product range, ensuring that we cater to a wide range of customer needs. To achieve this objective,

we intend to invest in manufacturing Technicals, thereby strengthening our market position and achieve sustained growth.



Confident strides towards a sustainable future

At IPL, we have been led by our credo of integrating innovation, quality and sustainability in all that we do. We have implemented several initiatives to ensure that we operate sustainably and ethically, safeguarding the interests of all stakeholders. By turning ESG principles into action, we aspire to deliver excellence through sustainability.





Environment

As a responsible corporate entity, we are cognisant of our operational impact and strive to minimise it. Our environmental initiatives prioritise reducing greenhouse gas emissions and our carbon footprint. Emphasising the adoption of renewable energy sources, we contribute to the global fight against climate change. Additionally, we have robust control mechanisms to manage waste and ensure responsible disposal practices.



ISO 14001:2015

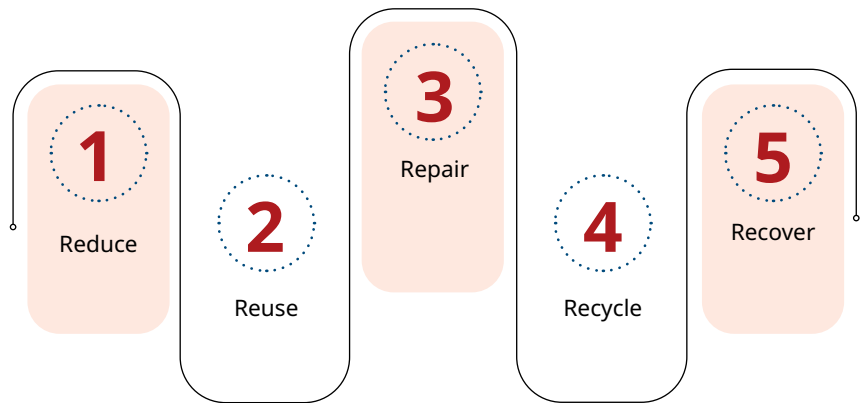
Certified

Preserving biodiversity

In FY2023, we made dedicated efforts to promote afforestation by implementing the Miyawaki technique to enrich the existing greenbelt around our manufacturing sites. The 'Food Forestation' project transformed idle lands at five specified locations into productive areas for cultivating fruits and vegetables. Looking ahead, we have ambitious plans to advance afforestation on a larger scale.

Waste management

At the core of our waste management strategy lies the belief that prevention is the most effective approach. Through our Sustainable Material Management approach, we diligently follow the 5Rs principle to systematically minimise environmental waste at all organisational levels.



Within our production facilities, we have implemented advanced systems such as Effluent Treatment Plant (ETP), Multiple Effect Evaporator (MEE), Reverse Osmosis (RO) and Spray Driers. These cutting-edge systems not only enable us to effectively filter our industrial wastewater, but also allow us to recycle and dry it, leading to our achievement of the prestigious Zero Liquid Discharge certification for all our sites. As part of our expansion efforts during the current year at the manufacturing site, we have further improved and expanded our waste water management systems, both in terms of quantity and efficiency, to enhance recycling and re-use practices.

Adopting energy efficient practices

Energy conservation remains a foremost priority for us as we recognise its crucial role in mitigating the adverse impacts of climate change and global warming. As part of our ongoing efforts, several initiatives have been implemented at various locations. One significant step involves conducting a comprehensive energy assessment carried out by external experts to identify areas for improvement.

By relying solely on biomass for heat and steam generation and expanding solar power utilisation, we ensure a sustainable energy supply. Moreover, we are venturing into the expansion of solar power utilisation, conducting thorough feasibility studies as needed to implement solar energy projects.

108

Solar streetlights installed across nine villages



Confident strides towards a sustainable future



Social



We operate an ethical supply chain that strictly prohibits child labour. Committed to supporting all genders and encouraging diversity, we have stringent policies in place to protect our people from sexual misconduct, creating a safe and inclusive workplace for all.

We firmly believe in paying fair wages in accordance with established norms, upholding societal rights and responsibilities. We are dedicated to supporting communities and is aware of its role as responsible corporate citizen. It, therefore, aims to engage in social welfare initiatives and raise the standard of living of people through targeted community development programmes. Its corporate social responsibility programmes encompass the areas of healthcare, education

and skill development to ensure the holistic growth of people, its local communities and the society at large.

₹ 24.82 million

Total CSR expenditure

Giving back to the society in ways more than one

We are actively involved in a range of charitable initiatives. Our efforts include providing essential medicines to underprivileged patients, enhancing equipment facilities in blood banks, and supplying nutrition to impoverished children in government hospitals. We also offer financial aid to patients undergoing critical illness treatment and support aspiring sports individuals by sponsoring their

professional training and organising motivating sports events. Moreover, we extend our care to cattle by funding their regular food supply.

Samagra Sudhar project

This project empowers children and youth to play an active role in contributing to the development of their villages by enhancing their knowledge, life skills and social and financial skills. The key initiatives include:

Empowering children and youth-

We provide comprehensive training to children and youth on self-diagnosis and solution-finding to address local challenges and foster development within their villages.

Enhancing healthcare services and environment

We undertake various programmes to improve healthcare services and environmental conditions within the villages. This improves living standards and contributes to their holistic well-being.

Promoting hygiene and sanitation

We upgrade Water, Sanitation, and Hygiene (WASH) facilities within the villages and conduct workshops focused on women's health.

Capacity building for Aanganwadi workers and village youths

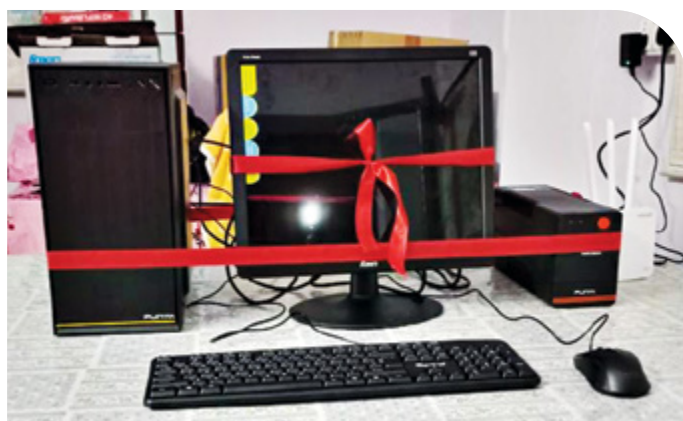
We conduct skill development programmes for Aanganwadi workers and village youths to equip them with the requisite knowledge and tools to sustain their development efforts.

Upgrading educational facilities in Som village

Our upgrade of the upper primary school in Som Village, Rajasthan, included creating a sports ground, establishing a well-equipped computer room and installing shade structures to enhance the learning environment.

Expanding computer centres

We established computer centres in two villages, Nanak Kheda and Mahsona to promote digital literacy and access to information technology.



Women's health awareness workshop

We organised workshops focused on women's health, providing crucial knowledge and fostering well-being among women in the villages.

7639

Total beneficiaries

Chuppi tod, halla bol project

In an effort to combat child sexual abuse, we organised programs in the regions of Hardoi and Ghaziabad in Uttar Pradesh. The primary goal was to create tangible and safe avenues for children to speak up about their experiences and receive the necessary support. Through these initiatives, we aimed to motivate and empower the children, providing them with the tools and guidance they need to move forward in life confidently.



Nutrition Forest and Bori Bagiya project

The project established five food forests in Lucknow and organised educational events focused on environmental protection. Instead of one-day activities, the project involved regular field visits and continuous monitoring to ensure proper plant growth. Additionally, the initiative, known as 'Bori Bagiya,' empowered 650 urban poor families from three identified colonies in Lucknow, Uttar Pradesh. These families received seeds, soil, and reusable plastic bags (Boris) to create Nutrition Gardens at their homes. They were also trained to use kitchen waste as nutrition for the plants. This approach enables the families to access nutritious vegetables and fruits they may not afford to buy, improving their overall nutrition.

Confident strides towards a sustainable future



Ensuring health and safety

To ensure the safety of our workers, we conduct mandatory monthly health and safety training sessions for all employees at the site, in different batches during various shifts. Additionally, we arrange scheduled health check-ups for our employees through empanelled doctors right on the site.

To enhance safety measures continuously, we collaborate with external experts and perform various safety assessments, such as Hazard and Operability Analysis (HAZOP) and Hazard Identification and Risk Assessment (HIRA) on the job site. This helps us identify areas that require improvement in terms of safety.

Moreover, we prioritise our employees' agility and preparedness by regularly organising simulated drills involving Fire Fighting professionals. These drills take place every three months, ensuring our team is well-prepared for any potential emergencies.



ISO 45001:2018

Certified

Community developmental activities

Before



Now



Confident strides towards a sustainable future



Governance



We have a robust corporate governance framework in place which prioritises internal transparency and accountability. Guided by experienced management and a visionary Board, we strive to ensure good corporate governance throughout our operations.

Board diversity

We recognise that a diverse board is essential for sustaining our competitive advantage, as it leverages a wide range of information, professional experiences, expertise, qualifications, skills and perspectives. A balanced and varied board benefits from diverse backgrounds, regional and industry expertise, cultures and age groups. Encouraging diversity improves our decision-making processes and our ability to adapt to

a dynamic environment. The synergy of a diverse Board empowers us to navigate challenges effectively, capitalise on opportunities and drive the Company's long-term success.

Fraud risk control policies

The Board of Directors has established a Risk Management Committee to develop a comprehensive risk

management strategy. This committee identifies external risks, implements mitigation measures and monitors risk management processes. Our objective is to enhance risk mitigation, safeguard operations and promote long-term sustainability.

Our ESG objectives for FY 2024

We are committed to incorporating ESG principles into every facet of our organisation, with a special focus on Corporate Governance, Risk Management, and Business Strategies. To address ESG-related risks and align our business strategies with our environmental and social responsibilities, we promote transparency, accountability, ethical practises and a robust risk management framework.

Business actions

GETTING BASICS RIGHT

Level Setting

- Setting common ground among key stakeholders on understanding ESG
- Awareness of the purpose and value of integrating ESG into IPL's business
- Driving ESG practices

Materiality Assessment

Identify, prioritise and validate the most material ESG issues that IPL should focus on so as to optimise the use of resources

Monitoring

- Assessment of key stakeholders on understanding
- Prioritised report

Timeline

By 30th September 2023

STRENGTHENING ELEMENTS

Corporate Governance

Establishing the connect of board/ senior executives on ESG topics through constant dialogue

Risk Management

Adopt a systematic approach to identify, assess and respond to ESG related risks in business operations

Business Strategy

Developing ESG strategy that is guided by a primary vision and mission of the IPL, and incorporate ESG into strategic planning

Monitoring

- Define ESG goals (short-medium-long) to measure ESG performance

Timeline

By 25th December 2023

COMMUNICATING THE EFFORTS

Reporting and Assuring

- Disclose the Company's ESG vision, strategy and year end status in different channels of communications such as Annual Report and website
- Engage a third party to perform independent assurance on ESG to give confidence for stakeholders on the credibility of the report that IPL will publish from 2024-25 onwards

Monitoring

- Year-end status report on Annual Report and IPL website

Timeline

By 31st March 2024

Board of Directors



Anand Swarup Agarwal
Chairman, Founder and
Non- Executive Director

Holds a Bachelor's Degree in Law from the University of Lucknow. Over 36 years of experience in agrochemical manufacturing. Nominated as a part time non-official director on the Board of Directors of Punjab National Bank. He also served as a Director on the Board of Directors of PNB Gilts Limited. He has been awarded with the UP Ratan award in the year 2013 by the All India Conference of Intellectuals.



Adesh Kumar Gupta
Independent Director

Holds a Bachelor's Degree in Commerce from the University of Jodhpur and is a qualified chartered accountant. Registered insolvency professional with the Insolvency and Bankruptcy Board of India. Previously held the position of Whole Time Director and Chief Financial Officer at Grasim Industries Limited and has also been a Director at Ultra Tech Cement Limited.



Madhu Dikshit
Independent Director

Holds a Master's Degree in science (biochemistry) from the University of Allahabad and a PhD in chemistry from the Chhatrapati Shahuji Maharaj University, Kanpur. Previously associated with the CSIR - Central Drug Research Institute, Lucknow, as a director, she has been a visiting professor at the Indian Institute of Technology, Jodhpur. Has been appointed as the National Chair of the Transitional Health Science and Technological Institute, Faridabad.



Rajendra Singh Sharma
Whole-time Director

Holds a Bachelor's Degree in science, specialising in agriculture, from the University of Meerut. Has been associated with the Company for the last 22 years and was initially appointed as a Director of the Company on June 10, 1998. Extensive experience in agrochemical marketing.



Mohan Vasant Tanksale
Independent Director

Member of the Institute of Cost and Works Accountants of India. Previously the Chairman and Managing Director of Central Bank of India and was an Executive Director on the Board of the Punjab National Bank, until June 2011.



Rahul Arun Bagaria
Non-Executive Director

Holds a Bachelor's Degree in commerce from the University of Mumbai and is a Qualified Chartered Accountant. He has extensive professional experience and expertise in corporate law and taxation.

Key managerial personnel



Dheeraj Kumar Jain
Chief Executive Officer

Holds a Bachelor's Degree and a Master's Degree in chemical engineering from Osmania University, Hyderabad, India. Over 25 years of experience with the Company. He has been responsible for product development, international business development and project engineering. Prior to joining the Company, he worked with the Indian Institute of Chemical Technology, Hyderabad.



Satya Prakash Gupta
Chief Financial Officer

Holds a Bachelor's Degree in Commerce from the University of Allahabad. He is an associate member of the Institute of Cost Accountants of India and an associate of the Institute of Chartered Accountants of India. He has over 27 years of experience in the field of finance and more than 25 years of experience with the Company. Prior to joining the Company, he worked at Delite Commercial Limited and Trimurtee Fertilisers Limited.



Ajeet Pandey
Company Secretary
and Compliance Officer

He is a Qualified Company Secretary and holds a Bachelor's Degree in Commerce and Law from the University of Ayodhya and Kanpur, respectively. Extensive professional experience and expertise in Corporate Law and other Allied Law. He has also worked and served his service as Company law Faculty, Committee Member and Programme Director of the Kanpur Chapter of ICSI. Prior to joining the Company, he worked at Jagran Prakashan Limited and Dolphin Developer Limited as a Secretarial officer and Company Secretary, and KMP respectively.

Corporate Information

Board of Directors

Chairman and Non-Executive Director

Mr. Anand Swarup Agarwal

Whole-Time Director

Mr. Rajendra Singh Sharma

Non-Executive Directors

Mr. Mohan Vasant Tanksale
(Independent)

Dr. Madhu Dikshit
(Independent)

Mr. Adesh Kumar Gupta
(Independent)

Mr. Rahul Arun Bagaria
(Non-Executive Director)

Chief Executive Officer

Mr. Dheeraj Kumar Jain

Chief Financial Officer

Mr. Satya Prakash Gupta

Company Secretary & Compliance Officer

Mr. Ajeet Pandey

Committees Of The Board

Audit Committee

Mr. Mohan Vasant Tanksale,
Chairman;
Mr. Adesh Kumar Gupta; and
Mr. Rahul Arun Bagaria.

Nomination and Remuneration Committee

Mr. Adesh Kumar Gupta, Chairman;
Dr. Madhu Dikshit; and
Mr. Rahul Arun Bagaria

Stakeholders' Relationship Committee

Mr. Anand Swarup Agarwal,
Chairman;
Mr. Rajendra Singh Sharma; and
Mr. Adesh Kumar Gupta

Corporate Social Responsibility Committee

Mr. Mohan Vasant Tanksale,
Chairman;
Mr. Anand Swarup Agarwal; and
Mr. Rajendra Singh Sharma.

Risk Management Committee

Dr. Madhu Dikshit, Chairman,
Mr. Anand Swarup Agarwal,
Mr. Adesh Kumar Gupta,
Mr. Mohan Vasant Tanksale,
Mr. Dheeraj Kumar Jain; and
Mr. Satya Prakash Gupta

Registered Office

35-A, Civil Lines, Bareilly – 243 001,
Uttar Pradesh, India.
Tel:+91 05812567459

Corporate Office

Water Works Road,
Swarup Cold Storage Compound,
Aishbagh, Lucknow – 226 004,
Uttar Pradesh, India.
Tel: +91 0522 2653602

Website:
www.indiapesticideslimited.com

Email Id:
info@indiapesticideslimited.com
investor@indiapesticideslimited.com

Manufacturing Facilities

Unit 1:

UPSIDC Industrial Area,
Dewa Road, District Lucknow
Uttar Pradesh, India

Unit 2:

UPSIDC Industrial Area, Sandila,
District Hardoi, Uttar Pradesh, India:

Statutory Auditors

Lodha & Co.
Mumbai, Maharashtra, India

Cost Auditors

Honey Singh & Associates
Cost Accountants, Lucknow Uttar
Pradesh, India

Secretarial Auditors

GSK & Associates,
Company Secretaries,
Kanpur, Uttar Pradesh, India

Internal Auditors

Adroit & Ardent
Associates Private Limited
Lucknow, Uttar Pradesh, India

Bankers

Bank of India
State Bank of India

Registrar and Share Transfer Agent

KFin Technologies Limited
(formerly known KFin Technologies
Pvt. Ltd);
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad-500 032, Telangana.

einward.ris@kfintech.com
www.kfintech.com

Board's Report

To,
The Members,
India Pesticides Limited

The directors have pleasure in presenting their Annual Report of the Company together with the Audited Accounts for the Financial Year ended on 31st March 2023.

Summary of Financial Results:

(All amount in Indian rupees million, unless otherwise stated)

Particulars	Standalone		Consolidated	
	Current Year (for the Period 2022-23)	Previous (for the Period 2021-22)	Current Year (for the Period 2022-23)	Previous (for the Period 2021-22)
Revenue from Operations	8849.35	7161.43	8849.35	7161.43
Other Income	131.93	131.65	132.33	131.55
Total Income	8981.28	7293.08	8981.68	7292.98
Less- Expenditure before Depreciation, Finance Costs, Exceptional items and Tax Expense	6873.77	5022.89	6879.99	5023.71
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	2107.51	2270.19	2101.69	2269.27
Less- Depreciation	112.50	84.46	113.79	85.06
Less- Finance Cost	64.48	65.06	71.54	68.53
Less: Exceptional Items	0	0	0	0
Profit/(Loss) after Depreciation, interest & Before Tax	1930.53	2120.67	1916.36	2115.68
Less- Provision For Tax & Adjustments	485.75	536.82	484.01	536.16
Profit for the Year	1444.78	1583.85	1432.35	1579.52
Other comprehensive income	2.84	-4.83	2.84	-4.83
Total Comprehensive Income for the Year	1447.62	1579.02	1435.19	1574.69
Earnings per Equity Share of ₹ 1 Each				
Basic (in ₹)	12.57	13.82	12.46	13.78
Diluted (in ₹)	12.57	13.82	12.46	13.78

State of Company's Affairs

During the Financial year, the Company has earned a net profit of ₹ 1444.78 million as compared with previous year's profit of ₹ 1583.85 million.

During the year, the Company has earned a consolidated net profit of ₹ 1432.35 million as compared with previous year's profit of ₹ 1579.52 million.

During the year, the Company has received NABL accreditation for our QC lab, thus strengthening our analytical capability and confidence. During this year, we have received CIB registration for 6 technicals and almost about 100 formulation registrations thereby increasing our overall portfolio of registrations.

Our expertise in advanced process chemistry, manufacturing process efficiency and backward integration strategies has

positioned our company at the forefront of the industry. Our R&D competencies have enabled us to enhance our existing products and explore new areas with significant growth potential. We remained committed to improving our product mix while increasing and improving our production capabilities.

Capacity Expansion

During the year under review, the technical capacity of our Sandila Plant was raised by 2,500 MT, and we intend to utilize two more manufacturing blocks at the current Sandila plant for herbicide technicals and intermediates. This increase in production capacity will boost process efficiency and bring about economies of scale. Present installed capacity of Technicals increased to 24,000 MT from 21,500 MT as on 31.03.2023 after launch of 2,500 MT capacity during FY23.

A brief description of our Technicals & Formulations in our both plants are as follows:

Plants as on 31.03.2023	Technicals (MTPA)	Formulations (MTPA)
Dewa Road, Lucknow	2,100	3,000
Sandila, Hardoi	21,900	3,500
Total Capacity	24,000	6,500

Changes in structure of share capital, if any:

The Authorized Share Capital as on 31st March 2023 was ₹ 15,00,00,000 divided into 15,00,00,000 Equity Shares of ₹ 1 each and the Paid-Up Equity Share Capital as on 31st March 2023 was ₹ 11,51,63,508 divided into 11,51,63,508 Equity Shares of ₹ 1 each. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights or sweat equity shares.

Subsidiaries, Joint Ventures or Associate Companies

Our Company has one Wholly Owned Subsidiary named Shalvis Specialities Limited. The Statement containing salient features of the Financial Statement of Subsidiaries/Associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) is annexed AOC-1 as Annexure 1.

Shalvis Specialities Limited ("SSL")

SSL was incorporated on January 18, 2021 as a public company limited by shares under the Companies Act, 2013. Its corporate identification number is U24290UP2021PLC140490. It has its registered office at 35-A, Civil Lines, Bareilly 243001 and its Corporate office at Water Works Road, Swarup Cold Storage, Aishbagh, Lucknow.

SSL is authorized to engage in the business of Manufacturing Agrochemicals, Intermediates, API and Fine Chemicals for Export & Indigenous use among other things, manufacture, production, formulation, sale and trade of all types of agricultural chemicals and pesticides under the objects clause of its memorandum of association.

Total Plot Area of SSL at Hamirpur project is approx. 25 acres and such project Plan to start commencement of Commercial Production Q4 of FY24.

During the year SSL has received Environment Clearance from The Ministry of Environment & Forest Climate Change on 24th December, 2022 and other allied approvals like provisional Fire NOC, TSDF Membership, Ground water abstraction, Consent To Establish, Export Registration & Membership, Registration for Export, Shop & Commercial for office.

Capital Structure of Subsidiary

The Authorised Share Capital of Shalvis Specialities Limited increased from ₹ 4,00,00,000/- divided into 40,00,000 equity shares of ₹ 10 each to ₹ 10,00,00,000/- divided into 1,00,00,000 equity shares of ₹ 10 each on 02.12.2022.

The issued, subscribed and paid-up share capital of SSL also increased from ₹ 3,10,00,000/- divided into 31,00,000 equity shares of ₹ 10 each to ₹ 4,65,00,000/- divided into 46,50,000 equity shares of ₹ 10 each consequent upon issue of right shares of ₹ 1,55,00,000/- divided into 15,50,000 equity shares of ₹ 10 each to its Holding Company (India Pesticides Limited) on 28.12.2022.

The annual accounts of the subsidiary companies are available for inspection by any shareholder at the registered office of the Company and interested shareholder's may obtain it by writing to the Company Secretary of the Company. The same are also placed on the website at <https://www.indiapesticideslimited.com/InvestorRelations.php>

The Company does not have any material subsidiary. The policy for determining material subsidiaries can be downloaded from the website of the Company at Policy for Determining Material Subsidiaries

The Company has no Joint Venture or Associate Company.

Material Changes and Commitments during the Year

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report during the year under review, as required under Section 134(3)(l) of the Companies Act, 2013.

Internal Financial Controls

The Company has laid down Internal Financial Controls that include a risk-based framework to ensure orderly and efficient conduct of its business, safeguarding of its assets, accuracy and completeness of the accounting records and assurance on reliability of financial information. The Company maintains adequate and effective internal control systems commensurate with its size and complexity. An independent internal audit function is an important element of the Company's internal control systems. This is executed through an extensive internal audit programme and periodic

review by the management and the Audit Committee. Independence of the Internal Auditor is ensured by way of direct reporting and presentation to the Audit Committee. The Audit Committee has satisfied itself on the adequacy and effectiveness of the internal financial control systems laid down by the management. The Statutory Auditors have confirmed the adequacy of the internal financial control systems over financial reporting. Further, details of the internal control systems are given in the Management Discussion and Analysis which forms part of this Annual Report.

Adequacy of Internal Financial Controls - Rule 8(5)(viii) of The Companies (Accounts) Rules, 2014

The Company has, in all material respects, an adequate system of internal controls over financial reporting and such internal controls over financial reporting were operating effectively as at 31st March, 2023.

Change in the Nature of Business

During the year, there was no material change in nature of business of the Company.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiary is prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'). The Audited Consolidated Financial Statements together with the Auditor's Report thereon forms part of this Annual Report. The Annual Financial Statements of the subsidiary and related detailed information will be made available to Members seeking information till the date of the AGM. They are also available on the website of the Company at www.indiapesticideslimited.com.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI Listing Regulations. The Policy, as approved by the Board, is uploaded on the Company's website at the weblink: www.indiapesticideslimited.com.

Dividend

On 30th May, 2023, the Board of Directors in its meeting recommended a dividend of ₹ 0.75 per share (i.e. @75% of face value) on the Equity Shares of the Company of ₹ 1 each for the year ended March 31, 2023. In the previous year 31 March 2022 also, the dividend paid was ₹ 0.75 per share (i.e. @75% of face value) on the Equity Shares of the Company of ₹ 1 each. If the dividend, as recommended above, is approved by the Members at the ensuing Annual General Meeting ('AGM'), the total outflow towards dividend on Equity Shares for the year would be ₹ 86.37 million.

In view of the changes made under the Income tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Members, your Company shall, accordingly, make the payment of the Dividend after deduction of tax at source

The Dividend Distribution Policy as approved by the Board is uploaded on the Company's website under the head 'Policies' at [Dividend Distribution Policy](#)

Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

The Company does not have any funds as contemplated under Section 125 of the Act lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF). Mr. Ajeet Pandey, Company Secretary and Compliance Officer has been appointed as a Nodal Officer of the Company and other details are available on the website of the Company.

In terms of the provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. For further details on taxability, please refer to Notice of annual general meeting.

The dividend recommended is in accordance with the principles and criteria as set out in the dividend distribution policy.

Management Discussion & Analysis

The Management Discussion and Analysis for the year under review, as stipulated under regulation 34 of the Listing Regulations, is presented in a separate Section, and forms an integral part of this Report. It, inter-alia, provides details about the Indian economy, business performance review of the Company's various businesses, risks and concerns and other material developments during FY 2022-23, on businesses of the Company.

Reserves & Surplus

During the year under review, the Company has not transferred any amount to General Reserve. However, Current Year's profit of ₹ 1444.78 million has been included under the head Retained Earnings during the year under review and the closing balance of the retained earnings of the Company for Financial Year 2022- 2023, after all adjustments were ₹ 7634.88 million.

Directors & Key Managerial Personnel

During the Year Mr. Anand Swarup Agarwal was re-appointed as a Chairman & Non-Executive Director for the period of Five Years on 28th May, 2022 by Board of Directors subject to the approval of shareholders which was obtained on 23rd August, 2022.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2023 are Mr. Rajendra Singh Sharma, Wholetime Director, Mr. Dheeraj Kumar Jain, Chief Executive Officer, Mr. Satya Prakash Gupta, Chief Financial Officer and Mr. Ajeet Pandey, Company Secretary and Compliance Officer.

However, there is no change in the Directors and Key Managerial Personnel during the Financial year.

Re-Appointment:

Pursuant to Section 152 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) 2015"), Mr. Rajendra Singh Sharma, Wholetime Director (Executive Director) was appointed on 30th September, 2018 for the period of 5 years & his term expires on this ensuing Annual General Meeting, being eligible he offers himself for re-appointment.

The Board has recommended to the members to re-appoint Mr. Rajendra Singh Sharma as Wholetime Director (Executive Director) of the Company at the ensuing Annual General Meeting for a period of five years in its meeting dated May 30, 2023.

Pursuant to Regulation 36 (3) of the SEBI (LODR) 2015, Mr. Rajendra Singh Sharma has not resigned in the past three years from any of the listed entities.

Retirement By Rotation:-

In accordance with the provisions of Section 152 of the Act and in terms of Article 112(2) of the Articles of Association of the Company, Mr. Rajendra Singh Sharma, Executive Director of the Company, retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

Board Diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race and gender, that will help us retain our competitive advantage. The Board Diversity Policy adopted by the Board sets out its approach to diversity. The weblink for the [Board Diversity Policy](#). Additional details on Board diversity are available in the Corporate Governance Report that forms part of this Annual Report.

Board and Committee Meetings

A calendar of Board and Committee Meetings to be held during the year was circulated in advance to the Directors and members of the committees.

a. Details of Board Meetings

During the year under review, 4 (four) Board Meetings were held, details of which are provided in the Corporate Governance Report.

b. Composition of Audit Committee

As on March 31, 2023, the Audit Committee comprised 3 (three) Members out of which 2 (two) are Independent Directors, Mr. Mohan Vasant Tanksale (Chairperson) and Mr. Adesh Kumar Gupta (Member) and 1 (one) is a Non-Independent & Non-Executive Director, Mr. Rahul Arun Bagaria (Member). During the year, 4 (Four) Audit Committee Meetings were held, details of which are provided in the Corporate Governance Report.

There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

c. Composition of Nomination & Remuneration Committee

As on March 31, 2023, the Nomination & Remuneration Committee comprised 3 (three) Members out of which 2 (two) are Independent Directors, Mr. Adesh Kumar Gupta, (Chairperson) and Dr. Madhu Dikshit (Member) and 1 (one) is a Non-Independent & Non-Executive Director, Mr. Rahul Arun Bagaria (Member). During the year, 1 (One) Nomination & Remuneration Committee Meetings were held, details of which are provided in the Corporate Governance Report.

There have been no instances during the year when recommendations of the Nomination & Remuneration Committee were not accepted by the Board.

d. Composition of Corporate Social Responsibility ("CSR") Committee

During the year, the Committee comprised 3 (three) Members out of which 1 (one) is Independent Director, Mr. Mohan Vasant Tanksale (Chairperson), 1 (one) is Non-Independent & Non-Executive Director, Mr. Anand Swarup Agarwal, and 1 (one) is Executive Director, Mr. Rajendra Singh Sharma as its members.

During the year under review, 1 (one) CSR Committee Meetings were held, details of which are provided in the Corporate Governance Report.

e. Composition of Stakeholder Relationship Committee ('SRC')

During the year, the Committee comprised 3 (three) Members out of which 1 (one) is Non-Executive and Non-Independent Director, Mr. Anand Swarup Agarwal (Chairperson), 1 (one) is Independent Director, Mr. Adesh Kumar Gupta, and 1 (one) is Executive Director, Mr. Rajendra Singh Sharma as its members.

During the year under review, 4 (four) Stakeholder Relationship Committee Meetings were held, details of which are provided in the Corporate Governance Report.

Details on other committees including their composition, number of meetings held and terms of reference are included in the Corporate Governance Report..

f. Composition of Risk Management Committee ('RMC')

During the year, the Committee comprised 6 (six) Members out of which 3 (three) are Non-Executive and Independent Director, 1 (one) Mr. Anand Swarup Agarwal (Chairperson) is Non-Executive and Non Independent Director Mr. Dheeraj Kumar Jain Chief Executive Officer and Mr. Satya Prakash Gupta Chief Financial Officer as its members.

During the year under review, 3 (three) Risk Management Committee Meetings were held, details of which are provided in the Corporate Governance Report.

Details on other committees including their composition, number of meetings held and terms of reference are included in the Corporate Governance Report.

Management Committee

The day-to-day management of the Company is vested with the Management Committee, which is subjected to the overall superintendence and control of the Board. The Management Committee is headed by the Chairman.

Auditors and Report thereon

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the provisions of Companies Act, 2013. In line with the requirements of the Companies Act, 2013,

During the year, no change in the appointment of the Statutory Auditor of the company, however, Lodha & Co., Chartered Accountants (Firm registration number 301051E) was appointed as the statutory auditors of the Company, to hold office for a period of five consecutive years from the conclusion of the 35th AGM of the Company held on December 21, 2020, till the conclusion of the 40th AGM to be held in 2025.

During the year under review, the statutory auditors have not reported to the Audit Committee under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, therefore, no detail is required to be disclosed in the Board Report under Section 134(3) (ca) of the Companies Act, 2013.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act 2013.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of Companies Act, 2013 and rules made there under, the Company has appointed M/s. GSK & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report is annexed as **Annexure 2** and forms an integral part of this report.

There is no secretarial audit qualification for the year under review.

Cost Audit

The Company is required to maintain cost records pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder and the same have been maintained in compliance with the provisions.

M/s Honey Singh & Associates, Cost Accountants (FRN: 101134), Lucknow was appointed as cost auditor to conduct the cost audit of books and accounts of the Company for the Financial Year 2022-23.

Further the Board of Directors at their meeting held on 30th May, 2023 has reappointed M/s Honey Singh & Associates, Cost Accountants (FRN: 101134), Lucknow as Cost Auditor of the Company for the Financial Year 2023-24. The remuneration payable to Cost Auditor is subject to ratification by the shareholders of the Company, accordingly a resolution shall be placed at the ensuing Annual General Meeting for approval.

Internal Auditor

The Board of Directors have appointed Adroit & Ardent Private Limited, as the Internal Auditor of the Company for conducting the internal audit for the FY 2022-23.

Further the Board of Directors at their meeting held on 30th May, 2023 has reappointed Adroit & Ardent Private Limited, as the Internal Auditor of the Company for the Financial Year 2023-24.

Comments by Board on Auditors' Report:

The Auditors' report read along with notes to accounts is self-explanatory and therefore does not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Compliance under Secretarial Standards:

The Company is in compliance of all Secretarial Standards issued by The Institute of Company Secretary of India from time to time.

Particulars of Loans, Guarantees and Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to Financial Statements.

Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. No material related party transactions were entered into during the financial year by the Company. Therefore, the disclosure of related party transactions as required under Section 134(3) (h) of the Act in Form No. AOC-2 is not applicable to the Company and hence the same is not provided. All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis for the transactions which are planned/repetitive in nature and omnibus approvals are taken as per the policy laid down for unforeseen transactions. Related party transactions entered pursuant to the omnibus approval so granted are placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. All the related party transactions under Ind AS-24 have been disclosed at note no. 37 to the standalone financial statements forming part of this Annual Report. An assessment by an independent firm is carried out from time to time on all the related party transactions entered into by the Company.

The Company has a Policy on Related Party Transactions in place which is in line with the Act and the SEBI Listing Regulations and the same is also available on the Company's website at [Related Party transaction](#)

Risk Management

The Board has formed a Risk Management Committee ('RMC') to frame, implement and monitor the risk management plan for the Company and ensure its effectiveness and to develop a policy for actions associated to mitigate the risks as well as identify new and emergent risks. The RMC seeks to

minimize the adverse impact of risks on business objectives and capitalize on opportunities. The RMC is chaired by an Independent Director. The Audit Committee has an additional oversight in the areas of financial controls. The Company has a well-defined risk management framework in place to ensure appropriate identification, measurement, mitigation and monitoring of business risks and challenges across the Company. The Company's success as an organization largely depends on its ability to identify opportunities and leverage them while mitigating the risks that arise while conducting its business. Further, the Board is apprised of any procedure that may threaten the long term plans of the Company. The Risk Register is refreshed periodically to ensure that the risks remain relevant at any point in time and corresponding mitigation measures are timely and effective so that the risk profile is within identified tolerance levels.

Risk Management Policy

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The Risk Management Policy as approved by the Board is uploaded on the Company's website at Risk Management Policy.

Deposits

1. Accepted during the year: **NIL**
2. Remained unpaid or unclaimed as at the end of the year: **NIL**
3. If there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:
 - a. At the beginning of the year: **NIL**
 - b. Maximum during the year: **NIL**
 - c. At the end of the year: **NIL**

Deposits not in compliance with Chapter V of the Act

The Company has not accepted any amount covered under the provisions of Section 73 of Companies Act, 2013 and Rules made there under.

Directors Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 your directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors, had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors

The Company has received declaration from all independent directors (within the prescribed time limit) in accordance with the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015.

Policy on directors' appointment and remuneration

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of March 31, 2023, the Board has six members, one of whom is Executive Director, two Non-Executive and Non-Independent Director and three Independent Directors. One of the Independent Director on the Board is women. The details of Board and committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance report that forms part of this Annual Report. The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at Policy on directors' appointment and remuneration.

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Formal Annual Evaluation of the performance of the board, its committees, chairperson and individual directors

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, its Committees, Independent Directors, Non-Executive Directors, Executive Director and the Chairman of the Board.

The Nomination and Remuneration Committee of the Board has laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/Non-Executive Directors/Executive Director and the Chairman of your Company.

The performance of Non-Independent Directors, the Board as a whole, and the Committees of the Board has been evaluated by Independent Directors in a separate meeting. At the same meeting, the Independent Directors also evaluated the performance of the Chairman of your Company, after taking into account the views of Executive Director and Non-Executive Directors. Evaluation as done by the Independent Directors was submitted to the Nomination and Remuneration Committee and subsequently to the Board.

The performance of the Board and its Committees was evaluated by the Nomination and Remuneration Committee after seeking inputs from all the Directors, on the basis of criteria such as the Board/Committee composition and structure, effectiveness of the Board/Committee process, information and functioning, etc.

The performance evaluation of all the Directors of your Company (including Independent Directors, Executive Director and Non-Executive Directors and Chairman), is done at the Nomination and Remuneration Committee meeting and the Board meeting by all the Board members, excluding the Director being evaluated on the basis of criteria, such as contribution at the meetings, strategic perspective or inputs regarding the growth and performance of your Company, among others. Following the meetings of Independent Directors and of Nomination and Remuneration Committee, the Board at its meeting discussed the performance of the Board, as a whole, its Committees and Individual Directors. All the Independent Directors of the Company have duly complied with the Code for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013. The details of familiarization programmes attended by the Independent Directors during the Financial Year 2022-23 are available on the website of the Company at <https://www.indiapesticideslimited.com/#>

Business Responsibility and Sustainability Report

As per regulation 34(2)(f) of the Listing Regulations, a separate section on Business Responsibility and Sustainability Report, describing the initiatives taken by your Company from environmental, social and governance perspective, forms an integral part of this Annual Report.

All the recommendations made by the Audit Committee, during the year, were accepted by the Board of Directors of your Company.

Management Discussion and Analysis Report

As required by Regulation 34 read with Para B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR)

Regulations, 2015}, a detailed 'Management Discussion and Analysis Report' (MDA) is attached in a separate section forming part of the Annual Report.

Research and Development (R&D)

The R&D projects portfolio is focused on improving the relative market position of your Company's businesses in the face of increasingly volatile and competitive business environment. The focus is on developing and commercializing premium differentiated products, improving our competitive cost position, product quality and environmental sustainability. To support these goals, the businesses are managing a pipeline of projects that are addressing near and mid-term needs, as well as the exploration of future opportunities.

Corporate Social Responsibility

As a socially responsible Company, India Pesticides Limited (IPL) is committed to increasing its Corporate Social Responsibility (CSR) impact with an aim of playing a bigger role in sustainable development of our society. IPL as a corporate is committed to uphold its social responsibility with reverberating belief 'Care the World with Care'. Our aim is to uplift standard of environment for society within & outside the organization, while preserving company's profitability. Corporate Social Responsibility ("CSR") at India Pesticides Limited ("Company") portrays the synergetic connection between the Company and the community in which it operates. The objective is bringing about a difference and adding value in the area where there is a need of support for development in our society.

The projects undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013. In line with the same the Company in addition to all other activities is spending a major portion on identified projects such as: i.e. Shuchita, Unnati & Oorjarakshan.

Moreover, the company has appointed implementing few new agencies such as "National Association For Blinds", "Haritika" and other agencies for carrying out CSR obligation on behalf of the Company and has planned to appoint few more implementing agencies to carry out CSR activities in collaboration with such agencies and spend towards, environment, health care facilities and other projects too for those poor and needy people and society so that real motive of CSR can be attained in the upcoming year, as per specified budget and approvals from time to time by the Company.

During the year under review, Your Company has total obligation for the Financial Year 2022-23 ₹ 3,28,39,904.76/- towards CSR Activities in terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Your Company has actually spent ₹ 69,79,088.14/- in the Financial Year 2022-23, towards CSR Activities. The unspent amount of ₹ 2,58,60,816.62/- in the amount of CSR spending is attributable to ongoing projects which will be completed by the Company in due course and the same had been duly transferred to the Unspent CSR Account on April 29, 2023. However in relation to company's previous obligations for ongoing projects of CSR, the company has spent ₹ 1,78,43,368.86 from its unspent CSR account. As on the date of reporting Balance in Unspent Account is ₹ 50506649.62/-.

The initiatives undertaken by your Company during the year have been detailed in CSR Section of the Annual Report. The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, is set out herewith as Annexure 3 to this Report.

Corporate Governance Report

Your Directors re-affirm their continued commitment to the best practices of Corporate Governance. Corporate Governance principles form an integral part of the core values of your Company. Your Company was compliant with the provisions relating to Corporate Governance. The Corporate Governance Report for the year under review, as stipulated under regulation 34 of the Listing Regulations, is presented in a separate section, and forms an integral part of this Report. A certificate from the Auditors on its compliance is given in Annexure 4 to this Report.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Power and Fuel Consumption		
1. Electricity		
Purchased Units (kwh)	4,38,98,840 units	36032436.96 Units
Total Amount (in ₹)	35,33,25,069	294818767.61
Unit Rate (in ₹)	8.05	8.18
2. Own Generation (on Diesel)		
Units Generated	17,56,660 units	1332000.00 Units
Total Amount (₹)	5,08,37,995.79	32171313.61
Unit Cost (₹)	28.94	24.15

- (i) The steps taken or impact on conservation of energy:

The products manufactured by the company are material intensive. However, consistent efforts are being made for identifying the potential for energy saving.

- (ii) The steps taken by the company for utilizing alternate sources of energy:

Company is exploring possibility of roof top Solar Energy System.

- (iii) The Capital investment on energy conservation equipments is ₹ 1.13 millions.

(B) Technology absorption:

- i. The efforts made towards technology absorption:

All process technologies are developed in-house at the R&D. The R&D is equipped with instruments and equipments to generate products from gram scale to kilo scale. After completely studying the process in pilot plant, standard operating procedures are developed for implementation in the plant.

- ii. The benefits derived:

- Reduction in cost of manufacturing
- Commercialization of new product

- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): No technology has been imported by the Company.

- iv. The expenditure incurred on Research and Development: ₹ 25.46 Million.

(C) Foreign exchange earnings and Outgo:

- Foreign Exchange earned in terms of actual inflows during the year: ₹ 3929.80 Million; and
- Foreign Exchange outgo during the year in terms of actual outflows: ₹ 2156.60 Million.

Employee Stock Option Scheme

The Company is planning to grant share-based benefits to eligible employees with a view to attracting and retaining talent, to encourage employees to align individual performance with the Company objectives and to promote their increased participation in the growth of the Company.

During the Financial Year 2022-23 company has proposed **ESOP 2023** in its Meeting of Nomination & Remuneration committee (NRC) held on 04.02.2023 in which the committee members designated NRC as a Compensation Committee for the purpose of implementing **ESOP 2023**. Nomination & Remuneration committee had discussed and reviewed the terms and conditions of Employee Stock Option Scheme, 2023. Further in Company's Board Meeting held on 30.05.2023 the Board has approved the **ESOP 2023**.

Pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under and SEBI Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "**Board**"), consent of the Shareholders of the Company ("**Shareholders**") be and is hereby accorded respectively to the "India Pesticides Employees Stock Option Plan, 2023 (hereinafter referred to as the "**ESOP 2023**" / "**Plan**") and to the Board to create, offer and grant from time to time upto **28,79,088 (Twenty Eight Lakh Seventy Nine Thousand Eighty Eight only)** Employee Stock Options ("**ESOPs**") to the permanent employees including Directors of the company (other than promoter(s) or Directors not belonging to the promoter group of the company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India (hereinafter referred to as an "**Employee(s)**"), as may be decided solely by the Board under the Plan, exercisable into not more than **28,79,088 (Twenty Eight Lakh Seventy Nine Thousand Eighty Eight)** equity shares of the Company in aggregate of face value of ₹ 1/- (Rupee One) each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with all applicable laws and regulations.

Details of options vested, exercised and cancelled will be provided.

Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in future

The Company has not received any order passed by Regulators or Courts or Tribunals impacting the Going Concern Status and Company's operations in future.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2022-23.

No. of complaints received	NIL
No. of complaints disposed off	NIL

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

There is no such application made or proceedings pending during the year under review.

Difference between amount of the Valuation done at the time of One Time Settlement and the valuation done while taking loan from the Banks or Financial Institutions

There is no such valuation done during the year under review.

Particulars of employees

The Company had 830 permanent employees as on March 31, 2023. The percentage increase in remuneration, ratio of remuneration of each director and key managerial personnel (KMP) (as required under the Companies Act, 2013) to the

median of employees' remuneration, and the list of top 10 employees in terms of remuneration drawn, as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of **Annexure 5** to this Board's report.

Insurance

The Company continues to carry adequate insurance cover for all its assets against foreseeable perils like fire, flood, earthquake, etc. and continues to maintain the Liability Policy as per the provisions of the Public Liability Insurance Act.

Credit Ratings

During the year under review, the Company had a Long-term credit rating of CARE A+; Stable and a Short-term rating of CARE A1+ (Single A Plus; Outlook: Stable / A One Plus) by Care Ratings Limited Limited for bank loan facilities aggregating to Rs. 160 crore.

Vigil Mechanism:

In accordance with the provisions of the Act and listing regulations, Vigil Mechanism for directors and employees to report genuine concerns has been established.

The Vigil Mechanism Policy has been uploaded on the website of the Company under investor relations/ listing compliances tab at [Policy on Vigil Mechanism](#).

Annual Return

The Annual Return as provided under Section 92 of the Act is available on the website of the Company at <https://www.indiapesticideslimited.com>

Acknowledgement

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

By the order of the Board
For **India Pesticides Limited**

Anand Swarup Agarwal
Chairman and
Non- Executive Director
DIN:00777581
Address: Swarup Bhawan,
Water Works Road, Aishbagh,
Lucknow -226004

Rajendra Singh Sharma
Wholetime Director
DIN:02487797
Address:-E-2866,RajajiPuram
Awass Vikas Colony
Lucknow-226017

Date: 30.05.2023
Place: Lucknow

Annexure -1

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts ₹ In Millions)

S. No.	Particulars	Subsidiary
1.	Name of the subsidiary	Shalvis Specialities Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as the Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
4.	Share capital	46.5
5.	Reserves & surplus	(18.55)
6.	Total assets	149.24
7.	Total Liabilities	121.29
8.	Investments	Nil
9.	Turnover	Nil
10.	Profit/ Loss before Taxation	(15.74)
11.	Provision for Taxation	(1.74)
12.	Profit/ Loss after Taxation	(14.00)
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

The following information shall be furnished at the end of the statement:-

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year- Nil

Part "B": Associates and Joint Ventures - Not Applicable

Annexure-2

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2023

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

To
The Members,
India Pesticides Limited
35-A Civil Lines, Bareilly -243001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **INDIA PESTICIDES LIMITED (CIN: L24112UP1984PLC006894)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the year ended on 31st March, 2023, proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

I.

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder.
- 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.
- 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, as amended from time to time;

- 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 (**Not applicable to the company during the audit period**);
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time;
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the company during the audit period**);
- f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable to the company during the audit period**);
- g) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the company during the audit period);
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the company during the audit period**); and

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, etc. as amended from time to time, mentioned above.

II.

- Insecticides Act, 1968
- Industrial Employment Standing Order Act, 1946
- Industrial Disputes Act, 1947
- Factories Act, 1948
- The Code on Wages, 2019

- Workmen's Compensation Act, 1923
 - Employees' State Insurance Act, 1947
 - Employees' Provident Fund & Miscellaneous Provisions Act, 1952
 - Payment of Gratuity Act, 1972
 - The Boilers Act, 1923
 - The Standards of Weight & Measurement Act, 1985
 - The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - Goods and Services Tax Act, 2017
 - The Pesticides Management Bill, 2020
 - Drugs and Cosmetics Act, 1940
 - The Petroleum Act, 1934
 - The Explosives Act, 1884
 - The Environment Protection Act, 1986
 - Air (Prevention and Control of Pollution) Act, 1981
 - The Water (Prevention and Control of Pollution) Act, 1974
 - Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
 - The Public Liability Insurance Act, 1991
 - Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
 - Uttar Pradesh Shops and Commercial Establishments Act, 1962
 - The Foreign Trade (Regulation and Development) Act, 1992
 - Consumer Protection Act, 2019
 - The Bureau of Indian Standards Act, 2016
 - The Legal Metrology Act, 2009
 - Intellectual Property Laws
 - The Equal Remuneration Act, 1976
 - The Child Labour (Protection Regulation) Act, 1986
 - The Maternity Benefit Act, 1961
 - The Apprentices Act, 1961
 - The Interstate Migrant Workmen Act, 1979
 - The Trade Unions Act, 1926
 - Indian Stamp Act, 1899
 - Income Tax Act, 1961
 - Occupational Safety, Health and Working Conditions Code, 2020
 - The Code on Social Security, 2020
 - Contract Labour (Regulation and Abolition) Act, 1970
 - The Export (Quality Control And Inspection) Act, 1963
 - The MSME Act
 - The Legal Metrology (Packaged Commodities) Rules, 2011;
 - The Poisons Act, 1919;
 - Water (Control of Pollution) Cess Rules, 1978
 - The Chemical Accident (Emergency Planning, Preparedness And Response) rules, 1996
 - Industrial (Development and Regulation) Act, 1951
 - Professional tax Act
 - Labour Welfare Fund
 - National and festival holidays Act
 - The Child and Adolescent Labour (Prohibition & Regulation) Act, 1986
 - Labour Laws (simplification of procedure for furnishing returns & maintaining registers by certain establishments) Act, 1988
- During the year under review the Company has filed periodical returns and has not received any show cause notice and has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as amended from time to time, mentioned above.
- We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under the Act, Laws and Regulations to the Company.
- We have also examined compliance with the applicable clauses of the following: -
- a. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Central Government.
 - b. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited

We 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. No changes in the composition of the Board of Directors that took place during the year.

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

Majority decision is carried through while there has been no member dissenting from the decisions arrived.

We further report that:

- Adroit & Adrent Associates Private Limited (CIN: U74900DL2009PTC197401), was appointed as the Internal Auditors of the Company for the Financial year 2022-23 at Board Meeting held on 28th May, 2022.
- Mr. Anand Swarup Agarwal was re-appointed as Chairman and Non-Executive Director for a term of 5

(five) years on 23rd May, 2022 by the Board of Directors subject to the approval of the Shareholders which was obtained on 23rd August, 2022.

We 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.

For **GSK & Associates**
(Company Secretaries)
FRN: P2014UP036000

Khushboo Gupta
Partner
(M. No.: F7243)
(CP No.: 7886)
UDIN: F007243E000425309
PR No: 2072/2022

Date: 30.05.2023
Place: Kanpur

Annexure 3

FORMAT FOR THE ANNUAL REPORT ON CSR INITIATIVES TO BE INCLUDED IN THE BOARD REPORT BY QUALIFYING COMPANIES

1. Brief outline of the Company's CSR policy:

- i. Health care: supporting various medical initiatives aiming at reducing mortality rate of children, regular health checkups for poor including children in schools of neighboring regions, promoting preventive health care, etc.
- ii. Skill Development and Women Empowerment and vocational training programmes for differently abled persons.
- iii. Promoting Education.
- iv. Promoting Sports through various events.
- v. Good Agricultural Practices.
- vi. Model Village/Habitation Development- Co Community Development.
- vii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the weaker sections of the society and women.
- viii. Rural Development Projects.
- ix. Protection of flora and fauna.

2. The composition of the CSR Committee:

S. No.	Name Of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Mohan Vasant Tanksale	Independent Director	1	1
2.	Mr. Anand Swarup Agarwal	Non-Executive Director	1	1
3.	Mr. Rajendra Singh Sharma	Wholetime Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.indiapesticideslimited.com>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). **NA**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NA**

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
-	-	-	-

6. Average net profit of the Company as per section 135(5): ₹ **1641.50 Millions.**
7. (a) Two percent of average net profit of the company as per section 135(5): ₹ **32.83 Millions.**
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.: **NIL**
 (c) Amount required to be set off for the financial year, if any: **NIL**
 (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **32.83 Millions**

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in ₹)	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	Name of the fund	Amount	Date of transfer
₹ 6.97 Millions	₹ 25.86 Millions	29.04.2023	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in H).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency
				State.	District						
1.	Health Care	Clause I of Schedule VII	Yes	U.P.	Lucknow/ Hardoi	Multi Year	80,00,000	54,72,375	12,90,373	Yes	Directly
2.	Education	Clause II of Schedule VII	Yes	U.P.	Lucknow/ Hardoi	Multi Year	75,00,000	8,76,244	54,35,654	Yes	Directly
3.	Rural Development	Clause X of Schedule VII	Yes	U.P.	Lucknow/ Hardoi	Multi Year	80,00,000	1,00,000	71,13,598	Yes	Directly
4.	Sports	Clause VII of Schedule VII	Yes	U.P.	Lucknow/ Hardoi	Multi Year	55,00,000	4,45,000	45,14,349	Yes	Directly
5.	Environment	Clause IV of Schedule VII	Yes	U.P.	Lucknow/ Hardoi	Multi Year	88,00,000	85,469	75,06,843	Yes	Directly
							3,78,00,000	69,79,088	2,58,60,817		

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **NA**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes No)	Mode of implementation - Through implementing agency:	
				State	District			Name	CSR registration number

(b) Amount spent in Administrative Overheads: **Not Applicable**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **6.97Millions**

(e) Excess amount for set off, if any: Not applicable

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

9 (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	19-20	0	0				
2	20-21	3,10,37,351.00	75,48,149.00				2,34,89,202.00
3	21-22	18,99,93,934.00	2,48,22,457.14				2,46,45,833.00

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Report for FY:					2020-21			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year. (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project Completed / Ongoing
1	1	Health Care	In Continuation	In Continuation	11249000.00	6279107.00	4969893.00	On Going Project
2	2	Education	In Continuation	In Continuation	7500000.00	634764.00	6865236.00	On Going Project
3	3	Rural Development	In Continuation	In Continuation	7200000.00	204149.00	6995851.00	On Going Project
4	4	Sports	In Continuation	In Continuation	7500000.00	300000.00	7200000.00	On Going Project
5	5	Environmental	In Continuation	In Continuation	5065871.00	59500.00	5006371.00	On Going Project
TOTAL					38514871.00	7477520.00	31037351.00	

Report for FY:					2021-22			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year. (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project Completed / Ongoing
1	1	Health Care	In Continuation	In Continuation	11500000	2364365	4292180	On Going Project
2	2	Education	In Continuation	In Continuation	7700000	708447	2871825	On Going Project
3	3	Rural Development	In Continuation	In Continuation	7400000	435942	4264058	On Going Project
4	4	Sports	In Continuation	In Continuation	7500000	0.00	2500000	On Going Project
5	5	Environmental	In Continuation	In Continuation	6000000	0.00	5065871	On Going Project
TOTAL					40100000.00	3508754.00	18993934.00	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). **NOT APPLICABLE**

S.No.	Particulars	
a.	Date of creation or acquisition of the capital asset(s)	
b.	Amount of CSR spent for creation or acquisition of capital asset.	
c.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
d.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Company didn't find suitable areas for spending the amount for well being of society.

On behalf of the CSR Committee

Dheeraj Kumar Jain
(Chief Executive Officer)

Mohan Vasant Tanksale
(Chairman of CSR Committee of the Company)

Annexure-4

Certificate on Corporate Governance

To
The Members of
India Pesticides Limited
35-A Civil Lines, Bareilly - 243001

1. We have examined the compliance of conditions of Corporate Governance by India Pesticides Limited ('the Company'), for the year ended 31st March 2023, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2023.

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

Restrictions on use

6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For GSK & Associates
(Company Secretaries)
FRN: P2014UP036000

Khushboo Gupta
Partner
(M. No.: F7243)
(C.P. No.: 7886)
UDIN: F007243E000425210
PR No: 2072/2022

Date: 30.05.2023
Place: Kanpur

Annexure-5

Annexure to the Report of Board of Directors Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. A) Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2022-23.

S. No.	Name of Director(s)/KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees
1.	Mr. Rajendra Singh Sharma	Wholetime Director	2.65

- B) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2022-23:

S. No.	Name of the Director / CFO / CEO / CS	Designation	Percentage(%) increase in Remuneration
1.	Mr. Rajendra Singh Sharma	Wholetime Director	10
2.	Mr. Dheeraj Kumar Jain	Chief Executive Officer	10
3.	Mr. Satya Prakash Gupta	Chief Financial Officer	10
4.	Mr. Ajeet Pandey	Company Secretary & Compliance Officer	10

- The percentage increase in the median remuneration of Employees for the financial year was 10 %.
- The Company has 830 permanent Employees on the rolls of Company as on 31st March 2023.
- Average increase made in the salaries of employees other than the managerial personnel in the financial year was 10%.
- It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

- II. Information as per Rule 5(2) of Chapter XIII, of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- Details of employee Employed throughout the financial year was in receipt of remuneration for that year which in the aggregate, was not less than One Crore and Two lakh rupees: NIL.
- Details of employees Employed for a part of the financial year who were in receipt of remuneration for any part of that year at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand rupees per month: NIL.

Note:

- a) The above list does not include Non-Executive Directors who were paid only sitting fee for attending the meetings of the Board/Committees at the fees of ₹ 100000 and ₹ 50,000/- per meeting respectively. Therefore, their median of remuneration being not applicable and hence not given. The remuneration of Non-Executive Directors, details of which are provided in the Corporate Governance Report and is governed by the Nomination & Remuneration Policy, as detailed in the said Report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.

For India Pesticides Limited

Anand Swarup Agarwal
Chairman and
Non-Executive Director
DIN: 00777581
Address: Swarup Bhawan,
Water Works Road, Aishbagh,
Lucknow -226004

Rajendra Singh Sharma
Wholetime Director
DIN: 02487797
Address:-E-2866, RajajiPuram
Awass Vikas Colony
Lucknow -226017

Date: 30.05.2023
Place: Lucknow

Business Responsibility & Sustainability Report

(As per Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identification Number (CIN) of the Company	L24112UP1984PLC006894
2.	Name of the Company	India Pesticides Limited.
3.	Year of incorporation	1984
4.	Address of the registered office	35-A Civil Lines, Bareilly, Uttar Pradesh
5.	Corporate office address	Water Works Road, Swarup Cold Storage, Compound Aishbagh, Lucknow-226004
6.	E-mail id	investor@indiapesticideslimited.com
7.	Telephone	91-522-2653602
8.	Website	www.indiapesticideslimited.com
9.	Financial year for which reporting is being done	FY 2022-23
10.	Name to Stock Exchange(s) where shares are listed	1. BSE India Limited 2. National Stock Exchange of India Limited
11.	Paid-up Capital	11,51,63,508
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR)	Mr. Ajeet Pandey Company Secretary & Compliance Officer 91-522-2653602, investor@indiapesticideslimited.com
13.	Reporting boundary	Standalone Basis

II. Products/services

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 of Pesticides	Manufacturing of Pesticides	95.60%

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.	Pesticides	2021	95.60%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	2	24	26
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	26
International (No. of Countries)	29

b. What is the contribution of exports as a percentage of the total turnover of the entity? – 54%

c. A brief on types of customers- The Company serves various customers including farmers, retailers distributors through its domestic business and multinational agro-chemical companies and other distributors through the export business. The companies products are consumed within India as well as across the Globe.

IV. Employees

18. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	830	820	99%	10	1%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	830	820	99%	10	1%
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	1261	1261	100	0	0
6.	Total workers (F + G)	1261	1261	100	0	0

b. Differently abled Employees and workers:

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

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.7%
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19.15	10	19.01	13.86	0	13.72	9.38	0	9.27
Permanent Workers									

V. Holding, Subsidiary and Associate Companies (including joint ventures)**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.	Shalvis Specialities Limited	Wholly Owned Subsidiary	100%	yes

VI. CSR Details

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

(ii) Turnover (in Rs.) – 8849.35 (Million)

(iii) Net worth (in Rs.) – 7750.04 (Million)

VII. Transparency and Disclosures Compliances**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
		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	Not Specific						
Investors (other than shareholders)	Yes						
Shareholders	Yes	13	13		2331	2331	IPO-related complaints in FY 21-22
Employees and workers	Yes						

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 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
		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
Customers	Not Specific						
Value Chain Partners	Not Specific						
Other (please specify)	Not Specific						

*Complaints/ Grievances received from stakeholders, other than shareholders, are not significant and are resolved promptly.

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

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.	Economic Environment and Market Conditions	R	Risk through the economic environment includes sudden changes in market conditions or overall economic downturn, which could lead to a sudden, unexpected loss of revenue.	Briefing customers, suppliers and agents on the IPL's plans to deal with unexpected economic environmental market conditions and if appropriate, seek their co-ordination in our risk response.	Negative
2.	Political Environment	R	The liability caused by the financial or personnel losses because of wrong political decisions or conflicts are known as political risks. Apart from the market based causes, business is highly influenced by political decisions taken by the government.	Personnel in Export, Finance and Sales & Marketing are aware of in place frequent changes on political situations (if any) both in India and in countries with which IPL deals. Requirements based on changes arise are timely get updated within the process of operations.	Negative
3.	Competition	O	The potential for reduced revenue or declining margins due to price, product, promotion or distribution actions of a competitor.	Non-dependency on single products and keeping a range of products which are: <ul style="list-style-type: none"> Selected on the basis of its uniqueness and limited or negligible competition. Manufactured from its basic stage to have competitive edge. 	Positive

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)
	Revenue Concentration and liquidity aspects	O	<p>If a large customer represents more than 10% of revenues, the business is exposed to customer concentration risk. The loss of a large high margin contributing customer has a higher adverse impact on the company than the loss of a large low margin contributing customer.</p> <p>The two key elements of liquidity risk are short-term cash flow risk and long-term funding risk. The long-term funding risk includes the risk that loans may not be available when the business requires them or that such funds will not be available for the required term or at acceptable cost.</p>	<ul style="list-style-type: none"> • Maintains a purchase agreement with those customers, if/when found their contribution to revenue is more than 10%. • Business Development Team gives more focus to have diversified portfolios of customers to shield negative impact on total revenue if/when there is a loss of high margin contributing customer. 	Negative
	Inflation and Cost structure	R	<p>Influence of inflation is inherent in any business and thereby there is a tendency of costs going higher.</p> <p>The in-built nature of longer timeframe in projects exposes the business to high risks of resultant increase in costs.</p>	<ul style="list-style-type: none"> • Defined cost structure is made as part of the agreement. Annual & Half Yearly reviews are done on the cost structure for amendments to be done based on inflation. <p>Planning and Commissioning of projects are always done on block-wise structure to insulate from or avoid negative cost impact, chances of which are high with projects of longer timeframe.</p>	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)
	Technology Obsolescence	O	A process or technology used or product produced by a company for profit will become obsolete and thus no longer competitive in the marketplace. This would reduce the profitability of the company.	<ul style="list-style-type: none"> India Pesticides Limited strongly believes that technological obsolescence is a practical reality. Process, product and technological obsolescence are evaluated on a continual basis through open discussions internally and with customers in market. <p>The necessary investments are made on R&D to keep ourselves abreast of the latest developments.</p>	Positive
	Legal	R	The Company is governed by various laws, which expect the business to be done within the four walls of the law. Thus, Company is exposed to legal action, if/when there is a deviation or negligence.	Regulatory risks, Compliance risk, Contractual risk, Non- contractual obligation, Dispute risk, Reputational risk are taken into account during every decision making discussions.	Negative
	Fluctuations in Foreign Exchange	R	Currency's value fluctuates between when the contract is signed and the delivery date; devaluation of any of the foreign currencies against the Indian Rupee may result in reduction of our margins.	India Pesticides Limited relies on natural hedge to reasonable extent. However, beyond the natural hedge, the risk can be measured through the net open position i.e. the difference between un-hedged outstanding receipt and payments.	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)
	Project Execution	O	Risk of loss resulting from inadequate or failed internal processes, people, controls, systems or events.	<ul style="list-style-type: none"> • Defined Process SOPs are in place. • Frequent on-the-floor process trainings are conducted. • Back-Up for every level of personnel is defined. • Internal inspection followed by CAPA mechanism for continuous improvement is in practice. <p>Inter-functional monthly meetings are conducted to share & understand the required support for efficient & effective functioning.</p>	Negative
	Operational Efficiency	O	Chances of failing to meet a goal due to a lack of resources or the potential that sufficient resources won't be available to meet a goal of the company.	<ul style="list-style-type: none"> • Goals are set in SMART format. • Human resource not only keeps everyday observation on availability of resources through attendance records but also kept updated with forecast of required resources or existing demand. <p>Rostering of resources with rotation and change on their activity helps to have personnel trained on multiple activities. Thus, delegation of work meets becomes easily feasible.</p>	Positive

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)
	Quality Control & Quality Assurance	O	<p>CoPQ (Cost of Poor Quality) can be expected through cost impacting:</p> <p>Direct factors such as out of specification, contaminated or a consumer safety risk, more scraps, rework, re-testing, recalls and customer returns.</p> <p>Indirect factors such as excessive overtime, inventory shortages, planning delays, lost sales/opportunities also can lead to cost risk due to poor Quality Management.</p>	<ul style="list-style-type: none"> India Pesticides always choose to follow the batch-wise production, which helps to have more control on quality. Sustainable approach through 5'R's - Reduce, Reuse, Repair, Recycle and Recover helps us to control on our waste, shortage and delays. Annual Capacity is calculated by taking 10months into calculation. Two months are presumed for maintenance shut-down, forced shutdown and any other unforeseen events. Labs are equipped with the choice of appropriate testing activities, specific methods, and attributes of the testing. Periodical check on quality control is done through calibration with testing by outsourced centers. Thus, it feedback credibility, accuracy and competency of internal QC. <p>Quality professionals are upgraded on knowledge and skill through exposure to training programs and webinars.</p>	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)
	Environmental Management	O	Possibility of frequent and/or severe extreme weather; producing more sustainable products (non-harming the nature), Zero discharge and Waste Management are the key factors.	<ul style="list-style-type: none"> Though manufacturing units are geographically located where extreme weather conditions do not occur, care is given on constructions considering any and all environmental risks. Systems are in place for zero liquid discharge such as liquid from all plants is treated through, RO, MEE, and then Spray Dryer. Solid waste disposal is done through government certified agents for landfilling at approved location. Emission scrubbers are active for the process. Cyclones & Dust collector arrangements manage micro wastes from boilers. <p>Effective PPE management is in place.</p>	Negative
	Human Resource Management in retaining skilled & talent personnel	O	A lack of job satisfaction and commitment to the organization can also cause an employee to withdraw and begin looking for other opportunities.	<ul style="list-style-type: none"> Personnel management boosts employee morale through effective employee engagements, compensations and workplace culture as family. 	Positive

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)
	Culture and values	O	<p>The misunderstandings, tensions, and biases caused by cultural differences can even lead to outright damage & failure of company's relationship, productivity and reputation.</p> <p>It also impacts the functional areas of marketing, sales, and distribution. It can affect a company's analysis and decision on how best to enter a new market.</p>	<ul style="list-style-type: none"> Employee strength comprises personnel from diversified background and hence, managed based on their values and priorities. Policies & Processes in place facilitate to avoid any discrimination during decision making situations. While dealing with national & international customers company keeps business approach as forefront factor synching with their native culture & values. 	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC (National Guideline for Responsible Business Conduct) Principles and Core Elements:

PRINCIPLES	REFERENCE POLICIES of IPL
P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	<ul style="list-style-type: none"> • Business Ethics Policy, • Vigil Mechanism & Whistleblower Policy, • Code of Conduct for Board Members and Senior Management Personnel, • Code of Practices for Fair Disclosure of UPSI, • Policy on Action due to Dishonest Act • Action on Violation of CoC Matrix
P2 Businesses should provide goods and services that are safe.	<ul style="list-style-type: none"> • Corporate Environmental Policy • Sustainable Procurement Policy
P3 Businesses should promote the wellbeing of all employees.	<ul style="list-style-type: none"> • Work Ambience Policy, • QHSE (Quality Health, Safety Environment) Policies & Procedures – IPL’s Incident Reporting System and On Site & Off Site Emergency Action Plan • HR Policies
P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	<ul style="list-style-type: none"> • CSR Policy, • Work Ambience Policy, • Anti-Sexual Harassment Policy,
P5 Businesses should respect and promote human rights.	<ul style="list-style-type: none"> • QHSE (Quality Health, Safety Environment) Policies & Procedures – IPL’s Incident Reporting System and On Site & Off Site Emergency Action Plan • Corporate Environmental Policy
P6 Business should respect, protect, and make efforts to restore the environment.	<ul style="list-style-type: none"> • QHSE (Quality Health, Safety Environment) Policies & Procedures – IPL’s Incident Reporting System and On Site & Off Site Emergency Action Plan • Corporate Environmental Policy
P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	<ul style="list-style-type: none"> • CSR Policy, • QHSE (Quality Health, Safety Environment) Policies & Procedures – IPL’s Incident Reporting System and On Site & Off Site Emergency Action Plan • Corporate Environmental Policy
P8 Businesses should support inclusive growth and equitable development.	<ul style="list-style-type: none"> • CSR Policy
P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.	<ul style="list-style-type: none"> • Sustainable Procurement Policy • Corporate Environmental Policy

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.indiapesticideslimited.com/InvestorRelations.php								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Yes, the company has Specific commitments, goals and targets set by the entity and are fulfilled within defined timelines.								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company monitors and periodically reviews its performance with respect to sustainability goals and targets and the action plans drawn for achieving the same								
Governance, leadership and oversight										
7.	Statement by Director responsible for the BRSR, highlighting ESG-related challenges, targets and achievements:	Environmental, Social, and Governance (ESG) has gained increasing attention over the past few years, with many institutional investors investing only in those companies that provide ESG an important goal for organizations. Customers and market demands are placing increased performance reporting. Meeting Environmental, Social and Governance (ESG) criteria has become pressure on corporations to engage in more sustainable business practice, and investors are increasingly using ESG criteria to evaluate the companies in which they might want to invest or do business with. Environmental, social, and governance (ESG) criteria create a framework for helping investors who want to incorporate personal values into their investment approach. The ESG screening process identifies companies that have built sound environmental practices, strong social responsibility tenets, and ethical governance initiatives into their corporate policies and everyday operations. ESG processes and procedures focus on non-financial performance indicators that address a company's approach towards responsible investment, sustainability, its impact on society and the environment, as well as other ethical and corporate governance considerations.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	The implementation and oversight of the Company's Policy towards business responsibility is regularly carried out by: 1. Board of Directors								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, The Company has a Corporate Social Responsibility (CSR) & Risk Management Committee of Executives Lead by CEO of the Company with the Company's strategy to bring about a positive impact on the communities.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Regularly reviewed by: Board of Directors Corporate Social Responsibility (CSR) Committee Audit Committee Risk Management Committee									Board of Directors (Periodically)								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The compliance with the statutory requirements is monitored on a regular basis by: 1. Management 2. Audit Committee 3. Board of Directors									The compliance with the statutory requirements is monitored on a periodically by: 1. Management 2. Audit Committee 3. Board of Directors								

Description of Main Activity	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.	The working of all the Policies is internally monitored. Audit/ evaluation by external agencies is carried out wherever necessary.								

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

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

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the Awareness programmes
Board of Directors Key Managerial Personnel	4 Board Meetings	During the Financial year, the Board of Directors of the Company invested their time on various updates pertaining to the business, regulations, environmental, social, governance matters, etc. These topics comprise insights on the said Principles	100%
Employees other than BOD and KMPs	3	<ol style="list-style-type: none"> Code of Conduct Anti Bribery Anti Corruption Whistle Blower Policy Health & Safety, Cleanliness, Prevention of Sexual Harassment at the Workplace Risk Management Policy 	95%
Workers	12	<ol style="list-style-type: none"> Code of Conduct Anti-Bribery Anti Corruption Whistle Blower Policy Health & Safety, Cleanliness, Prevention of Sexual Harassment at the Workplace 	80%

2. Details of fines/penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ enforcement agencies/ judicial institutions, in the financial year:-

	Monetary				
	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					
Settlement			NA		
Compounding fee					

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

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

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

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

Yes, the Company has an Anti-Bribery and Anti-Corruption (ABAC) Policy in place. India Pesticides Limited (the 'Company' or 'IPL') practices a zero-tolerance approach toward involvement of bribery and corruption in all its business dealings and relationships. The company has a policy anti-corruption or anti-bribery. The weblink for the policy is <https://www.indiapesticideslimited.com/InvestorRelations.php>

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

	FY 2022-2023 (Current Financial Year)	FY 2021-2022 (Previous Financial Year)
Directors		
KMPs	NIL	NIL
Employees		
Workers		

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

	FY 2022-2023 (Current Financial Year)		FY 2021-2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL		NIL	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

Leadership Indicators

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

Total number of awareness programmes held	Topics / Safety & Customer	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	Safety & Customer Engagement	100

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?

(Yes/No) If Yes, provide details of the same. Yes, The Company has adopted a Code of Conduct to avoid/ manage conflict of interests involving members of the Board. The Code is uploaded on the Company's website at <https://www.indiapesticideslimited.com/InvestorRelations.php>

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

Essential Indicators

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

In. Million

	Current Financial Year 22-23	Previous Financial Year 21-22	R&D for improving the environmental and social impacts of the product is done by the Company considering the customers' requirements.
R&D	2.60%	2.00%	R&D for improving the environmental and social impacts of the product is done by the Company considering the customers' requirements.
Capex	10%	3%	The Company's overall capex programme is designed towards investment in assets that continually improve the quality of manufacturing processes. This helps the Company to not only reduce environmental and social impacts resulting from its operations but also to offer products and services that have optimal impact on the environment.

2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No): -

yes

- b) If yes, what percentage of inputs were sourced sustainably? 82%

The Company has developed a process for the selection of suppliers and third parties which includes various parameters such as sustainable procurement policy sourcing guidelines on Environment, Health & Safety Policy, Legal Compliance, Adherence to TCoC, ISO Certification, etc.

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.

All the plastic waste, E-waste, hazardous waste and other wastes are systematically segregated and disposed in accordance with regulatory requirements to authorised vendors/Dealers. The company understands that natural resources are limited and therefore should be optimally utilized. In order to efficiently utilize the limited resources, the company has deployed operational control measures to control the wastage and set wastage norms for each plant. Plant-wise actual wastage is closely monitored to ensure that wastage is within permissible limits. Also, the company has set up ETP (Effluent Treatment Plant) for treating and reusing wastewater for non-potable uses like gardening, cleaning, in flush systems etc. RO systems at the site help to reuse water back in process.

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.

Leadership Indicators

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

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
2021	Ziram	1%	Gate to Gate	Yes	No
	Triclopyr Butoxy Ethyl Ester (Technical)	1%	Gate to Gate	Yes	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). <5%
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY Current Financial Year			FY Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste	Not Applicable					
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials as % of total products sold in respective category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	820	431	52.56	431	52.56	-	-	-	-	-	-
Female	10	2	20	2	20	2	20	-	-	-	-
Total	830	433	52.17	433	52.17	2	0.24	-	-	-	-
Other than Permanent employees											
Male											
Female											
Total											

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male											
Female											
Total											
Other than Permanent workers											
Male	1261	1261	100	1261	100	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	1261	1261	100	1261	100	-	-	-	-	-	-

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

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.40	100	Y	99.40	100	Y
Gratuity	99.64	100	Y	99.64	100	Y
ESI	52	100	Y	57.25	100	Y
Others – Bonus & Ex gratia Payment	100	100	Y	100	Y	Y

3. Accessibility of workplaces

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

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. <https://www.indiapesticideslimited.com/InvestorRelations.php>

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

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

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has following policies:-
Other than Permanent Workers	• Work Ambience Policy,
Permanent Employees	• QHSE (Quality Health, Safety Environment) Policies & Procedures – IPL's Incident Reporting System and On Site & Off Site Emergency Action Plan & HR Policies
Other than Permanent Employees	• Whistle Blower Policy • Prevention of Sexual Harassment at the Workplace

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

Yes

8. Details of training given to employees and workers:

Category	FY 2022-23 (Turnover rate in current FY)					FY 2021-22 (Turnover rate in previous FY)				
	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	820	428	52.20	280	34.15	795	403	50.70	243	30.57
Female	10	5	50.00	5	50.50	5	5	100	5	100
Total	830	533	52.17	285	34.34	800	408	51.00	248	31.00
Workers										
Male	1261	662	52.50	662	52.50	1040	562	54.04	562	54.04
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	1261	662	52.50	662	52.50	1040	562	54.04	562	54.04

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	820	280	34.15	795	243	24.92
Female	10	10	100	5	5	100
Total	830	290	34.94	800	248	31.00
Workers						
Male	1261	598	47.42	1040	500	48.08
Female	NA	NA	NA	NA	NA	NA
Total	1261	598	47.42	1040	500	48.08

10. Health and safety management system:

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

Yes. The Safety & Health Management system covers activities across all manufacturing locations, offices, research laboratories and supply chain partners and ensures the protection of the environment, health & safety of its employees, contractors, visitors and all other relevant stakeholders.

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

The safety and health management system is part of the Organization's management system which covers:

- Health and safety work organization and policy in a company
- Planning process for accident and ill health prevention
- Line management responsibilities and
- Practices, procedures and resources for developing and implementing, reviewing and maintaining the occupational safety and health policy

Storage and handling of toxic chemicals like chlorine, CS₂, flammable materials like fuel, etc. are identified as the major process hazards at the site for which the Company has carried out Quantitative Risk Assessment; HAZOP study & engineering control as appropriate.

Both the manufacturing units of the Company have been working on Process Safety and Risk Management (PSRM).

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

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) Yes

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

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers		
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
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

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

We have regular assessmentst of our manufacturing facilities by international customers, external governing bodies, and internal teams for quality assurance as well as for health and safety systems and sustainability aspects. robust safety protocols are in place to safeguard our employees. Reverberating the motto – ‘Care the World with Care’, we are making a positive contribution towards making an impact in community development. Organizing various safety training and awareness programmes across operations like mock drills for fire safety, maintenance of safety data sheet, work at confined spaces and mining safety, etc.

Risk assessment for all identified tasks are done and based on the risk score rating, ‘SOP’s are prepared for the respective task/ operation. It is being ensured by regular audit and inspection that all control measures are in place and SOP are adhered to strictly by individuals concerned.

SCAR-Safety Corrective Action Request system is implemented to ensure that all plant sections are being inspected to identify unsafe conditions. After inan spection in a prescribed time frame corrective actions are taken by concerned section in-charges.

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

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	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						
Health & Safety						NIL

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	95%
Working Conditions	

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.

All safety related observations during regular scheduled internal inspections are discussed by respective departmental officials and investigated if any more effective implementation is required. During everyday morning meeting by the senior officials, CAPA on all observations and other safety audits are not only addressed but also ensure implementations through re-inspections.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes

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

The company conducts compliance check on contractors involved in supplying resources while processing their invoices.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees				
Workers			NIL	

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

No. All employees are provided with friendly workplace culture controlled by the company's Workplace Ambience Policy. Career ending employees are given considerable amount of time to adopt the transition.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	85%
Working Conditions	85%

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

Scheduled internal inspections followed by CAPA. Everyday morning huddle meeting by all departmental heads for sharing the support and improvement required to meet the set goal of the day safely. Replication of measures taken at one place to new areas so that prevention can be done.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The company identifies stakeholder with intention of conducting the business in sustainable way, which is possible only through understanding the need of each other and fulfilling them by abiding the rule of the land.

The company has mapped its internal and external stakeholders, the major/ key categories include:

- Society
- Distribution agencies
- Vendors / Suppliers / Contractors
- Employees (including content producers)
- Community organizations / NGOs
- Government and regulatory authorities
- Investors and banks

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

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
Customers	No	Company website, Phone call & Email, Surveys & Grievance Redressal.	Periodic	Business updates & Engagement of dealers.
Communities	No	Community Visits, meetings & Surveys	Periodic	To help benefit communities in the areas surrounding the Company's operations by livelihood opportunities through various CSR initiatives by the Company.
Investors (other than shareholders)	No	Written and Verbal Communication by way of the Phone call, Emails, Letters Notices of Board Meetings, Earning calls on financials from time to time, Newspaper Advertisements & Websites of company & Stock Exchanges.	Annually, half yearly and Quarterly on Financial Results and others from time to time	Business updates, financial performances and Compliances on financial covenants.

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
Shareholders & lenders	No	Written and Verbal Communication by way of Phone call, Email, Letter, Notice of Board Meeting, Earning calls on financials from time to time, Newspaper Advertisements & Websites of Company & Stock Exchanges.	Annually, half yearly and Quarterly on Financial Results and others from time to time	Business updates, financial performance and compliances with norms
Employees and workers	No	Written and Verbal Communication by way of E-mail and phone call	Daily	Employee engagement is an on-going exercise conducted throughout the year.
Government & regulatory authorities	No	Annual/ Quarterly reports, Monthly and as when regulatory filings.	Annually/ Quarterly/ Monthly and as and when required.	Good governance practice, Regulatory compliance, Environmental compliances.
Suppliers & contractors	No	Review Meetings & Vendor Interactions	Periodic	Engagement with the suppliers and contractors for developing long term business relationships.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The company regularly interacts with all the stakeholders through different platforms. The feedback from the stakeholders are studied on relevance and feasibility. Actionable prioritized are discussed through meetings of Risk Management Committee of executives represented by the identified heads of different departments. Further escalation is done for board approval and to update the status of completion.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Inputs from stakeholders are received through meeting with them during their site visit or meeting or assessments they conduct. Actions in which changes in policy or creation of any new policy are sorted and Board is informed prior to taking action and post after completion.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

During the financial year, Gram panchayat Pradhan in Som Village in Hardoi communicated the general manager of the manufacturing site and CSR Head of IPL seeking support for enhancing the condition of two schools in the village. The company CSR head along with the NGO team visited the site and developed better sanitation facility, sports equipment, computer room for two schools in the village. Besides, the company installed solar street lights listening to the need from women and girls in village. Also, the company has adopted 4 villages near the manufacturing site for the upliftment.

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

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	830	280	33.73	800	243	30.38
Other than permanent						
Total Employees	830	280	33.73	800	243	30.38
Workers						
Permanent	0	0	0	0	0	0
Other than permanent	1261	662	52.49	1040	562	54.04
Total Workers	662	662	52.49	1040	562	54.04

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

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	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	820			820	100	795			795	100
Female	10			10	100	5			5	100
Other than Permanent										
Male										
Female										
Workers										
Permanent										
Male										
Female										
Other than Permanent										
Male	1261	1120	88.82	141	11.18	1040	923	88.75	117	11.25
Female										

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)	5	2.59	1	1.92
Key Managerial Personnel	3	13.40		
Employees other than BoD and KMP	816	0.95	10	0.95

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, HR heads of the respective units are responsible for addressing the issues. The Audit, Risk Management Committee/s and the Board has overseen redressing human rights impacts or issues caused or contributed to by the business.

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

All grievances are addressed as and when received by the respective Unit Heads/ Departmental Heads in coordination with personnel of HR department. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue/complaint

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	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						
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour		NIL			NIL	
Wages						
Other human rights related issues						

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

The Company has policies relating to Human Resources and Prevention of Sexual Harassment (POSH), which promote a free, fair and discrimination free working environment for employees and provide a mechanism for raising concerns and resolution of disputes. The above policies apply to IPL. The Company has in place a Supplier / Vendor Code. Company's subsidiaries have their own policies.

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

Yes, The Company adheres to highest level ethical practices as articulated by its Code of Conduct. The Company values contribution of each stakeholder and provides thriving work environment to employees to work together and succeed.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%. The Company undertook internal assessment through its Health & Safety, HR and Internal Audit functions.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

There are no such instance of significant risk or concerns arising during the financial year 22-23.

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.** The Company has NIL grievances/complaints.
- Details of the scope and coverage of any Human rights due-diligence conducted.** None
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?** – Yes.
- Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

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

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	43.9 (Mio KWH)	36.0 (Mio KWH)
Total fuel consumption (B)	1.71 (Mio KWH)	1.35 (Mio KWH)
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)	45.60 (Mio KWH)	37.38 (Mio KWH)

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Energy intensity per rupee in mio of turnover (Total energy consumption (KWH) / turnover in rupees)	0.0052	0.0064
Energy intensity (optional) – the relevant metric may be selected by the entity		

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

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. In the FY 2023-24, the company has plans to focus on PAT Scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	233246	195177
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	233246	195177
Total volume of water consumption (in kilolitres)	233246	195177
Water intensity per rupee in mio of turnover (Water consumed (KI) / turnover)	26.36	27.25
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. ZLD is implemented in the both sites of IPL

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

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m ³	24.3	23.9
SOx	µg/m ³	18.26	18.10
Particulate matter (PM)	µg/m ³	88.4	89.6
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)			
Others – please specify			

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

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: Not monitored

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

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

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	NA (Buyback)	NA (Buyback)
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	8586 MT	6277 MT
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	8586 MT	6277 MT
For each category of waste generated, total waste recovered through recycling, re-using or other re -covery operations (in metric tonnes): Not Applicable		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration (TSDF)	135 MT	282MT
(ii) Landfilling (TSDF)	8452 MT	5995 MT
(iii) Other disposal operations		
Total(MT)	8586	6277

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

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has practices for choosing always safer or alternatives in terms of raw materials, none of our products are in Red Triangle, in-house derived technologies to create a safe work atmosphere for employees and the environment and standardized procedures for choosing materials for manufacturing. The company has set up ETP (Effluent Treatment Plant) for treating and reusing wastewater for non-potable uses like gardening, cleaning, in flush system etc. RO systems at the site help to reuse of water back in process.

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:

Not applicable

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

Not applicable

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.

Leadership Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)		
Total fuel consumption (B)	562334 (GJ)	396537 (GJ)
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)		
From non-renewable sources		
Total electricity consumption (D)	43.9 (Mio KWH)	36.0 (Mio KWH)
Total fuel consumption (E)	1.71 (Mio KWH)	1.35 (Mio KWH)
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)	45.60 (Mio KWH)	37.38 (Mio KWH)

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

2. Provide the following details related to water discharged: NA, ZLD Units

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

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

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

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilol itres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

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

4. Please provide details of total Scope 3 emissions & its intensity, in the following format: Not calculated.

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Renewable resources are used for steam generation. The company uses bio-mass for steam generation. Complete mechanism from for ETP is installed to keep the manufacturing sites ZLD.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The company has Business Continuity Plan (BCP) that helps to be resilient while facing any disruptive situation. Time during the lockdown was tested period, which the company could handle without any interruption to business and meeting promises given to both the clients, other stakeholders and employees.

The objective of the BCP is to always be aware of threats that can cause discontinuity to business operations. The company has efficient Risk Management Committee of Executives that meet regularly to discuss each of the identified Business Risks. Each business risk is tagged with responsibility and accountability for the identified officials who are expert on tackling each. Also, the committee revisits the identified Business Risks every year and reassess them to prioritise on basis

of Severity and Probability of occurrence. Meet of all the responsible officials under same roof is scheduled four time a year during which every one do the brainstorm on each other's risks to reframe mitigation measures that are already defined for each. All decisions and minutes of meeting on such meet are escalated to RM Committee of Directors for their inputs, update and approvals if any required.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Such significant adverse incidents have never occurred. Pro-actively the team in the field connects with the whole value chain till farmers for understanding areas of improvement if any on their way of using our products.

Such significant adverse incidents have never occurred. Pro-actively the team in the field connects with the whole value chain till farmers for understanding areas of improvement if any on their way of using our products.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. 6%

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

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations(State/National)
1	Basic Chemicals, Cosmetics & Dyes Export Promotion Council popularly known as CHEMEXCIL.	National
2	Pesticides Manufacturers & Formulators Association of India (PMFAI)	National
3	Crop Care Federation of India (CCFI)	National
4	Chamber of Commerce and Industry (CCI)	National
5	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
6	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
7	The All India Management Association (AIMA)	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
		NA

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
					NA

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

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
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NA

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

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)
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NA

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

Our Whistle blower policy covers external stakeholders, through which community members can raise their concerns. Along with this, we also implement a public grievance redressal mechanism, where any complaints or grievances of our stakeholders, including the community, can be addressed directly to our Administration through email address and phone number provided on the website i.e. <https://www.indiapesticideslimited.com/InvestorRelations.php>.

Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	24%	22%
Sourced directly from within the district and neighbouring districts	11%	8%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
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NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
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NA

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? No

(b) From which marginalized /vulnerable groups do you procure? NA

(c) What percentage of total procurement (by value) does it constitute? NA

Currently, the Company does not have any preferential procurement policy.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		NA		

5. **Details of corrective actions taken or underway, based on any adverse order intellectual property-related disputes wherein usage of traditional knowledge is involved**

Name of authority	Brief of the Case	Corrective action taken
	NA	

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
	Samagra Sudhar: Sowing the seed of sustainability in youth & children in villages and train them on self-diagnosing and finding sustainable solutions for improvements in their own village.	7639	100
	Food Forests & Bori Bagiya: 650 Urban Poor Families	650	100
	Chuppi Tod Halla Bol: Combating child sexual abuse by developing tangible avenues that provides safe environment for children to speak out and get motivated for the life ahead	51847	100

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

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

For our clients, we customize our solutions based on their needs. Feedback on our services and their experience with us is collected during and at the end of our engagement with them.

For our digital platforms, we seek real-time feedback from users visiting our web pages through pop-up forms to take inputs on their user experience.

Given the nature of business and the direct connection we have with our readers, the Company carries out periodic surveys to stay on their pulse. The objective is to understand their needs and ascertain the gaps. We also participate in readership and brand-related surveys carried out by independent agencies.

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

	Name of the regulatory/ enforcement agencies/ judicial institutions
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	The Company is compliant with disclosure requirements as per applicable laws.
Recycling and/or safe disposal	

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

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

4. Details of instances of product recalls on account of safety issues: Not Applicable

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

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, the IPL have a framework/policies to on cyber security and risks related to data privacy

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.

Nil.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available). Yes, Information relating to all products & services of the entity is available on the Company's website <https://www.indiapesticideslimited.com/index.php>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All businesses of the Company comply with the regulations and relevant voluntary codes concerning marketing communications, including advertising and promotion. The Company's communications are aimed at enabling consumers to make informed purchase decisions.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Yes, We have Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes. Sales force does this on a regular basis during their market visits, to serve customers better.

5. **Provide the following information relating to data breaches:**

- a. Number of instances of data breaches along-with impact
- b. Percentage of data breaches involving personally identifiable information of customers

NIL

Report on Corporate Governance

The Board of Directors ("the Board") of India Pesticides Limited ("IPL"/"the Company") present the Company's Report on Corporate Governance for the year ended March 31, 2023 in terms of Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes in sustainable & effective corporate governance. The company always focuses toward continuous performance improvement at all levels by adhering to practices of corporate governance, such as managing its affairs with responsibility, accountability, diligence and transparency. We have therefore deliberated policies, processes, procedures and plans to enhance performance and stakeholders' value in the long run.

The Company's visionary founder, promoter & Chairman Mr. Anand Swarup Agarwal established a culture which ensures that all its activities are for the mutual benefit of the Company and stakeholders comprising customers, regulators, employees, shareholders and the community at large.

The Company has adopted practices to sustain the culture of good governance that comprise of fair representation of professionally qualified Directors on the Board, disclosure of information on performance, constitution of Board Committees as a part of the internal control system, adequate and timely compliance, payment of statutory dues, ownership, governance and accountability at all levels, and overall effective management control.

The organizational and governance structure enables an environment for value creation through sustainable and profitable growth. The governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibilities.

Governance structure of the Company comprises of the Board of Directors at the top level and the internal governance structure at the operational level. The Chairman and Chief Executive Officer are in overall control and responsible for the working of the Company, gives strategic directions, lays down the policy guidelines and ensures the implementation of the decisions of the Board and its committees. The primary role of the Board is to protect the interest and enhance the value for all the stakeholders. It conducts the overall strategic

supervision and control by setting policies, reporting mechanism and accountability and decision making process to be followed.

Executives of the Company, one level below the Board, on quarterly basis reviews certain parameters such as health of the organization, regulatory management, risks management strategy, HSE (Health, Safety & Environment), succession planning and leadership development. Apart from reviews, Executives and leaders discuss the most important business issues and challenges and takes decisions within the framework of the Board.

The Company has fortified itself from any unwanted incidents through effective Vigil Mechanism & Whistle Blower Procedure, Anti-Bribery and Anti-Corruption Policy, Risk Management Policy, Anti Sexual Harassment Policy. Employees of the Company are free to report violations of any laws, rules, regulations and concerns about unethical conduct under this policy in good faith. All these policies ensure that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination with any person for a genuinely raised concern

2. BOARD OF DIRECTORS:

The Board of Directors comprises Six (6) Directors, three (3) of whom are Non-Executive and Independent Directors, out of which One (1) is an Independent Woman Director, constituting 50% of the total strength of the Board. Two (2) out of remaining three (3) members of the Board are Non-Executive & Non-Independent Directors & rest one (1) is Executive Director (Whole time Director). The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Act.

As the Chairman of the Board is a Non-Executive Director & Promoter of the Company the provisions of Regulation 17(1)(b) of the Listing Regulations stipulate that if the Chairperson of a Company is a Non-Executive Director & Promoter, at least half of the Board should consist of Independent Directors, have been complied with. In the opinion of the Board, the Independent Directors of the Company fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and Schedule IV thereto and also Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

The Board comprises Directors of repute, who are experienced business persons, professionals, and executives. The Executive Director command respect in the industry for their valuable experience and

contribution. They look after the areas of responsibilities independently and seek directions/ guidance from the Chairman on all important matters. IPL's management team endeavors to adhere to the directions of the Board.

In line with the Nomination, Remuneration Policy of the Company, the Directors are identified based on their qualifications, positive attributes, area of expertise, etc.

3. COMPOSITION OF BOARD OF DIRECTORS AND PARTICULARS THEREOF:

3.1 The composition of the Company's Board and other requisite details, which is in conformity with Regulation 17 of the Listing Regulations and other applicable requirements, and other requisite details are given in the table below:

Sr. No.	Name of the Director	Category of Director	Relationship with other Directors	Shareholding in the Company as at March 31, 2023 (in Number and Percentage)
1.	Mr. Anand Swarup Agarwal	Promoter, Non-Executive, Non-Independent Director and Chairman	-	35848092; 31.13%
2.	Mr. Rajendra Singh Sharma	Executive / Whole-time Director	-	Nil
3.	Mr. Mohan Vasant Tanksale	Non-Executive / Independent Director	-	Nil
4.	Mr. Adesh Kumar Gupta	Non-Executive / Independent Director	-	Nil
5.	Dr. Madhu Dikshit	Non-Executive / Independent Director	-	Nil
6.	Mr. Rahul Arun Bagaria	Non-Executive / Non-Independent Director	-	Nil

3.2 Attendance of Directors at Board Meetings and Annual General Meeting (AGM):

S. No.	Name of the Director	No. of Board Meetings attended during Financial Year 2022-23	Whether attended last AGM held on 23 rd August, 2022
1.	Mr. Anand Swarup Agarwal	4	Yes
2.	Mr. Rajendra Singh Sharma	4	Yes
3.	Mr. Mohan Vasant Tanksale	4	Yes
4.	Mr. Adesh Kumar Gupta	4	Yes
5.	Dr. Madhu Dikshit	4	Yes
6.	Mr. Rahul Arun Bagaria	4	Yes

NOTES:

- Relationship with other Director(s) means 'Relative' of other Director(s) as defined under section 2(77) of the Act.
- Company has not issued any convertible instrument.

The details of Directors seeking appointment / re-appointment, and changes in the Board are mentioned in the Board's Report read with the Notice convening the 38th Annual General Meeting, forming part of the Annual Report.

4. NUMBER OF DIRECTORSHIP(S) AND CHAIRPERSONSHIP(S)/MEMBERSHIP(S) IN BOARD COMMITTEES OF OTHER COMPANIES AS AT MARCH 31, 2023:

Sr. No.	Name of the Director	Number of directorships in IPL & other public companies (including listed and unlisted)	Details of Directorship in other listed entities	Number of committee positions held in other companies including IPL	
				Chairpersonship(s)	Membership(+) (including chairpersonship)
1	Mr. Anand Swarup Agarwal	1	Nil	1	1
2	Mr. Rajendra Singh Sharma	3	Nil	0	1

Sr. No.	Name of the Director	Number of directorships in IPL & other public companies (including listed and unlisted)	Details of Directorship in other listed entities	Number of committee positions held in other companies including IPL	
				Chairpersonship(s)	Membership(+) (including chairpersonship)
3	Mr. Mohan Vasant Tanksale	9	1. Raja Bahadur International Limited Non-Executive – Independent director 2. Ladderup Finance Limited Non-Executive – Independent director 3. Anand Rathi Wealth Limited Non-Executive – Independent director	5	7
4	Mr. Adesh Kumar Gupta	7	1. Grasim Industries Ltd. Non-Executive – Independent Director 2. Vinati Organics Limited Non-Executive – Independent director 3. Care Ratings Limited Non-Executive – Independent director 4. ZEE Entertainment Enterprises Limited- Non-Executive – Non-Independent director 5. Krsnaa Diagnostics Ltd. Non-Executive –Independent director	4	9
5	Dr. Madhu Dikshit	2	1. Bharat Immunologicals And Biologicals Corporation Limited- Non-Executive – Independent director	0	0
6	Mr. Rahul Arun Bagaria	3	1. Authum Investment & Infrastructure Ltd.- Non-Executive –Independent director	2	5

NOTES:

1. This excludes directorships in private limited companies, foreign companies and companies licensed under Section 8 of the Act, if any.
2. This relates to chairpersonship / membership in the Audit Committees and Stakeholders Relationship Committees of the board of public limited companies in compliance with Regulation 26(1) of the Listing Regulations.
3. The Directorships and Committee memberships / chairpersonships of all Directors are in accordance with the provisions of the Act and the Listing Regulations.

As mandated by Regulation 17A and 26 (1) (b) of the Listing Regulations, None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an Independent Director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies have been made by the Directors

5. BRIEF PROFILE OF THE DIRECTORS:

Mr. Anand Swarup Agarwal

Mr. Anand Swarup Agarwal (78 years) is the Promoter, Chairman and non-executive Director of our Company.

He holds a bachelor's degree in law from the University of Lucknow. He has over 37 years of experience in agrochemical manufacturing. He is one of the Promoters and one of the founders of our Company. In the year 2003, the Government of India, Ministry of Finance (Department of Economic Affairs – Banking Division) nominated him as a part time non-official director on the board of directors of Punjab National Bank for a period of three years from November 25, 2003. He has also been a director on the board of directors of PNB Gilts Limited. He has been awarded with the UP Ratan award in the year 2013 by the 'All India Conference of Intellectuals'.

Mr. Rajendra Singh Sharma

Mr. Rajendra Singh Sharma (78 years) is a Whole-time Director of our Company. He holds a bachelor's degree of science in agriculture from the University of Meerut. He has been associated with the Company since last 24 years and was initially appointed as a director of our Company on June 10, 1998. He has experience in marketing, administration & Agro-Chemical manufacturing.

Mr. Mohan Vasant Tanksale

Mr. Mohan Vasant Tanksale (69 years) is an Independent Director of the Company. Mr. Tanksale has been a Director of the Company since December 21, 2020.

Mr. Tanksale is one of the most senior and respected bankers in India, having been the Chairman & Managing Director of Central Bank of India and the CEO of the Indian Banks Association (IBA). He is a Fellow member of Management Accountants of India (FCMA) and Indian Institute of Banking and Finance (CAIIB) and has spent over 4 decades in the Indian banking industry, during which he led three major Indian Public Sector banks. Mr. Tanksale has been conferred with several prestigious awards and recognitions and served on important committees of the Reserve Bank of India (RBI) and the Government of India. Besides serving on Company Boards, Mr. Tanksale is also an Advisor to SWIFT India (SWIFT India Domestic Services Private Limited, a majority owned subsidiary of Society of Worldwide Interbank Financial Telecommunication, Belgium) which supports high quality financial messaging services globally.

Dr. Madhu Dikshit

Dr Madhu Dikshit (65 years) is an Independent Director of the Company. Dr. Dikshit has been a Director of the Company since December 21, 2020.

Prof. Madhu Dikshit, the former Director of the prestigious CSIR – Central Drug Research Institute, Lucknow, holds a Ph.D. in Chemistry from the Chhatrapati Shahuji Maharaj University, Kanpur. After her superannuation she joined Indian Institute of Technology (IIT) Jodhpur, as Head of Bioscience and Bioengineering Department

and subsequently moved to Transitional Health Science and Technological Institute, Faridabad where she was offered a National Chair. She has more than 41 year of experience in the area of Molecular Pharmacology and drug discovery. She is a Fellow of all three National Academies of Sciences and National Academy of Medical Science. Currently she holds JC Bose National Fellowship at CSIR – Central Drug Research Institute, Lucknow.

Mr. Adesh Kumar Gupta

Mr. Adesh Kumar Gupta (66 years) is an Independent Director of the Company. Mr. Gupta has been a Independent Director of the Company since January 23, 2021.

Mr. Gupta is a qualified Chartered Accountant, Company Secretary and AMP from Harvard is a professional with rich experience of over 41 years in Corporate Strategy, M&A, Business restructuring, Fund raising, Taxation etc. During his distinguished career of over 3 decades in Aditya Birla Group, Mr. Adesh kumar Gupta held various senior positions (including Board positions) in companies in various fields including Indian Rayon, Birla Global Finance, Aditya Birla Nuvo Ltd and Grasim Industries Ltd. Post his retirement as Whole-Time Director & CFO of Grasim Industries Ltd. Mr. Adesh Kumar Gupta is working as insolvency professional and currently service on the board of various boards which includes Care Ratings Ltd, Vinati Organics Ltd. Mr. Adesh Kumar Gupta was awarded with Best CFO award by ICAI, IMA and Business Today. He had also represented FICCI as a Member of NACAS (National Accounting and Auditing Standards) which was instrumental in setting up Accounting Standards in India.

Mr. Rahul Arun Bagaria

Mr. Rahul Arun Bagaria (33 years) is a Non-Executive Director of the Company. Mr. Bagaria has been a Director of the Company since January 23, 2021.

Mr. Bagaria is the Non-Executive Director of our Company. He holds a bachelor's degree in commerce from the University of Mumbai and is a Qualified Chartered Accountant. He has more than seven years of professional experience and expertise in the fields of strategy, M&A, taxation, business restructuring.

The core skills/expertise/competencies identified by the Board as required in the context of the Company's business and sector for it to function effectively and actually available with the Board and the names of directors who possess such skills/expertise/competence is as under:-

Sr. No.	Name & Category of the Director	Expertise/ Skills	Experience	Qualification and Competencies
1	Mr. Anand Swarup Agarwal Promoter, Non Executive, Non-Independent Director and Chairman	<ul style="list-style-type: none"> Leadership / Operational experience Strategic Planning Industry Experience, Research & Development and Innovation Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance 	over 37 years	He holds a bachelor's degree in law from the University of Lucknow. He has over 37 years of experience in agrochemical manufacturing. He is one of the Promoters and one of the founders of our Company. In the year 2003, the Government of India, Ministry of Finance (Department of Economic Affairs – Banking Division) nominated him as a part time non-official director on the board of directors of Punjab National Bank for a period of three years from November 25, 2003. He has also been a director on the board of directors of PNB Gilts Limited. He has been awarded with the UP Ratan award in the year 2013 by the All India Conference of Intellectuals.
2	Mr. Rajendra Singh Sharma Whole-time Director	<ul style="list-style-type: none"> Leadership / Operational experience Strategic Planning Industry Experience & Research Corporate Governance 	32 years	He holds a bachelor's degree of science in agriculture from the University of Meerut. He has been associated with the Company since last 24 years and was initially appointed as a director of our Company on June 10, 1998. He has experience in marketing, administration & agro-chemical manufacturing.
3	Mr. Mohan Vasant Tanksale Independent Director	<ul style="list-style-type: none"> Leadership / Operational experience Strategic Planning Industry Experience, Research & Development and Innovation Regulatory / Legal & Risk Management Corporate Governance 	41 years	Mr. Tanksale is one of the most senior and respected bankers in India, having been the Chairman & Managing Director of Central Bank of India and the CEO of the Indian Banks Association (IBA). He is a Fellow member of Management Accountants of India (FCMA) and Indian Institute of Banking and Finance (CAIIB) and has spent over 4 decades in the Indian banking industry, during which he led three major Indian Public Sector banks. Mr. Tanksale has been conferred with several prestigious awards and recognitions and served on important committees of the Reserve Bank of India (RBI) and the Government of India. Besides serving on Company Boards, Mr. Tanksale is also an Advisor to SWIFT India (SWIFT India Domestic Services Private Limited, a majority owned subsidiary of Society of Worldwide Interbank Financial Telecommunication, Belgium) which supports high quality financial messaging services globally
4	Mr. Adesh Kumar Gupta Independent Director	<ul style="list-style-type: none"> Leadership / Operational experience Strategic Planning Industry Experience, Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance 	42 years	Mr. Gupta is a qualified Chartered Accountant, Company Secretary and AMP from Harvard is a professional with rich experience of over 40 years in Corporate Strategy, M&A, Business restructuring, Fund raising, Taxation etc. During his distinguished career of over 3 decades in Aditya Birla Group, Mr. Adesh Gupta held various senior positions (including Board positions) in companies in various fields including Indian Rayon, Birla Global Finance, Aditya Birla Nuvo Ltd and Grasim Industries Ltd. Post his retirement as Whole-Time Director & CFO of Grasim Industries Ltd.

Sr. No.	Name & Category of the Director	Expertise/ Skills	Experience	Qualification and Competencies
				Mr. Adesh Gupta is working as insolvency professional and currently service on the board of various boards which includes Care Ratings Ltd, Vinati Organics Ltd. Mr. Adesh Gupta was awarded with Best CFO award by ICAI, IMA and Business Today. He had also represented FICCI as a Member of NACAS (National Accounting and Auditing Standards) which was instrumental in setting up Accounting Standards in India
5	Dr. Madhu Dikshit Independent Director	<ul style="list-style-type: none"> Strategic Planning Industry Experience, Research & Development Innovation, Regulatory / Legal & Risk Management Corporate Governance 	41 years	Prof. Dr. Madhu Dikshit holds a Ph.D. in chemistry from the Chhatrapati Shahuji Maharaj University, Kanpur. She was previously director of the prestigious CSIR – Central Drug Research Institute, Lucknow and was also a visiting professor of Indian Institute of Technology (IIT). She had been appointed as the national chair of the Transitional Health Science and Technological Institute, Faridabad.
6	Mr. Rahul Arun Bagaria Non-Executive Director	<ul style="list-style-type: none"> Leadership / Operational experience Strategic Planning Industry Experience, Financial,Regulatory/ Legal & Risk Management Corporate Governance 	7 years	He holds a bachelor's degree in commerce from the University of Mumbai and is a Qualified Chartered Accountant. He has more than seven years of professional experience and expertise in the fields of strategy, M&A, taxation, business restructuring.

6. BOARD MEETINGS AND PROCEDURES:

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company, management policies and their effectiveness and ensuring that the long-term interest of the shareholders is served. The internal guidelines of the Board and Committee Meetings facilitate the decision - making process at the meetings in an informed and efficient manner.

6.1 Scheduling and selection of Agenda Items for Board Meetings:

- i) Minimum four (4) Board Meetings are held in each calendar year in accordance with the Act and Secretarial Standard-1 on Meetings of the Board of Directors ("SS-1"). Additional Board Meetings are convened to address the specific needs of the Company, as and when they arise. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- ii) The Board has complete access to any information within the Company and with the employees of the Company. The minimum information placed before the Board includes:
 - 1) Annual operating plans and quarterly updates.

- 2) Capital budgets and any updates.
- 3) Quarterly results for the Company, its businesses and subsidiaries.
- 4) Minutes of meetings of Audit Committee and other committees of the Board, and also resolutions passed by way of circulation.
- 5) The information on recruitment, remuneration and resignation of senior management personnel just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- 6) Show cause, demand, prosecution notices and penalty notices, which are materially important.
- 7) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- 8) Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- 9) Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.

- 10) Details of any joint venture or collaboration agreement.
 - 11) Minutes of Board Meetings of Subsidiaries.
 - 12) Statement of all significant transactions and arrangements entered into by the unlisted subsidiary.
 - 13) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
 - 14) Significant labour problems and their proposed solutions and any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.
 - 15) Sale of material nature of investments, subsidiaries and assets, which is not in normal course of business.
 - 16) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
 - 17) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
 - 18) Dividend recommendation and / or declaration.
 - 19) Quarterly summary of the borrowings, loans and investments.
 - 20) Internal audit findings and statutory audit report.
 - 21) Company's Annual Financial Results, Financial Statements, Auditor's Report and Board's Report and annexures thereto.
 - 22) Formation / reconstitution of Board Committees.
 - 23) Terms of reference of Board Committees.
 - 24) Declaration of Independence by Independent Directors at the time of appointment and thereafter annually and as and when there is any change in the circumstances which may affect their status as an Independent Director.
 - 25) Disclosure of Director's interest and their shareholding.
 - 26) Appointment of Internal Auditors and Secretarial Auditors.
 - 27) Annual Secretarial Audit Reports submitted by Secretarial Auditors.
 - 28) Recommending the appointment of and fixing of remuneration of the Statutory Auditors as recommended by the Audit Committee.
 - 29) Reconciliation of Share Capital Audit Report under Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
 - 30) Quarterly Investor Grievance Redressal Report under Regulation 13(3) of the Listing Regulations.
- iii) The Chairman of the Board and the Company Secretary of IPL finalize the Agenda Papers for the Board and Committee Meetings.
- 6.2 Board material distributed in advance:**
- i) Notices, Agendas and Notes on Agendas are circulated to the Directors in advance. All material information is incorporated in the Agenda Papers for facilitating meaningful and focused discussions at the meetings. Where it is not practicable to enclose any document to the Agenda, the same is placed at the meeting with specific reference to this effect in the Agenda, in accordance with SS-1.
 - ii) In special and exceptional circumstances, additional or supplementary item(s) on the Agenda is (are) permitted. Sensitive subject matters may be discussed at the meetings without written material being circulated in advance, in accordance with SS-1.
 - iii) General consent for giving Notes on items of Agenda which are in the nature of Unpublished Price Sensitive Information at a shorter Notice are taken in the first Meeting of the Board held in each Financial Year, in accordance with SS-1.
- 6.3 Recording Minutes of proceedings at Board and Committee Meetings:**
- The Company Secretary records the minutes of the proceedings of each Board and Committee Meeting. Draft minutes are circulated to all the members of the Board / Committee for their comments in accordance with Section 118 of the Act and SS-1.
- 6.4 Post Meeting follow-up mechanism:**
- Follow up in the form of an Action Taken Report on the decisions/minutes of the previous meeting(s) is placed at the succeeding meeting for noting by the Board / Committee respectively.
- 6.5 Compliance:**
- The Company Secretary is responsible for and is required to ensure adherence to all the applicable laws and regulations including, inter-alia, the Act read with the Rules made thereunder and Schedules thereto and

the Secretarial Standards issued by the Institute of Company Secretaries of India, each as amended from time to time.

6.6 Board Meetings held during the year:

Four (4) Board Meetings were held during the Financial Year 2022-23 on May 28, 2022; August 06, 2022, November 12, 2022, & February 04, 2023. The gap between any two Board Meetings did not exceed 120 days.

As all the directors were present in all the Board Meetings, hence no leave of absence was granted to anyone.

6.7 Familiarization Programme:

During Financial Year 2022-2023, one meeting of the Independent Directors was held on March 31, 2023. All the directors were present in the meeting. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors, Non-Executive Directors. A familiarization programme for all, including Independent Directors is uploaded on the Company's website at: <https://www.indiapesticideslimited.com/>

6.8 Quorum:

The quorum of the Board has been adopted pursuant to Regulation 17(2A) of the Listing Regulations, i.e. the

quorum of a Meeting of the Board of Directors shall be one-third of total strength of the Board or three directors, whichever is higher, including at least one independent director. Further, the participation of directors through video conferencing or by other audio-visual means is counted for the purpose of quorum.

7. BOARD COMMITTEES:

In terms of the Act and Listing Regulations, as amended from time to time, the Board has constituted the following Committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee. The Board has also constituted a Sub-Committee/Management Committee to open/close bank accounts and give all such power of attorney/authorizations as may be needed by the Whole-Time Directors and employees to represent the Company before the Governmental authorities and any other matter as delegated by the board etc., and authorizations, as may be required.

7.1 Audit Committee:

In compliance with Regulation 18 of the Listing Regulations read with Section 177 of the Act and Rules made thereunder, the Audit Committee ("AC") has been constituted to monitor and supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and financial reporting.

According to Section 177 of the Companies Act, 2013, the company's Audit Committee comprised of three directors as on 31.03.2023. The Board accepted the recommendations of the Audit Committee. The composition of the Audit Committee as on 31.03.2023 is as under:

Name of the Director	Position held in the Committee	Category of the Director
Mr. Mohan Vasant Tanksale	Chairman	Non-Executive /Independent Director
Mr. Adesh Kumar Gupta	Member	Non-Executive/Independent Director
Mr. Rahul Arun Bagaria	Member	Non-Executive/ Non- Independent Director

The Audit Committee was last reconstituted by the Board of Directors at their meeting held on February 08, 2021. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations.

i) The terms of reference of the Audit Committee include:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, replacement, reappointment, remuneration

and terms of appointment of auditors of the Company;

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the Board's report, in terms of the Companies Act, 2013, as amended;

- b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications and modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Examination of the financial statement and auditor's report thereon;
 7. Monitoring the end use of funds raised through public offers and related matters;
 8. 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 issue document/prospectus/notice and making appropriate recommendations to the Board to take up steps in this matter;
 9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 10. Approval or any subsequent modification of transactions of the Company with related parties;
 11. Scrutiny of inter-corporate loans and investments;
 12. Valuation of undertakings or assets of the Company, wherever it is necessary;
 13. Evaluation of internal financial controls and risk management systems;
 14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 15. 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;
16. Discussion with internal auditors of any significant findings and follow up thereon;
 17. 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;
 18. Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 19. 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;
 20. To review the functioning of the whistle blower mechanism;
 21. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 22. Carrying out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;
 23. Reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
 24. Consider and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- The Audit Committee shall mandatorily review the following information:
1. management discussion and analysis of financial condition and results of operations;

3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and
6. statement of deviations as and when becomes applicable:
 - (a) quarterly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) annual statement of funds utilized for purposes other than those stated in the

offer document/prospectus/notice in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

The Audit Committee is required to meet at least four times in a year and not more than 120 days are permitted to elapse between two meetings under the terms of the Listing Regulations.

ii) Composition and attendance in AC Meetings held during the year:

The Committee met four (4) times on May 28, 2022; August 06, 2022, November 12, 2022, & February 04, 2023. The gap between two AC meetings did not exceed 120 days.

The Composition of the AC along with the number

of meetings attended by the members during the year is as follows:

Names of Committee Members	Position	Meetings held	Meetings attended
Mohan Vasant Tanksale	Chairman (Non-Executive and Independent)	4	4
Adesh Kumar Gupta	Member (Non-Executive and Independent)	4	4
Mr. Rahul Arun Bagaria	Member (Non-Executive and Non-Independent)	4	4

Ajeet Pandey, Company Secretary of the Company, is Secretary to the Committee.

The Chairman of the Committee was present at the last Annual General Meeting held on August 23, 2022.

The Chief Executive Officer and Chief Financial Officer are regular invitees to the meetings of the Committee. Representatives of the Statutory Auditors, Internal Auditors and Secretarial Auditors are invited to attend the Committee Meetings and share their findings and address queries, if any.

7.2 Nomination and Remuneration Committee:

In compliance with Regulation 19 of the Listing Regulations, and Section 178 of the Act read with the Rules made thereunder, the Nomination and Remuneration Committee (“NRC”) of the Board has been constituted to primarily assist the Board in fulfilling its responsibilities by, inter-alia, recommending the criteria for Board membership and senior management, recommend the appointment (including re-appointment), remuneration and removal of Board

members and senior management, and specify the manner for effective evaluation of Chairman, individual directors, Committees and the Board.

The terms of reference of the Nomination and Remuneration Committee include:

1. Formulating 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;
- 1A For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (i) use the services of an external agencies, if required
 - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (iii) consider the time commitments of the candidates.]
2. Formulating criteria for evaluation of performance of independent directors and the Board of Directors;
 3. Devising a policy on diversity of Board;
 4. 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 of Directors their appointment and removal;
 5. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 6. Recommending to the Board, all remuneration, in whatever form, payable to senior management.
 7. Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws; and

8. Performing such other functions as may be necessary or appropriate for the performance of its duties.

The Nomination, Remuneration and Evaluation Policy of the Company is annexed as an annexure to the Board's Report, forming part of the Annual Report, and is also uploaded on the Company's website at <https://www.indiapesticideslimited.com/InvestorRelations.php>.

The Chairman of the NRC or any other Member of the Committee, so authorized, shall be present at the Annual General Meeting to answer the shareholders' queries.

All recommendations made by the Committee during the Financial Year were accepted by the Board.

i) Composition and attendance in NRC Meetings held during the year:

During the year, the NRC met only once on March, 29, 2023.

The composition, along with the number of meetings attended by the members during the year is as follows:

Names of Committee Members	Position	Meetings held	Meetings attended
Mr. Adesh Kumar Gupta	Chairman (Non-Executive and Independent)	1	1
Dr. Madhu Dikshit	Member (Non-Executive and Independent)	1	1
Mr. Rahul Arun Bagaria	Member (Non-Executive and Non-Independent)	1	1

Ajeet Pandey, Company Secretary of the Company, is Secretary to the Committee.

Pursuant to Regulation 19(2A) of the Listing Regulations, the quorum for the meeting of the Nomination and Remuneration Committee shall be one-third of the members of the committee or two members, whichever is higher, and shall include at least one independent director.

ii) Performance Evaluation criteria for the Board, its Committees and Individual Directors including Independent Directors and Chairman of the Company:

Pursuant to Sections 134 and 178 of the Act read with Regulations 17 and 19 of the Listing

Regulations, a formal evaluation of the performance of the Board, its Committees, the Chairman and Individual Directors was carried out in the Financial Year 2022-23, details of which are provided in the Board's Report forming part of the Annual Report. Parameters for evaluation of Independent Directors include, inter-alia, constructive participation in meetings, intellectual independence, engagement with colleagues on the Board. All Directors were subjected to peer evaluation.

iii) Remuneration of Directors

1) Non-Executive Directors' Compensation and Disclosures:

The sitting fees for the Board Meeting and Committee Meetings is ₹ 100,000/- and ₹

50,000/- respectively. The sitting fees paid to Non-Executive Directors during the year are as under:

(Amounts in ₹ Million)

Sr. No.	Name	Sitting Fees
1.	Mr. Anand Swarup Agarwal	0.80
2.	Mr. Mohan Vasant Tanksale	0.80
3.	Dr. Madhu Dikshit	0.80
4.	Mr. Adesh Kumar Gupta	1.00
5.	Mr. Rahul Arun Bagaria	0.65

2) Executive Directors:

Managerial Remuneration to Executive Directors during the Financial Year 2022-23 was as under:-

(Amounts in ₹ Million)

Sr. No.	Name of Directors	Salary, Perquisites	Total
1.	Mr. Rajendra Singh Sharma	0.80	0.80

NOTES:

- No bonus, stock option and pension were paid to the Directors.
- No incentives linked with performance are paid to the Directors.
- The term of Executive Directors is for a maximum period of 5 years from the date of appointment. The Company does not have any service contract with any Director.
- Besides the above remuneration, all Executive Directors are also entitled to Company's contribution to Provident Fund, Gratuity and Encashment of Leave as per the Rules of the Company.

7.3 Stakeholders Relationship Committee:

In compliance with Regulation 20 of the Listing Regulations read with Section 178 of the Act and the

Rules made thereunder, the Stakeholders Relationship Committee ("SRC") has been constituted by the Board for speedy disposal of grievances/complaints relating to stakeholders/investors

i) Terms of Reference of the Stakeholders' Relationship Committee are as follows:

- To resolve the grievances of the security holders of the Company 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. and assisting with quarterly reporting of such complaints;
- To review measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
- Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

All recommendations made by the Committee during the Financial Year were accepted by the Board.

ii) Composition and attendance in SRC Meetings held during the year:

During the year, the SRC met Four (4) times on May 27, 2022; August 05, 2022, November 12, 2022, & February 04, 2023.

The composition of the SRC along with the number of meetings attended by the members during the year is as follows:

Names of Committee Members	Position	Meetings held	Meetings attended
Mr. Anand Swarup Agarwal	Chairman (Non-Executive and Non- Independent)	4	4
Mr. Adesh Kumar Gupta	Member (Non-Executive and Independent)	4	4
Mr, Rajendra Singh Sharma	Member (Non-Executive and Independent)	4	4

iii) Compliance Officer:

Ajeet Pandey, Company Secretary of the Company, is designated as the Compliance Officer for complying with the requirements of the Securities Law and the Listing Regulations.

iv) Investor Grievance Redressal:

The Committee specifically looks into the shareholder redressal and investor complaints on matters relating to refund orders transfer of shares, dematerialization/rematerialization, subdivision, consolidation of share certificates, issue of duplicate share certificates, non-receipt of annual report, non-receipt of declared dividends etc. In addition, the Committee advises on matters which can facilitate better investor services and relations. As per the Certificate issued by the Registrar and Share Transfer Agents, KFin Technologies Private Limited ("the RTA" / "KFinTech"), during the year under review, Fifteen (15) complaints were received from shareholders / investors and all of them were replied / resolved to the satisfaction of the shareholders / investors.

All complaints were resolved to the full satisfaction of the shareholders and no complaint was pending as on March 31, 2023.

7.4 Corporate Social Responsibility Committee:

In compliance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has constituted a Corporate Social Responsibility ("CSR")

Committee. Statutory disclosures with respect to the CSR Committee and CSR activities form part of the Board's Report.

All recommendations made by the Committee during the Financial Year were accepted by the Board.

i) Terms of Reference:

The role of CSR includes the following:

- 1) To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;
- 2) To recommend the amount of expenditure to be incurred on the CSR activities;
- 3) To institute the transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and perform any function as stipulated in Companies Act, 2013 and any applicable laws, as may be prescribed from time to time.

The updated CSR Policy of the Company is uploaded on the web site of the Company at CSR Policy

ii) Composition of and attendance in CSR Committee meeting during the year:

During the year, the CSR Committee met only once on March 29, 2023.

The composition of the CSR Committee along with the number of meetings attended by the members during the year is as follows:

Names of Committee Members	Position	Meetings held	Meetings attended
Mr. Mohan Vasant Tanksale	Chairman (Non-Executive and Independent Director)	1	1
Mr. Anand Swarup Agarwal	Member (Non-Executive and Non-Independent Director)	1	1
Mr. Rajendra Singh Sharma	Member (Executive Director)	1	0

7.5 Risk Management Committee:

Pursuant to Regulation 21 of the Listing Regulations, IPL has constituted the Risk Management Committee ("RMC") for monitoring and reviewing of the risk management plan and specifically, cyber security.

The role of the RMC, is, inter-alia, to approve the strategic risk management framework of the Company, and review the risk mitigation strategies and results of risk identification, prioritization and mitigation plans for all business units / corporate functions, as also the measures taken for cyber security.

i) Terms of reference:

The role of RMC includes the following:

- 1) Discuss with senior management, the Company's Risk Management System ("RMS") and provide oversight as may be needed.
- 2) Ensure it is apprised of the most significant risks along with the action management which is taking and how it is ensuring effective RMS.
- 3) Review and recommend changes to Risk Management Policy and / or associated frameworks / plans including cyber security, processes and practices of the Company.
- 4) Be aware and concur with the Company's risk appetite including risk levels, if any, set for financial and operational risks.
- 5) Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- 6) Being apprised of significant risk exposures of the Company.
- 7) Report periodically to the Board of Directors.
- 8) The RMC shall have access to any internal information necessary to fulfill its oversight role.
- 9) Perform such other activities related to this Policy as requested by the Board of Directors or as may be stipulated in any applicable provisions as amended from time to time or to address issues related to any significant subject within its term of reference.
- 10) To formulate a detailed risk management policy which shall include:
 - i. 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.
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan.

- 11) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 12) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 13) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 14) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 15) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Policy of the Company is uploaded on the website of the Company at Risk Management Policy.

During the year, the RMC met on September 10, 2022, October 20, 2022, March 29, 2023.

The Composition of the RMC along with the number of meetings attended by the members during the year is as follows:

Name of Committee Members	Category	Meetings Held	Meetings attended
Dr. Madhu Dikshit	Chairperson (Independent Director)	3	2
Mr. Anand Swarup Agarwal	Member (Non-Executive Director)	3	3
Mr. Mohan Vasant Tanksale	Member (Independent Director)	3	2
Mr. Adesh Kumar Gupta	Member (Independent Director)	3	2
Mr. Dheeraj Kumar Jain	Member (Chief Executive Director)	3	3
Mr. Satya Prakash Gupta	Member (Chief Financial Officer)	3	3

7.6 Meeting of Independent Directors:

Pursuant to the provisions of the Act and Regulation 25 of the Listing Regulations, the Independent Directors of the Board of the Company met on March 31, 2023, without the presence of Executive Directors or management personnel, except partial presence of Company Secretary to perform the duties of Secretary to the Meeting.

The terms of reference are aligned with Section 149 of the Act read with the Rules and Schedule IV made thereunder and Regulations 17 and 25 of the Listing Regulations, and any other applicable provisions.

8. CEO & CFO CERTIFICATION:

The CEO and CFO have certified to the Board, inter-alia, the accuracy of financial statements and adequacy of internal controls for the Financial Year ended March 31, 2023 as required under Reg. 17(8) read with Part B of Schedule II.

9. GENERAL BODY MEETINGS:

The details of Annual General Meetings held in last 3 years are as under:

Year	Day, Date and Time	Venue	Special Resolution passed at the General Meetings
2021-22	37 th AGM held on Tuesday, August 23, 2022 at 12:30 P.M.	(VC) / Other Audio Visual Means (OAVM)	At the 37 th Annual General Meeting held on Tuesday August 23, 2022, through Video Conferencing (VC) / Other Audio Visual Means (OAVM), the shareholders passed special resolution. 1. Re-appointment of Mr. Anand Swarup Agarwal as a Chairman and Non-Executive Director of the Company 2. Increase in Remuneration of the Whole-Time Director. 3. Maintain registers, returns and records at a place other than the Registered Office of the Company
2020-21	36 th AGM held on Monday, May 31, 2021 at 04:30 P.M.	(VC) / Other Audio Visual Means (OAVM)	At the 36 th Annual General Meeting held on Monday, May 31, 2021, through Video Conferencing (VC) / Other Audio Visual Means (OAVM), on shorter notice, the shareholders passed special resolution. 1. Increase in Remuneration to the Whole-Time Director for the Financial Year 2021-22 2. Increase in Borrowing Limits Under Section 180(1)(C) of the Companies Act 2013. 3. Creation of Charge/Mortgage over the assets: 4. Approve inter corporate loans and investment or guarantee or security in excess of the prescribed limit under section 186 of the Companies Act 2013.
2019-20	35 th AGM held on Monday, December 21, 2020 at 11:00A.M.	35-A Civil Lines, Bareilly-243001.	At the 35 th Annual General Meeting held on Monday, December 21, 2020, through Video Conferencing (VC) / Other Audio Visual Means (OAVM), the shareholders passed special resolution. 1. Payment of Remuneration to the Whole-Time Director for the Financial Year 2020-21. 2. Appointment of Mr. Sanjay Khatau (DIN: 00008221) as an Independent Director. 3. Appointment of Mr. Mohan Vasant Tanksale (DIN: 02971181) as an Independent Director. 4. Appointment of Mrs. Madhu Dikshit (DIN: 08495360) as an Independent Director.

In accordance with, the General Circular No. 10/2022 dated 28th December, 2022, issued by MCA regarding Clarification of holding of Annual General Meeting (AGM) through Video Conference (VC) or Other AudioVisual Means (OAVM)-reg. and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05th January, 2023 issued by SEBI, companies are allowed to hold AGM through VC, without the physical presence of the Members for the meeting at a common venue. Hence, Members can attend and participate in the AGM through VC / OAVM.

No Extra-ordinary General Meetings were held during the Financial Year 2022-23.

10. POSTAL BALLOT:

During the Financial Year 2022-23, no resolution was passed through Postal Ballot.

Also, no resolution requiring postal ballot is proposed to be placed at the ensuing Annual General Meeting for obtaining shareholders' approval.

11. OTHER DISCLOSURES:

11.1 Internal Audit System:

The Company has a robust system for internal audit and assesses risk on an ongoing basis. The Company has appointed Adroit & Ardent Associates Private Limited, as Internal Auditors and also assists us in risk identification and management. Audit observations are periodically reviewed by the Audit Committee, necessary directions are issued and actions are taken, wherever required.

Adequate internal control has been put in place in all areas of operations. The role and responsibility of all managerial positions are established, monitored and controlled regularly. All transactions are authorized, timely recorded and reported truly and fairly.

The Company is fully committed to continually work in strengthening the systems and processes so as to achieve the highest degree of transparency, efficiency and accuracy in reporting, monitoring and decision making and has done so during the year as well as part of an ongoing exercise.

11.2 Code of Conduct For Directors and Senior Management Personnel:

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel in terms of Regulation 17 of the Listing Regulations. This Code is a comprehensive Code applicable to all Directors (Executive and Non-Executive) as well as members of Senior Management. The Code lays down, in detail, the standards of business conduct, ethics and governance.

The Code is uploaded on the Company's website at Code of Conduct For Directors and Senior Management Personnel and has been circulated to all the members of the Board and Senior Management Personnel and the compliance of the same is affirmed by them annually under Regulation 26(3) of the Listing Regulations. Pursuant to Schedule V(D) of the Listing Regulations, a declaration signed to this effect by the Chairman and Managing Director of the Company forms part of the Annual Report.

11.3 Disclosures on materially significant related party transactions:

No significant or material related party transaction has taken place during the year, which has any potential conflict with the interest of the Company. The details of related parties and related party transactions have been provided in Note No. 38 of Standalone and Consolidated Notes to Accounts, respectively, forming part of the Annual Report.

The details of the transactions with the related parties are placed before the Audit Committee on a quarterly basis in compliance with the provisions of Section 177 of the Act and Regulation 23 of the Listing Regulations. All related party transactions are negotiated at an arm's length basis and are only intended to further the interest of the Company.

The Company has disclosed the policy on dealing with related party transactions pursuant to Regulation 23 of the Listing Regulations on its website at Related Party Transactions

11.4 Material Subsidiaries:

In accordance with Regulation 16(1)(c) of the Listing Regulations, Shalvis Specialities Limited is a non-material unlisted wholly-owned subsidiary.

Pursuant to the Explanation to Regulation 16(1) (c) of the Listing Regulations, the Company has adopted the policy for determining material subsidiaries and the said policy is available on the Company's website at Material Subsidiary

11.5 Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

Particulars	Investment in equity / preference at cost held as at		Gross loans outstanding as at		Maximum Amount of loans and advances outstanding during the year	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Swarup Chemical Private Limited	0.39	0.39	58.82	46.80	58.82	47.80
Shalvis Specialities Limited	46.50	31.00	45.30	5.80	45.30	5.80

11.6 Pecuniary Relationship and Transactions of Non-Executive Director with IPL: The Company pays sitting fees to Non-Executive Directors as detailed in 7.2 (iv) above.

11.7 There was no instance of public issue / rights issue / preferential issue of shares / sweat equity / qualified institutional placement, etc.

11.8 Vigil Mechanism / Whistle-blower Policy:

A Vigil Mechanism / Whistle-blower Policy has been formed for the Directors and employees to report their genuine concerns or grievances, in compliance with the provisions of Section 177 of the Act read with Rule 7 of Chapter XII of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations.

The Vigil Mechanism / Whistle-blower Policy is hosted on the Company's website at Policy on Vigil Macahanism

The Board has designated and authorized Mr. S. P. Gupta, CFO of the Company as the Vigilance Officer. Mr. D.K. Jain, CEO of the Company and Mr. Mohan Vasant Tanksale, Chairman of the Audit Committee, to oversee the Vigil Mechanism.

The Vigil Mechanism provides for adequate safeguards against victimization of employees and Directors who use the Vigil Mechanism and also provides for direct access to the Chairman of the Audit Committee and in case of repeated frivolous complaints being filed by a Director or an employee, the Chairman of the Audit Committee may take suitable action against the concerned Director or employee including reprimanding. No personnel has been denied access to the Audit Committee to report their concerns / grievances.

11.9 Details of Non-Compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authorities or any matter related to capital markets, during the last three years.

There has been no instance of any non-compliance to warrant imposition of any penalty and issuance of any strictures on the Company by the stock exchange(s) or Securities Exchange Board of India or any statutory authority, on any matter related to capital markets.

11.10 Details of fees paid to the Statutory Auditor:

Details of total fees for all services paid by IPL and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part, for Financial Year 2022-23 is tabled hereunder:

(Amounts in ₹ Million)

S. NO.	FEES PAID TO STATUTORY AUDITOR	
	Particulars	Fees Paid
1.	Audit fee	.22
2.	Other services	.13
3.	Re-imburement of expenses	.027
	TOTAL	.37

Includes ₹ NIL Millions paid to auditors of subsidiaries.

\$ Net of GST input credit, as applicable

11.11 Compliance with Mandatory Requirements and adoption of the non-mandatory requirements:

i) Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements as prescribed under the Listing Regulations, including Corporate Governance requirements as specified under Regulations 17 to 27, Regulation 34 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable.

ii) Adoptions of the non-mandatory requirements:

- 1) Details regarding circulating financial performance of the Company including significant events are provided in the head 'Means of communication'.
- 2) Pursuant to the provisions of Part E of Schedule II of the Listing Regulations, the Auditor's Report on statutory financial statements of the Company has an unmodified opinion.
- 3) The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors present their report to the Audit Committee for its consideration.
- 4) A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties
- 5) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

11.12 Insider Trading:

The Company has formulated the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with the guidelines specified under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Compliance Officer

designated under the Code of Conduct is responsible for complying with the procedures, monitoring adherences to the rules for the prevention of disclosure of unpublished price sensitive information, pre-clearance of trade, monitoring of trades and implementation of Code of Conduct under the overall supervision of the Board.

The Company's Codes, inter- alia, prohibits purchase and / or sale of shares of the Company by an Insider, while in possession of Unpublished Price Sensitive Information ("UPSI") in relation to the Company during the prohibited period which is notified to all sufficiently in advance. The Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is uploaded on the Company's website at Prohibition of Insider Trading

11.13 *A certificate has been obtained from GSK and Associates, Practicing Company Secretaries, confirming that none of the directors on the Board has been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such Statutory Authority and is annexed hereto as Annexure II.*

11.14 The Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time while preparing Financial Statements.

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

- i) Number of complaints filed during the Financial Year: **Nil**
- ii) Number of complaints disposed of during the Financial Year: **N.A.**
- iii) Number of complaints pending as on end of the Financial Year: **N.A.**

i) Dividend:

The Directors are pleased to recommend a dividend of ₹ 0.75 paisa per equity share (i.e. @75% of Face Value) on the Equity Shares of the Company of ₹ 1 each for the year ended March 31, 2023 (previous year ₹ 0.75 paisa per equity share). If the dividend, as recommended above, is declared by the Members

at the ensuing Annual General Meeting ('AGM'), the total outflow towards dividend on Equity Shares for the year would be ₹ 86.37 million (previous year ₹ 86.37 million).

Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Board of Directors of the Company has adopted a Dividend Distribution Policy ('Policy') which aims to maintain a balance between profit retention and a fair, sustainable and consistent distribution of profits among its Members.

The Web-link for assessing the Dividend Distribution Policy is Dividend Distribution Policy

ii) Unclaimed Dividend & Transfer to IEPF:

The Company confirms that there are no cases of unclaimed dividend with respect to past dividends and hence no such amount is required to be transferred to IEPF account.

iii) Buy-back of fully paid-up equity shares: No Buy Back

11.16 Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. In accordance with Sections 20 and 101 of the Act, companies can now send various notices / documents to their shareholders through electronic mode to the e-mail addresses of the shareholders, registered with either the Company or Depository Participant and changes therein from time to time. This is an opportunity for every shareholder of the Company to contribute to the Green Initiative for paperless communication.

The shareholders holding shares in Demat mode are requested to register their e-mail address / change their email address with their Depository Participant, in the event they have not done so earlier for receiving notices / documents through electronic mode.

11.17 Non-Convertible Debentures:

During the year, the Company has not issued, listed, redeemable, non-convertible debentures ("NCDs")

11.18 Information pursuant to Regulation 39(4) of the Listing Regulations:

Sr. No.	Particulars	Number of Shareholders	Number of Shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e., on April 01, 2022.	0	0
2.	Number of shareholders and the outstanding shares are transferred to suspense account during the review period	0	0
3.	Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	0	0
4.	Number of shareholders whose shares were transferred from suspense account during 2022-23.	0	0
5.	Aggregate number of shareholders and outstanding shares in the suspense account lying at the end of the year as on March 31, 2023.	0	0

Voting rights on the equity shares lying in the suspense account shall remain frozen until the rightful owner of such equity shares claims these equity shares.

11.19 Information relating to Section 125 and relevant provisions of Act for the Unpaid Dividend:

Pursuant to the section 124 and 125 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government, after the completion of seven years. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the Demat account created by the IEPF Authority.

Accordingly, in the Financial Year 2022-23, the Company has no Unpaid and unclaimed shares/amount.

Procedure / Guidelines for Investors to file claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF:

With effect from September 07, 2016, Investors / Depositors whose unpaid dividends, matured deposits or debentures etc. have been transferred to IEPF under Companies Act, 1956 and / or the Act, can claim the amounts. In addition, claims can also be made in respect of shares which have been transferred into the IEPF.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

For this purpose, the investors may also contact the Nodal Officer of the Company for IEPF, Ajeet Pandey,

whose contact details are mentioned elsewhere in this Report, or refer the Company's website <https://www.indiapesticideslimited.com/index.php> or the RTA of the Company, KFin Technologies Limited (KFin Technologies Private Limited) on the mail id einward.ris@kfintech.com.

11.20 Non-compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

12. MEANS OF COMMUNICATION:

12.1 Quarterly results: The Company regularly publishes its audited and unaudited results in all the Financial Express (All Edition) in English daily and Jansatta (All Edition) in Hindi daily. Quarterly results are sent to the Stock Exchanges immediately after the approval of the Board. The financial results, official news releases and other relevant information are updated regularly and promptly on the Company's corporate website at <https://www.indiapesticideslimited.com/InvestorRelations.php>.

12.2 Presentations to institutional investors / analysts: Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are sent to the stock exchanges and are also uploaded on the Company's corporate website at <https://www.indiapesticideslimited.com/InvestorRelations.php>.

12.3 Con-calls with institutional investors / analysts: Conference calls are held with investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. Prior intimation of the concalls along with details is sent to the stock exchanges and is also uploaded on the corporate website of the Company at <https://www.indiapesticideslimited.com/InvestorRelations.php>. The transcripts of these calls are uploaded on the Company's corporate website.

12.4 Website: The Company's corporate website is <https://www.indiapesticideslimited.com/> It contains a separate dedicated section 'Investor Relations' where shareholders' information is available at <https://www.indiapesticideslimited.com/InvestorRelations.php>. The Company's Annual Report is also available in a user-friendly and downloadable form.

12.5 Annual Report: The Annual Report containing, inter-alia, Audited Standalone Financial Statements, Audited Consolidated Financial Statements, Board's Report including annexures thereto, Auditors' Report, Corporate Governance Report & Business Responsibility & Sustainability Report and other important information are circulated to Members and others entitled thereto.

12.6 Communique / Reminders to Investors: The Company also takes into consideration the shareholders' queries, complaints and suggestions which are responded timely and in consistent manner. Shareholders can contact the Company as well as the Registrar and Transfer Agents, KFin Technologies Limited (formerly known as KFin Technologies Private Limited) for their services.

12.7 NSE Electronic Application Processing System ('NEAPS'), Digital exchange of NSE and BSE Corporate Compliance and Listing Centre ('Listing Centre'): NEAPS, Digital exchange of NSE* and Listing Centre are web-based applications for corporates to undertake electronic filing of all periodical compliance related filings like shareholding pattern, corporate governance report, media releases, among others.

* Digital exchange of NSE has been discontinued from January, 2023

12.8 Securities and Exchange Board of India Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

12.9 Designated Exclusive email-id: The Company has designated the following email-ids exclusively for investor servicing:

For queries on Annual Report:
investor@indiapesticideslimited.com

For any other queries: einward.ris@kfintech.com

13. GENERAL SHAREHOLDERS INFORMATION:

The Corporate Identification Number (CIN) allotted to the Company by the MCA is L24112UP1984PLC006894.

13.1 Annual General Meeting:

Day and Date: Thursday, August 24, 2023

Time: 12:30 P.M.

Venue: Through Video Conferencing / Other Audio visual Means

13.2 Financial Year (2022-23): The Financial Year of the Company starts on April 01 and ends on March 31 of next year.

13.3 For the year ended March 31, 2024, interim results will be announced as follows:

First Quarter	On or Before August 14, 2023
Second Quarter	On or Before November 14, 2023
Third Quarter	On or Before February 14, 2023
Fourth Quarter	On or Before May 30, 2024

13.4 Book Closure: The Register of Members and Share Transfer Books of the company will remain closed from Friday 18th August, 2023 to Thursday 24th August, 2023 (both days inclusive).

13.5 Record Date: The Company has fixed 17th August, 2023 as "Record date" to determine the entitlement of the shareholders to receive dividend for the year 2022-23.

13.6 Dividend: The Directors are pleased to recommend a dividend of ₹ 0.75 paise per equity share (i.e. @75% of Face Value) on the Equity Shares of the Company of ₹ 1 each for the year ended March 31, 2023. if the dividend, as recommended above, is declared by the Members at the ensuing Annual General Meeting ('AGM'). The dividend declared shall be paid, within 30 days from 24th August, 2023 to shareholders whose name appears in the Register of Members as on 17th August, 2023.

13.7 Listing on Stock Exchanges:

Type of Securities	Name of Stock Exchange	Security Code/ Trading Symbol	Address of Stock Exchange	International Securities Identification Nos. (ISIN)
Equity shares (listed from July 05, 2021)	BSE Limited (BSE)	543311	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	INE0D6701023
Equity shares (listed from July 05, 2021)	National Stock Exchange of India Limited (NSE)	IPL	"Exchange Plaza", C-1, Block G Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.	INE0D6701023

Annual Listing fee for the year 2022-23 and 2023-2024 has been paid.

13.8 Stock Data:

The table below shows the monthly high and low share prices and volumes of India Pesticides Limited at NSE and BSE for the year ended March 31, 2023.

MONTH	NSE			BSE		
	High (in ₹)	Low (in ₹)	Volume (in No.)	High (in ₹)	Low (in ₹)	Volume (in No.)
April, 2022	288.30	281.30	1,26,995	314.05	271.65	3,94,080
May, 2022	245.40	230.55	2,32,132	285.35	230.40	2,73,335
June, 2022	250.45	241.05	43,523	254.75	200.00	2,04,142
July 2022	305.95	293.05	2,11,389	306.95	241.20	1,22,752
August 2022	286.00	281.60	69,557	305.00	274.70	1,57,966
September 2022	287.60	276.00	1,79,012	329.90	272.00	13,99,479
October 2022	270.75	265.45	1,14,788	304.10	264.80	3,28,538
November 2022	255.80	251.00	65,238	273.45	240.00	2,25,637
December 2022	257.45	251.00	89,207	276.15	229.35	3,01,995
January 2023	234.65	229.80	52,098	253.75	225.35	1,96,772
February 2023	211.50	208.00	46,734	239.85	206.10	5,32,192
March 2023	213.40	206.25	1,61,621	226.40	197.50	29,68,338

Source: NSE and BSE Websites.

Note: Closing share prices are considered

13.9 Share price performance in comparison to broad-based indices, BSE Sensex and NSE Nifty:

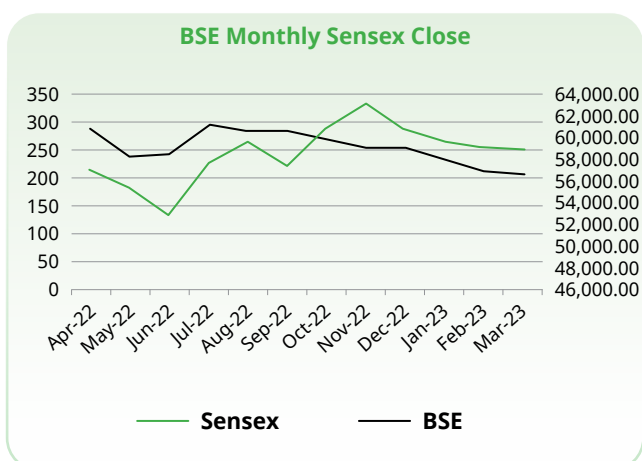
The tables showing the performance of the Share Price of the Company in comparison with the broad-based indices (BSE Sensex and Nifty) are as under:

Chart A – Company's Share Performance compared to BSE Sensex for the Financial Year 2022-23:

Month ASTEC Monthly Close Price on BSE

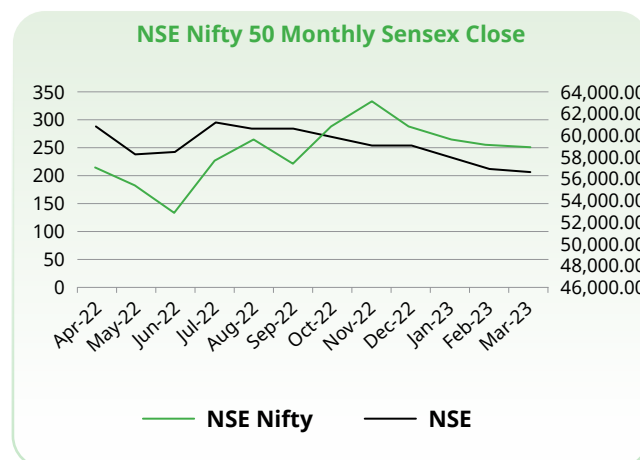
BSE Monthly Sensex Close

Month	IPL Monthly Close Price on BSE	BSE Monthly Sensex Close
April 2022	285.5	57,060.87
May 2022	239.3	55,566.41
June 2022	242.5	53,018.94
July 2022	295.75	57,570.25
August 2022	283.6	59,537.07
September 2022	285.05	57,426.92
October 2022	269.95	60,746.59
November 2022	253.15	63,099.65
December 2022	252.1	60,840.74
January 2023	232.45	59,549.90
February 2023	209.9	58,962.12
March 2023	207.35	58,991.52



Month ASTEC Monthly Close Price on NSE Nifty 50

Month	IPL Monthly Close Price on NSE	NSE Nifty 50 Monthly Sensex Close
April 2022	284.60	57,060.87
May 2022	239.65	55,566.41
June 2022	243.05	53,018.94
July 2022	295.95	57,570.25
August 2022	283.95	59,537.07
September 2022	285.40	57,426.92
October 2022	269.75	60,746.59
November 2022	252.70	63,099.65
December 2022	251.85	60,840.74
January 2023	233.20	59,549.90
February 2023	210.00	58,962.12
March 2023	207.85	58,991.52



13.10 Share transfer system:

In terms of SEBI Circular No D&CC/FITT/CIR-15/2002 dated December 27, 2002, the Company is providing facility of a common agency for all the work related to share registry in terms of both physical and electronic at a single point by the RTA, whose address is given below:

KFin Technologies Limited (formerly known KFin Technologies Private Limited):

Selenium Tower B, Plot Nos. 31 & 32 | Financial District Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | India

P: +91 40 6716 1500 / +91 40 6716 2222 / Toll Free No: 1800-309-4001 |

www.kfintech.com | ris.kfintech.com

Mail Id: einward.ris@kfintech.com

Contact Person:

Ms. Swati Readdy

Manager

Tel no.: +91 4079611000

Fax no.: +91 40 67162222

Presently, all the shares are in Demat form. however, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Similarly, the processing activities of dematerialization / rematerialization requests are normally confirmed

within 15 days from the date of their receipt provided the documents are in order in all respects.

Rajendra Singh Sharma, Whole-time Director and Ajeet Pandey, Company Secretary are severally empowered to approve transfer of shares. The Company obtains from a Practicing Company Secretary, half-yearly certificate of compliance as required under Regulation 40 of the Listing Regulations and duly files the same with stock exchanges.

Members holding shares in physical mode are required to submit their Permanent Account Number ("PAN") and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

SEBI has mandated that securities of listed companies can be transferred only in dematerialised form from April 01, 2019. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form. The Company has entered into agreements with both National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") whereby shareholders have an option to dematerialize their shares with either of the depositories.

13.11 List of credit ratings: The details of credit rating are available on the Company's website at <https://www.indiapesticideslimited.com/InvestorRelations.php>.

Details of credit rating assigned by Care Ratings Limited are given below:

Facility	Rated Amount (in ₹ Crores)	Rating	Rating Action
Long Term / Short Term Bank Facilities	80.00 (Enhanced from 70.00)	CARE A+; Stable / CARE A1+ (Single A Plus; Outlook: Stable/ A One Plus)	Reaffirmed
Short Term Bank Facilities	80.00 (Enhanced from 35.00)	CARE A1+ (A One Plus)	Reaffirmed
Total Bank Facilities	160.00 (₹ One Hundred Sixty Crore Only)		

*total bank loan facility rated.

13.12 Audit for Reconciliation of Share Capital:

Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 all issuer companies shall submit an audit report of capital integrity, reconciling the total shares held in both the Depositories, viz. NSDL and CDSL and in physical form with the total issued, subscribed and paid-up capital of the Company.

The said report, duly signed by a Practicing Company Secretary is submitted to the stock exchanges where the securities of the Company are listed, within 30 days of the end of each quarter and the audit report is also placed before the Board of Directors of the Company

13.13 Shareholding Pattern:

The tables below show the shareholding pattern of IPL as on March 31, 2023.

i. Distribution of Shareholding by size, as on March 31, 2023:

S. no	Category	Cases	% of Cases	Amount	% Amount
1	upto 1 - 5000	130295	99.7558	12089718	12089718
2	5001 - 10000	157	0.1202	1178910	1178910
3	10001 - 20000	68	0.0521	1011832	1011832
4	20001 - 30000	23	0.0176	565691	565691
5	30001 - 40000	6	0.0046	210218	210218
6	40001 - 50000	5	0.0038	226600	226600
7	50001 - 100000	15	0.0115	1106960	1106960
8	100001 & ABOVE	45	0.0345	98773579	98773579
	Total:	130614	100.00	115163508.00	100.00

ii. Categories of Shareholding as on March 31, 2023:

S. no	Category	No. of shares held	% of holding (rounded off)
1	Promoters and Promoters Group	7,73,94,356	67.20
2	Mutual Funds	18,26,550	1.59
4	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors	5,18,671	0.45
5	Corporate Bodies	75,29,852	6.54
6	Resident Individual	2,62,90,560	22.82
7	NRIs / OCBs	6,66,940	0.58
8	Clearing Members	59,118	0.05

S. no	Category	No. of shares held	% of holding (rounded off)
9	Trust	2,260	0.00
10	AIF	2,50,000	0.22
11	HUF	6,25,201	0.54
TOTAL		115163508	100

iii. Dematerialization of shares as on March 31, 2023:

Form	No. of Shares	% of Total
Held in dematerialized form in CDSL	23066815	20.03
Held in dematerialized form in NSDL	92096693	79.97
TOTAL	115163508	100.00

The Company's shares are regularly traded on NSE and BSE, in electronic form.

13.14 Commodity price risk or foreign exchange risk and hedging activities:

The foreign exchange risk is insignificant as it relates primarily to the imported newsprint for which the Company does not remain exposed to the fluctuation for a period exceeding 2-3 months. On the basis of its past experience, the management believes that cost of hedging of such insignificant risk is much higher than the value of risk and therefore it does not hedge such risk.

13.15 Outstanding Global Depository Receipts (GDRs) or warrants or any convertible instrument, conversion dates and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2023, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

13.16 Investor services:

The Company, under the overall supervision of Ajeet Pandey, Company Secretary and Compliance Officer, is committed to providing efficient and timely services to its shareholders. The Company has appointed KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) as its Registrar and Share Transfer Agents for rendering the entire range of services to the shareholders of the Company in regard to share transfer, refund, rematerialisation, dematerialisation, change of address, change of mandate, dividend etc.

13.17 Nomination:

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered shareholder(s) pursuant to

the provisions of Section 72 of the Act. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with the Depository Participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

13.18 Address for correspondence:

i. Investors and shareholders can correspond with the Company at the following address:-

Name: Mr. Ajeet Pandey (Company Secretary & Compliance Officer)

Address: India Pesticides Limited Swarup Cold Storage Compound, Water Works Road, Aishbagh, Lucknow – 226 004, Uttar Pradesh, India.

Telephone: +91 0522 2653602

E-mail: investor@indiapesticideslimited.com

Website: www.Indiapesticides.com

ii. The Registrar and Share Transfer Agent of the Company:-

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)

Selenium, Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana-500032, India

Tel No.: +91 40 6716 2222; Toll Free No.1800 3454 001

E-mail: einward.ris@kfintech.com

Website: www.Kfintech.com

14. DETAILS OF PLANT LOCATIONS:

The Company has following Manufacturing Unit as at March 31, 2023:

- ▶ Unit 1 : Plot No: E-17 To E-23, G-31 To G-35, UPSIDC Industrial Area, Dewa Road, Chinhat, Lucknow. Uttar Pradesh, India

- ▶ Unit 2 Plot No: K-6 To K-10, D-2 To D-4, UPSIDC Industrial Area, Village: Mahsona, Tehsil: Sandila, Uttar Pradesh, India.
- ▶ we have a network of over 26 sales depot consisting of branches, carrying and forwarding agents, and warehouses spread across 26 states in India and our distribution network comprised various dealers and distribution partners across India. Registered Office: 35-A Civil Lines Bareilly Uttar Pradesh- 243001

Corporate Office:- Water Works Road Swarup Cold Storage Compound, Aishbagh, Lucknow, Uttar Pradesh- 226004

15. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulations.

The requisite Certificate from the Secretarial Auditors of the Company, GSK & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations

is annexed hereto as Annexure III. The Company has also obtained an Annual Secretarial Compliance Report from the Secretarial Auditors of the Company on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder, as mandated by SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019.

16. CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT:

I, Anand Swarup Agarwal, Chairman and Director of the company, do hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for the Financial Year 2022-23, as laid down by the Company.

Place: Lucknow
Date: May 30, 2023

Anand Swarup Agarwal
Chairman and Director

Compliance Certificate by CEO and CFO for the financial year ended March 31, 2023 as required under Regulation of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

- A. We have reviewed the financial statements for the Financial Year March 31, 2023 and to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the listed entity during the quarter which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during Financial Year ended March 31, 2023;
 - (2) Significant changes in accounting policies during the quarter and that the same have been disclosed in the notes to the financial statements; and
 - (3) That there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Thanking You,
For India Pesticides Limited

Dheeraj Kumar Jain
Chief Executive Officer

Satya Prakash Gupta
Chief Financial Officer

Date: 30.05.2023
Place: Lucknow

Annexure I

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
India Pesticides Limited
35-A Civil Lines, Bareilly- 243001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **India Pesticides Limited having CIN: L24112UP1984PLC006894** and having registered office at **35-A Civil Lines, Bareilly -243001**(hereinafter referred to as 'the company'), produced before us 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 our opinion and to the best of my/our 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 us by the Company & its officers, we, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of Appointment in Company
1	Rajendra Singh Sharma	02487797	Whole time Director	10.06.1998
2	Anand Swarup Agarwal	00777581	Director	10.09.2020
3	Mohan Vasant Tanksale	02971181	Independent Director	21.12.2020
4	Madhu Dikshit	08495360	Independent Woman Director	21.12.2020
5	Rahul Arun Bagaria	06611268	Director	23.01.2021
6	Adesh Kumar Gupta	00020403	Independent Director	23.01.2021

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

For **GSK & Associates**
Company Secretaries
FRN: P2014UP036000

Khushboo Gupta
Partner
(M. No: F7243)
(C.P. No: 7886)
UDIN: F007243E000425122
PR No: 2072/2022

Date: 30.05.2023
Place: Kanpur

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2022-23

Outline of the Company's Corporate Social Responsibility ("CSR") Policy

India Pesticides Limited ("IPL"/ "Company") believes that the contribution towards socio-economic development as environmental and social steward is a key factor required for holistic professional growth.

In 2021-22, while going public by listing both in BSE and NSE, the CSR policy of the Company was revised to ensure sharper alignment with Section 135 of the Act. The company started collaborating with teams of expert organisations, which are experienced on addressing the need of the society in focused manner. In 2022-23, the company commenced CSR activities on environmental and sustainability factors in line with circular economy. We widened our scope of our reach in the society through new collaborations as implementing agencies, which are experts in diversified fields.

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are

an urgent call for action by all countries - developed and developing - in a global partnership.

In 2023-24, the Company has plans to be aligned with the UN Sustainable Development Goals (SDGs) and upholds its social responsibility with reverberating motto 'Care the World with Care', which represents our dedication and commitment towards meeting the responsibility.

In FY 2022-23, activities included various project inaugurals, site visits, awareness programs, tree plantation, development of village, school development and so on, which all could become possible due to involvement of not only the external

agencies but also IPL's employees both from corporate office and manufacturing sites. The employees are encouraged and provided with opportunities to volunteer and contribute their efforts to facilitate the programs at the society.

The CSR Policy is available for public to view at the company's website: <https://www.indiapesticideslimited.com/InvestorRelations.php> and details of projects or programs undertaken are available at https://www.indiapesticideslimited.com/CSR_activity.php.

The CSR activities of IPL are conducted across various sectors that are in line with Schedule VII of the Act. The focus areas of the Company's CSR activities are listed hereunder but not limited to:

- Education,
- Health Care,
- Rural Development,
- Sports,
- Environment Sustainability

Each CSR project is identified, assessed and post due diligence by the Core CSR team, it is recommended to the Internal CSR Management Committee and finally presented to the Board CSR Committee for approvals.

A Board CSR Committee is constituted, which has an oversight on the overall implementation of the CSR framework / policy. The Committee comprises of the following:

1. Independent Director (Chairperson – CSR Committee)
2. IPL's Chairman (CSR Committee Member)
3. Whole Time Director (CSR Committee Member)

Management Discussion and Analysis

Global economic overview

Businesses and economies worldwide are grappling with several headwinds including food and energy crises in Europe, soaring inflation, tight financial conditions in most parts of the world and a surge in commodity prices. The conflict between Russia and Ukraine has further exacerbated the problem, as has the resurgence of COVID in China.

Muted consumer demand following the pandemic coupled with rising prices continue to weigh on future growth prospects. Policy paths in the advanced economies could continue to diverge, leading to further US dollar appreciation and cross-border tensions in the days ahead. Energy and food price shocks might also add to inflationary pressures. Global tightening of financing conditions could trigger widespread distress for emerging market debt. Central Banks around the world are closely monitoring liquidity positions and aiming to boost sentiments.

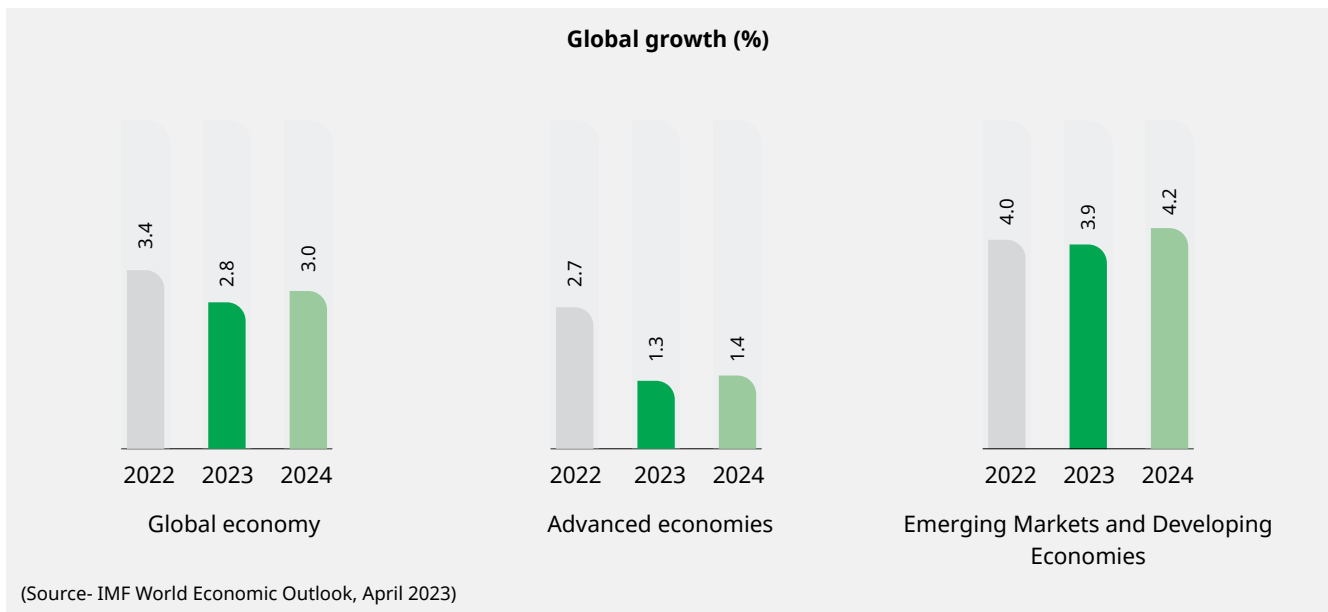
The monetary policies implemented by central banks are expected to lead to a decrease in global inflation rates from

8.7% in CY22 to 7.0% in CY23 and further down to 4.9% in CY24.¹ It is projected that this reduction in inflation, combined with the release of pent-up demand in several economies, will contribute to an accelerated economic growth in the near term.

Outlook

Despite facing inflationary pressures, the global economy is expected to be buoyed by a strong labour market, augmented domestic expenditures, an influx of foreign investments, and a cautious approach to addressing the energy crisis in Europe.

Emerging markets and economies (EMDEs) have anticipated to witness a gradual recovery, resulting in higher real incomes. The global outlook will depend on the swiftness and effectiveness of fiscal and monetary policy measures employed to stimulate economic expansion. Also, the course of the war in Ukraine will play a pivotal role in determining global economic growth going forward.



Indian economic overview

The Indian economy has exhibited a robust GDP growth of 7.2% during the FY 2023.²

The recovery can be largely attributed to strong domestic demand, a resurgence in both the manufacturing and services sectors, and an upsurge in export activities due to the revival of global trade. Notably, infrastructure development has played a pivotal role in driving growth, as government

initiatives have stimulated construction activities throughout the nation.

The Indian government has maintained a favourable domestic policy environment and placed significant emphasis on implementing structural reforms, thereby enabling the country's economy to exhibit resilience even amidst global challenges. Numerous high-frequency indicators, such as GST collections, railway and air traffic, electronic toll collections, and E-Way bill volume, point towards a robust economic recovery in India.

¹<https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

²<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1928682>

This sustained growth momentum has positioned India as an appealing investment destination. Moreover, it is anticipated that India will retain its position as the fastest-growing G-20 nation in the foreseeable future. The upcoming presidency of the G20 Summit in 2023 has further enhanced India's international standing. It is expected that this event will bolster India's reputation as a hub for business and innovation, attracting increased foreign investments and facilitating new opportunities for trade and collaboration.



April 2023 GST collection hits record high: Rs. 1,87,035 crore.



(Source- <https://pib.gov.in/PressReleasePage.aspx?PRID=1921186>)

Outlook

India is poised to emerge as one of the fastest expanding major global economies in FY24, contributing approximately 15% to the overall worldwide growth, an achievement that places it as the second-largest contributor, surpassing the combined contributions of the United States and the European Union. A critical driver of this growth narrative lies in the anticipated upsurge of domestic consumption. As the vaccination campaign widens and pandemic-related restrictions ease, consumer confidence is expected to rebound, leading to heightened expenditure.

This favourable economic outlook is further bolstered by an increase in disposable income, facilitated access to credit, and declining interest rates, driven by a stabilising inflation trajectory. These combined dynamics augur well for India's economic trajectory in the foreseeable future.

Global agrochemical industry

The global agrochemicals market was valued at USD 227.9 billion in 2022, and it is expected to increase at a compound annual growth rate (CAGR) of 3.0% from 2023 to 2030.³ This growth is primarily ascribed to the escalating global demand for fertilizers within the agricultural sector. The rising adoption of fertilizers by farmers to augment crop nutrients and improve yields stands out as a significant driver stimulating the demand for agrochemicals.

The market size and adoption of fertilizers are anticipated to maintain a substantial presence, primarily due to the escalating demand for food grains and the surge in global population. The growth in demand is predominantly driven by the burgeoning agricultural markets in the Asia Pacific region, particularly in countries such as India and China.

Moreover, there is a projected increase in the market penetration of herbicides and fungicides. This growth is attributed to the escalating occurrences of rodent and pest infestations on crops, necessitating enhanced protection measures. Moreover, the expanding domains of animal husbandry and animal feed industries are anticipated to exert a favourable influence on the prospects of the global agrochemicals market.

Indian agrochemical industry

In 2022, the Indian pesticides market achieved a size of ₹ 229.4 billion. Going forward, it is anticipated that the market to expand significantly, reaching ₹ 342.3 billion by 2028. This growth trajectory reflects a compound annual growth rate (CAGR) of 6.6% during the period from 2023 to 2028.⁴

The reduction in arable land and crop losses caused by pest infestations result in wastage, presenting a significant obstacle in ensuring food and nutritional security. Pesticides encompass substances or mixtures thereof designed to prevent, eradicate, deter, or mitigate any form of pest. They constitute the final input in agricultural operations, applied to safeguard crops from pests such as insects, fungi, weeds, and others, thereby augmenting agricultural output. The significance of pesticides has witnessed a steady increase in recent decades, driven by the necessity to optimise agricultural production and ensure sufficient food supply to meet the demands of a continuously expanding population in the country. In India, pests and diseases, on average, consume approximately 20-25% of the total food production. The agrochemical market plays a pivotal role as a vital support industry for agriculture, elevating agricultural output. These prevailing factors substantiate the growth trajectory of the market.

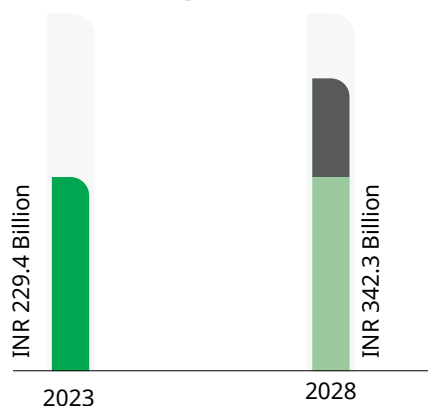
In India, approximately 15-25% of potential crop production is compromised annually due to the detrimental impact of pests, weeds, and diseases. Enhancing crop productivity through the strategic implementation of pest control measures and the adoption of efficient weed management practices has been acknowledged as a crucial factor in augmenting agricultural output. Consequently, these aspects are facilitating the widespread utilisation of agrochemicals in agriculture to achieve heightened crop yields.

Agrochemical application remains substantial among various chemical inputs in the market. However, the industry is witnessing the emergence of price premiums and innovative eco-friendly production techniques. Consequently, there is a growing imperative to strike a balance between the prudent utilisation of effective chemicals and mitigating their potential impact. In alignment with the Central Government's efforts to promote sustainable agricultural practices, the adoption of biopesticides has been on the rise, now representing 15% of the market share.

³<https://www.grandviewresearch.com/industry-analysis/agrochemicals-market>

⁴<https://www.researchandmarkets.com/reports/5311788/indian-pesticides-market-industry-trends>

Indian Pesticides Market Market forecast to grow at a CAGR of 6.9%



<https://www.researchandmarkets.com/reports/5311788>

Growth drivers

- In recent years, the per capita availability of arable land has been declining due to escalating levels of urbanisation, and this trend is anticipated to persist in the future. Simultaneously, driven by population growth, the demand for food is projected to continue rising in the forthcoming years. In light of these developments, it is anticipated that the pesticides to play a pivotal role in enhancing average crop yields per hectare.
- Government initiatives aimed at facilitating credit facilities for farmers in rural areas are poised to significantly bolster the pesticides industry. The enhanced accessibility and favourable interest rates of agricultural loans are anticipated to incentivise farmers to employ increased quantities of pesticides, thereby aiming to improve crop yields.
- Both government and private initiatives are actively raising awareness about pesticides among farmers. Ongoing efforts encompass educational programmes to enlighten farmers on the correct utilisation of pesticides, encompassing aspects such as optimal quantities, appropriate application methods, and the selection of suitable chemicals to address specific pest-related challenges. These initiatives are being conducted in different regions across the country.
- The level of pesticide penetration in India is notably lower compared to other major countries like the US and China. This indicates that the pesticides market in India remains largely untapped, presenting substantial potential for future growth.

Indian API market

According to ICRA, the Indian Active Pharmaceutical Ingredients (API) market is estimated to be worth Rs. 1,000-1,100 billion by 2022. This industry is expected to grow at a compound annual growth rate (CAGR) of 7-8% during the next three to four years. The driving factors behind this growth include the steady expansion of the formulations industry, facilitated by factors such as a rising geriatric population, an increasing prevalence of chronic diseases and growing demand for contract manufacturing. Significantly, global customers seeking to diversify their supply chain dependency from China to alternative locations contribute to this demand.

Moreover, the API industry's growth is expected to be significantly boosted by the legislative support and the production-linked incentive (PLI) scheme introduced by the Central Government as part of its broader Atmanirbhar Bharat mission. These measures will aid in reducing the industry's reliance on Chinese imports.⁵

Government initiatives

India is strategically building a comprehensive and conducive ecosystem to harness its Active Pharmaceutical Ingredients (API) potential. In 2020, the government approved an investment of ₹6,940 crore for a production-linked incentive (PLI) scheme, aimed at promoting domestic manufacturing of Key Starting Materials (KSMs), Drug Intermediaries (DIs), and APIs. Notably, manufacturing for 35 active pharmaceutical ingredients, constituting approximately 67% of APIs, for which India is dependent on imports, has already commenced in the country under the PLI scheme.

Moreover, the Department of Pharmaceuticals has granted 'in-principle' approval to proposals from the states of Himachal Pradesh, Gujarat, and Andhra Pradesh under the 'Promotion of Bulk Drug Parks' scheme. This vital initiative seeks to bolster bulk drug manufacturing in India. With a budget of ₹3,000 crores, the scheme provides financial assistance to these states to establish bulk drug parks, with the objective of reducing manufacturing costs through the creation of world-class common infrastructure facilities. This endeavour aims to enhance the competitiveness of the domestic bulk drug industry. Moreover, the Government of Assam has presented a proposal for a Pharmaceutical Park in Chaygaon, Kamrup Rural, spread over an area of 100 acres, with an estimated project cost of ₹153.64 crores.

In order to foster innovation within the pharmaceutical industry, several measures have been suggested. These include the proposal to increase the limit for foreign direct

⁵<https://www.expresspharma.in/indian-api-industry-to-grow-at-7-8-per-cent-cagr-in-the-medium-to-long-term-icra/>

investment (FDI) up to 100% through the automatic route for Greenfield pharmaceutical projects. Additionally, a new strategy is being pursued to strengthen the protection of intellectual property rights.⁶

Company overview

Established in 1984, India Pesticides Limited (IPL) is a prominent chemical manufacturer in India, specialising in the production of Technicals & Formulations in agrochemicals and active pharmaceutical ingredients (APIs). Its strong emphasis on research and development (R&D) continues to lend the Company a competitive edge and has enabled it to consistently introduce new and innovative products that have led to sustainable business growth over the past three decades.

IPL is a leading manufacturer of Captan, Folpet, and Thiocarbamate Herbicide, positioning it as a market leader in the domestic as well as export market. The Company has expanded its installed capacity of Technicals to 24,000 MT, as of March 31, 2023, increasing from 21,500 MT on March 31, 2022.

Benefitting from its strategically located manufacturing facilities in Lucknow and Hardoi districts of Uttar Pradesh, IPL has established a strong regional presence and streamlined its production and distribution processes.

2

Manufacturing Facilities

2

In-house Laboratories

58%~

Raw material sourced locally

Status of subsidiary

Shalvis Specialities Limited has successfully obtained necessary Environmental Clearance (EC), and construction for the project is currently underway. Additionally, a budget of Rs. 60 crores have been earmarked for the Company's project at Hamirpur.

SSL is authorized to engage in the business of Manufacturing Agrochemicals, Intermediates, API and Fine Chemicals for Export & Indigenous use among other things, manufacture, production, formulation, sale and trade of all types of agricultural chemicals and pesticides under the object's clause of its memorandum of association.

Total Plot Area of SSL at Hamirpur project is approx. 25 acres and such project Plan to start commencement of Commercial Production Q4 of FY24.

During the year SSL has received Environment Clearance from The Ministry of Environment & Forest Climate Change on 24th December, 2022 and other allied approvals like provisional Fire NOC, TSDF Membership, Ground water abstraction, Consent To Establish, Export Registration & Membership, Registration for Export, Shop & Commercial for office.

Credit Rating

The company's credit rating has been reaffirmed A plus (A+) by CARE rating on October 06, 2022. The reaffirmation in the ratings of India Pesticides Limited (IPL) factors in the improvement in the overall financial risk profile of the Company characterized by the sustained growth in total operating income and improvement in profitability supported by growth across all major segments.

⁶<https://www.investindia.gov.in/team-india-blogs/harnessing-indias-api-potential>

Operational overview

The Company reported revenue of ₹ 8,982 million in FY23.

Technical & API

In FY23, Technicals and Active Pharmaceutical Ingredients (APIs) together contributed 80% of the total revenue, amounting to ₹7,066 million. Notably, the Company introduced three new technical products and an important intermediate during the review period.

We manufacture generic technicals for fungicides, herbicides, and APIs used in dermatological products.

Technicals are the commercially available versions of the comparatively pure active components utilised to create formulated agrochemical products. We also manufacture a significant amount of thiocarbamate herbicides, which are utilised on field crops like wheat and rice.

Key fungicide Technicals produced by IPL include the following:

Key Technicals	Category	Application
Prosulfocarb	Herbicide	Used in field crops, such as, wheat and potatoes
Pretilachlor	Herbicide	Widely used for protecting rice crop
Cymoxanil	Fungicide	Controls downy mildews of grapes, potatoes, vegetables and several other crops
Captan	Fungicide	Used for fruits, vegetables and ornamental plants
Folpet	Fungicide	Controls fungal growth at vineyards, cereals, crops and biocide in paints
Diafenthiuron	Insecticides	Used on Cotton plants
Thiamethoxam	Insecticides	A broad-spectrum systemic insecticide with several applications
Pyriproxyfen	Insecticide	Used in field crops
Etridiazole	Fungicide	Green House
PEDA	Intermediate	Used For Pretilachlor

APIs are elements of pharmaceutical drugs that are employed to provide the intended effects in a finished pharmaceutical product. Our APIs products are used for manufacturing final drugs to treat dermatological problems such as anti-fungal and anti-scabies medications.

Formulation Business

The Formulation business of the Company generated a revenue of ₹1,783 million in FY23. During the fiscal year, the Company successfully launched a total of 10 new formulation products.

We manufacture and offer a wide range of various formulations for insecticides, fungicides and herbicides, growth regulators, and acaricides. Through our distribution partners, our ready-to-use product segment provides branded products to customers.

Few Branded Formulations	Category
Grip, Pendizet, Trisol, Clogold, Midash, Safer, Eliminator, Penda, Aatish	Herbicide
Dollar, Vardhan, Vecto, Trim, Sodhit, Captax-50, Natraj, Sanjeevani, Talwar	Fungicides
Carbo, Amida, Frem, Byprten, Immidiator, Tridev, Difen, Frame, Soldier, Crotax	Insecticides
Star, Talvar, Contanol, Guru, Shakti, Sparkle, Chakra, Namaskar	Intermediate

International Business

The Company achieved a significant milestone with the newly launched herbicide technical product receiving TEQ certification in the European Union. Additionally, one of its thiocarbamates were registered in the USA, thereby enhancing its export revenue potential.

In FY23, the Company's export revenue reached ₹480 crores, demonstrating notable growth from ₹330 crores in FY22. The International business reported remarkable growth, with 45% increase in export sales during the year.

29

Exporting Countries

10

Agro-chemical Technicals Exported

Financial Overview

Standalone performance for the year ended March 31, 2022

Analysis of the Standalone Profit and Loss Statement

Particulars	FY 2022-23 (₹ in Crore)	FY2021-22 (₹ in Crore)	Change (%)
Revenue from operations (Net)	885	716	23
Other income	13	13	0
Cost of materials consumed	553	374	47
Power and fuel	40	33	21
Freight, handling and packing	18	22	(18)
Employee benefits expenses	35	30	17
Depreciation and amortization expenses	11	8	38
Finance costs	6	7	-14
EBITDA	211	227	-7
Profit after tax	145	158	-9

Income

During FY 2022-23, total income of the Company increased 23% from Rs. 729 crore in FY 2021-22 to Rs. 898 crore in FY 2022-23. This comprises revenue from operations and other income.

Revenue from operations increased by 23% during the year, from Rs. 716 crore in FY 2021-22 to Rs. 885 crore in FY 2022-23, driven by growth in formulation business & technical business.

Expenses

The Company's total expenses increased by 36% from Rs. 517 crore in FY 2021-22 to Rs. 705 crore in FY 2022-23. Major expense items comprise the cost of material consumed, change in inventories, power & fuel, employee benefits, finance costs, depreciation, and amortization expenses.

The cost of material consumed (including stock adjustments and purchases) increased by 47% from Rs. 330 in FY 2021-22 to Rs. 485 in FY 2022-23, due to higher sales of the technical & formulation business.

Power and fuel expenses increased 21% from Rs. 33 crore in FY 2021-22 to Rs. 40 crore in FY 2022-23, mainly due to the higher production.

Employee benefit expenses increased 17% from Rs. 30 crore in FY 2021-22, to Rs. 35 crore in FY 2022-23. This increase was on account of regular increments and increase in number of employees to support future growth.

Depreciation and amortization expenses increased by 38% from Rs. 8 crore in FY 2021-22 to Rs. 11 crore in FY 2022-23. This is on account of the commercialization of projects in line with the capacity expansion strategy.

Profitability

EBITDA margins decreased by 786 basis points (bps) from 31.7% in FY 2021-22 to 23.84% in current year under review. Decrease in EBITDA margin was due to higher raw material cost & fuel expenses.

Profit After Tax (PAT) Decreased from Rs. 158 crore in FY 2021-22 to Rs. 145 crore in FY 2022-23. PAT was reflective of the EBITDA trend.

Analysis of the Standalone Balance Sheet

Non-Current Assets

Particulars	FY 2022-23 (₹ in Crore)	FY2021-22 (₹ in Crore)	Change (%)
Property, plant and equipment	231	158	46.20
Right-of-use assets	6	5	20.00
Capital work-in-progress	27	44	-38.64
Other intangible assets	0*	0*	0.00
Financial assets			
I. Investments	17	20	-15.00
II. Loans	5	1	400.00
III. Other Financial Assets	41	4	925.00
Other non-current assets	7	2	250.00
Total non-current assets	333	234	42.31

Note: Figures are rounded off to the nearest crore

* value is less than Rs. 1 crore

Working Capital

Particulars	FY 2022-23 (₹ in Crore)	FY2021-22 (₹ in Crore)	Change (%)
Current assets			
Inventories	225	140	60.71
Financial assets			
I. Trade receivables	262	248	5.65
II. Cash and cash equivalent	11	16	-31.25
III. Other balances with banks	48	91	-47.25
IV. Other financial assets	4	4	0.00
Other current assets	32	52	-38.46
Current tax assets (Net)	1	0*	338.60
Total current assets	583	551	5.81
Current liabilities			
Financial liabilities			
I. Borrowings	2	11	-81.82
II. Lease liabilities	0*	0*	0.00
III. Trade payables	103	95	8.42
IV. Other financial liabilities	8	14	-38.46
Other current liabilities	6	9	-33.33
Provisions	5	4	25.00
Current tax liabilities	-	-	-
Total current liabilities	125	132	-5.30
Working capital (Net Current Assets)	458	419	9.31

Note: Figures are rounded off to the nearest crore

* value is less than Rs. 1 crore

Inventory

Inventory increased by 60.71% from Rs. 140 crore as on March 31, 2022 to Rs. 225 crore as on March 31, 2023. The Inventory Turnover ratio was at 3.11 vis-à-vis 5.71 in the previous year. Higher inventory levels were on account of the build-up of some raw materials & finished goods to meet the next season's demands as a part of the strategic procurement and shortage of containers for imported material.

Trade receivables

Trade receivables increased by 5.7% compared to the previous year. An increase in debtors was mainly on account of an increased turnover.

Trade payables

Creditors increased by 8.4% during the year owing to higher level of purchase to support increased turnover.

Net cash flows

Net cash flows from operating activities were Rs. 46 crore against Rs. 76 crore for the mentioned period, respectively.

Capital Employed

Particulars	FY 2022-23 (₹ in Crore)	FY2021-22 (₹ in Crore)	Change (%)
Equity			
Equity share capital	11.52	11.52	0.00
Other equity	763.48	626.86	21.79
Total equity (A)	775.00	638.38	21.40
Financial liabilities			
I. Non-Current Borrowings	1.70	3.55	-52.11
II. Non-Current Lease Liabilities	1.44	0.63	128.57
III. Current Borrowings	1.87	10.80	-82.69
Total Debt (B)	5.01	14.98	-66.56
Deferred Tax Liabilities (Net) (C)	10.34	8.02	28.93
Total Capital Employed (A+B+C)	790.35	661.38	19.50

Key Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor.

The key financial ratios are given below:

Particulars	FY 2022-23	FY 2021-22
Current Ratio	4.65	4.16
Debt - Equity Ratio	0.005	0.02
Debt Service Coverage Ratio	38.50	58.20
Return on Equity (ROE)	20.44%	30.82%
Inventory Turnover Ratio	4.85	6.83
Trade receivables turnover ratio	3.47	3.10
Trade payables turnover ratio	5.75	4.64
Net profit ratio	16.33%	22.12%
Net capital turnover ratio (in times)	1.96	1.74
Return on capital employed (%)	25%	33%
Return on investment (ROI)	19%	25%

Human Resources

The Company places significant importance on its human resources, recognising the importance of its employees as the driving force behind the Company's success and growth. As a rapidly expanding chemical manufacturer, IPL understands the critical role that its workforce plays in achieving the Company's goals and maintaining its position as a pioneer in agrochemicals and pharmaceutical ingredients.

The Company encourages professional growth and fosters a culture of continuous learning, innovation, and teamwork. IPL strives to attract and retain top talent by offering competitive compensation packages, opportunities for career advancement, and a conducive work environment that promotes work-life balance and employee well-being.

The human resources department of IPL is committed to creating a diverse and inclusive workplace that fosters employee engagement and helps the workforce to remain aligned with the Company's vision. With a strong emphasis on nurturing talent, the Company aspires to build a strong foundation for sustained growth and excellence in the chemical manufacturing industry.

830

Total employees

Risk management

IPL recognises the significance of robust risk management practices to ensure the continued success and sustainability of its operations. As a rapidly expanding chemical manufacturer with a diverse portfolio of agrochemicals and active pharmaceutical ingredients (APIs), it may be exposed to potential risks.

To effectively manage internal as well as external risks, IPL adopts a comprehensive risk management framework that aims to identify, assess, mitigate and monitor threats. The risk management framework is overseen by a Committee led by an Independent Director and comprises the Chairman, CEO, CFO, and other Independent Directors as members. The Company diligently identifies risk factors and conducts thorough Probability & Impact Analysis to ensure timely review and mitigation.

In addition to the main Risk Management Committee, IPL has a Sub-Committee of Executives (known as the Risk Management Committee of Executives). This Sub-Committee

bears the responsibility of implementing effective practices and timely identification of potential risks. It reviews mitigation plans and implements strategies to reduce risks while ensuring seamless integration of planning and management activities throughout the year. Its aim is to ensure the overall efficiency and functionality of the risk management framework.

Internal financial controls and their adequacy

The Company maintains Internal Financial Control Systems that are well-suited to the nature of its business, the scale, and intricacy of its operations. These internal controls are deemed sufficient in relation to the preparation and presentation of the financial statements.

To ensure thoroughness and objectivity, the Internal Audit is conducted by an external independent firm. This firm periodically submits its findings and reports to the Audit Committee. The Internal Audit offers assurance to the Board concerning the efficacy of the internal financial control mechanisms and their overall quality. This is achieved through ongoing monitoring and operational testing performed by the internal audit function.

Way forward

The primary focus of the Company lies in research and development (R&D) and the introduction of new products to the market. The Company remains committed to enhancing its product mix while concurrently augmenting and refining its production capabilities to offer improved solutions to farmers and improve their livelihood. It also aims to capitalise on emerging opportunities in the field of agriculture to ensure profitable and sustainable growth.

Disclaimer

The Management Discussion and Analysis (MD&A) section may contain statements regarding the Company's objectives, projections, estimates, and expectations, which could be considered 'forward-looking statements' in accordance with applicable securities laws and regulations. It should be noted that actual results may significantly differ from those expressed or implied in these statements. Several important factors can influence the outcomes, including economic conditions impacting demand and supply, price fluctuations in both domestic and international markets where the Company operates, competitive pressures within these markets, alterations in government regulations, tax laws, and other statutory changes, along with other incidental factors.

Independent Auditor's Report

To The Members of
India Pesticides Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of India Pesticides Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the 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 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our

responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

S. No	Key Audit Matters	Auditor's response
1.	<p>Allowances for Expected Credit Losses</p> <p>The Company determines the allowance for credit losses on trade receivables based on historical loss experience adjusted to reflect current and estimated future economic conditions. In calculating expected credit loss, the Company also considers the security deposit and other securities, besides other related information to estimate the probability of default in future. The Management has exercised significant judgement in estimating the allowance for credit losses. Refer Note 9 and 42 to the Standalone Financial Statements</p>	<p>Our principal procedures included the following, but were not limited to:</p> <ul style="list-style-type: none"> evaluated the design and tested operating effectiveness of internal controls over allowance for credit losses on trade receivables. development of the expected credit model for the allowance for credit losses, including consideration of the current and estimated future economic conditions. completeness and accuracy of information used in the estimation of probability of default. analysis of those trade receivables where there is significant increase in credit risk and review of ageing of the trade receivables pertaining to current and immediately preceding years. computation of the allowance for credit losses. testing the arithmetical accuracy and computation of the allowances prepared by the Management. assessed the appropriateness of disclosures in standalone financial statements in accordance with the applicable accounting standards.

Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business Responsibility and Sustainability Report, Corporate Governance Report, but does not include the consolidated financial statements, 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 and those charged with Governance 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), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 control system 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 the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) To evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order" "CARO"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" 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 and records.
- (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement 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 Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representation received from the directors as on March 31, 2023 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a Directors in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial performance in its standalone financial statements. (Refer Note No.- 36(A) to 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, 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, 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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
- v. (a) The final dividend paid by the Company during the year in respect of the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- (b) As stated in the note 16 to the standalone financial statements, the Board of Directors of the Company has 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 the declaration of dividend.

For **Lodha & Company**
Chartered Accountants
Firm registration No. - 301051E

R.P. Baradiya
Partner
Membership No. 44101
UDIN : 23044101BGTSJP9462

Place : Mumbai
Date : May 30, 2023

Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of India Pesticides Limited of even date:

- i. (a) In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets:
- The Company has maintained proper records, showing full including quantitative details and situation of Property, Plant and Equipment (PPE) and right of use assets.
 - The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the Company has a phased program for physical verification of the PPE for all locations. In our opinion, the frequency of verification is reasonable, considering the size of the Company and nature of its PPE. Pursuant to the program of the physical verification of PPE, physical verification of the assets has been carried out during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination and records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, neither any proceedings have been initiated during the year nor are pending as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) The inventories have been physically verified by the management at reasonable intervals during the year, except for goods in transit and those lying with third parties. The procedures of physical verification of the inventories followed by the management and its coverage are reasonable and adequate in relation to the size of the Company and nature of its business. As per the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories as compared to book records.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs 5 crore, in aggregate from banks on the basis of security of current assets. The quarterly statements filed by the Company with such banks are generally in agreement with the books of account of the Company. The Company has not been sanctioned working capital limits in excess of Rs 5 crore, in aggregate from financial institutions on the basis of security of current assets.
- iii. According to the information and explanations given to us, during the year, the Company has made investments and granted loans and advances in the nature of loans in respect of which the requisite information is as mentioned below. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms and limited liability partnership.
- During the year, the Company has provided loan to its wholly owned subsidiary of Rs. 39.50 million and Rs. 45.30 million is outstanding at the year end and the Company has given advance in the nature of loan to a related party of Rs. 12.02 million and Rs. 58.82 million is outstanding as at year end.
 - According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year in its wholly owned subsidiary and the terms and conditions of the grant of all loans and advances in the nature of loans are in the ordinary course of business and accordingly, not prejudicial to the Company's interest.
 - According to the information and explanations given to us and based on the audit procedures conducted by us, the loans and advances in the nature of loans are repayable on demand and the repayment and receipts are regular.
 - According to the information and explanations given to us there are no amount which are overdue.
 - According to the information and explanations given to us none of the loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
 - During the year, the Company has granted Loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:

Type	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Advance in the nature of loan granted to related party	58.82	100%

Type	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Loan to wholly owned subsidiary	45.30	100%

- iv. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of section 185 and 186 of the Act, to the extent applicable with respect to the loans and investments made during the year. The Company has not provided any guarantee and security during the year.
- v. In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under 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 rules made by the central government for the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a year of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues as referred in clause vii (a) above which have not been deposited on account of any dispute except the following:

Name of Statute	Nature of dues	Amount in Rs. Million	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	5.03	F.Y 2012 - 13	CIT (Appeals)

Name of Statute	Nature of dues	Amount in Rs. Million	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	0.46	F.Y 2017 - 18	CIT (Appeals)

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- (b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and 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 and hence reporting under clause 3(ix) (e) of the Order is not applicable to the Company.
- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records

- of the Company, the Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed by us in Form ADT-4 as prescribed in rule 13 of Companies (Audit and Auditors) rules, 2014 with the Central Government.
- (c) Based on our audit procedures performed and according to the information and explanations given to us, no whistle blower complaints received during the year by the Company and hence reporting under clause 3 (xi) (c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with section 177 and 188 of the Act and all the details have been disclosed in the standalone financial statements as required by the applicable Accounting Standard (Refer Note 37 to the standalone financial statements).
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) In our opinion, there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank Directions, 2016 and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) According to the information and explanations given to us, there are no other than ongoing projects and hence reporting under clause 3 (xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us amount remaining unspent under subsection (5) of section 135 of the Act, pursuant to ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements and hence no comment in respect of the said clause has been included in this report.

For **Lodha & Company**

Chartered Accountants

Firm registration No. – 301051E

R.P. Baradiya

Partner

Membership No. 44101

UDIN : 23044101BGTSJP9462

Place : Mumbai

Date : May 30, 2023

Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the Members of The India Pesticides Limited of even date:

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the India Pesticides 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 Board of Directors of the Company 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 component 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 entity are being made only in accordance with authorisations of management; (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control with reference to financial

statements, may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the best of our information and according to the explanations given to us, the Company has, broadly in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial

Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

For **Lodha & Company**
Chartered Accountants
Firm registration No. – 301051E

R.P. Baradiya
Partner
Membership No. 44101
UDIN : 23044101BGTSJP9462

Place : Mumbai
Date : May 30, 2023



Standalone Balance Sheet

as at 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	2A	2,309.24	1,579.66
Right of Use Assets	2B	60.84	48.47
Capital work-in-progress	2C	268.33	444.10
Other Intangible Assets	3	1.24	0.79
Financial Assets			
Investments	4	167.01	202.69
Loans	5	45.30	5.80
Other Financial Assets	6	405.20	42.19
Other Non-current Assets	7	69.05	15.08
Total Non current assets		3,326.21	2,338.78
Current Assets			
Inventories	8	2,249.65	1,396.85
Financial Assets			
Trade Receivables	9	2,620.71	2,479.26
Cash and Cash Equivalents	10	105.17	162.61
Other Balances with Banks	11	484.67	905.15
Other Financial Assets	12	40.24	37.82
Income tax Assets (Net)	13	11.25	2.28
Other Current Assets	14	315.02	518.84
Total Current Assets		5,826.71	5,502.81
Total Assets		9,152.92	7,841.59
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	115.16	115.16
Other Equity	16	7,634.88	6,268.62
Total Equity		7,750.04	6,383.78
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	17.06	35.54
Lease Liabilities	18	14.45	6.34
Provisions	19	14.31	12.83
Deferred Tax Liabilities (Net)	20	103.35	80.15
Total Non Current Liabilities		149.17	134.86
Current Liabilities			
Financial liabilities			
Borrowings	21	18.76	107.97
Lease Liabilities	22	4.74	0.03
Trade Payables	23		
Total outstanding dues of micro enterprises and small enterprises		36.83	45.10
Total outstanding dues of creditors other than micro enterprises and small enterprises		994.64	900.73
Other Financial Liabilities	24	81.96	135.06
Other Current Liabilities	25	64.43	90.06
Provisions	26	52.35	44.00
Total Current Liabilities		1,253.71	1,322.95
Total Liabilities		1,402.88	1,457.81
Total Equity and Liabilities		9,152.92	7,841.59
Significant accounting policies and Key accounting estimates and judgements	1		
See accompanying notes to Standalone Financial Statements	2-45		

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Mumbai
Dated: May 30, 2023

Place : Lucknow
Dated: May 30, 2023

Standalone Statement of Profit and Loss

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from Operations	27	8,849.35	7,161.43
Other Income	28	131.93	131.65
Total Income (I)		8,981.28	7,293.08
EXPENSES			
Cost of Materials Consumed	29	5,531.93	3,742.03
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	30	(682.30)	(441.15)
Employee Benefits Expense	31	354.67	296.84
Finance Costs	32	64.48	65.06
Depreciation and Amortisation Expense	2 & 3	112.50	84.46
Other Expenses	33	1,669.47	1,425.16
Total Expenses (II)		7,050.75	5,172.41
Profit Before Tax (I-II)		1,930.53	2,120.67
Tax Expense			
(1) Current Tax		463.51	533.24
(2) Deferred Tax		22.24	0.74
(3) Current taxes relating to earlier years		-	2.84
Profit for the period		1,444.78	1,583.85
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		4.18	(6.53)
- Equity Instruments through OCI		(0.38)	0.08
- Income tax related to items that will not be reclassified to Profit and loss		(0.96)	1.62
Total Other comprehensive income/(loss) for the year (Net of Tax)		2.84	(4.83)
Total Comprehensive income for the Year		1,447.62	1,579.02
Earnings per Equity Share of ₹ 1 Each	41		
Basic (in ₹)		12.57	13.82
Diluted (in ₹)		12.57	13.82
Significant accounting policies and Key accounting estimates and judgements	1		
See accompanying notes to Standalone Financial Statements	2-45		

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

Place : Mumbai
Dated: May 30, 2023

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

D. K. Jain
Chief Executive Officer

Place : Lucknow
Dated: May 30, 2023

R. S. Sharma
Director
DIN: 02487797

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Standalone Statement of Cash flow

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A. Cash flow from operating activities:		
Net profit before tax	1930.53	2120.67
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	112.50	84.46
Net unrealised foreign exchange loss/(gain)	(7.04)	(8.61)
Net gain on sale / fair valuation of investments through profit and loss	(2.71)	(23.34)
(Profit)/Loss on Sale of property, plant and equipment (net)	(0.42)	(0.88)
Dividend Income	(0.00)	(0.04)
Provision for Employee Benefits	4.18	3.14
Finance Lease	(2.06)	0.14
Interest received	(41.85)	(44.88)
Provision for Expected Credit Loss	5.59	64.76
Bad Debt	4.92	48.00
Interest expenses	53.59	39.01
Operating profit before working capital changes	2057.23	2282.43
Adjustment for		
Decrease/ (Increase) in other financial assets	(365.42)	(43.79)
Decrease/ (Increase) in non current assets	(2.77)	(3.55)
Decrease/ (Increase) in trade receivables	(145.87)	(449.82)
Decrease/(Increase) in other current assets	203.82	(131.00)
Decrease/(Increase) in Inventories	(852.80)	(696.06)
(Decrease)/Increase in other financial liabilities	(38.22)	71.73
(Decrease)/Increase in trade payables	86.59	221.46
(Decrease)/ Increase in other current liabilities	(25.63)	36.49
(Decrease)/ Increase in provisions	14.82	14.99
Cash generated from operations	931.74	1302.88
Add/(Deduct) :		
Direct taxes paid (net)	(472.48)	(543.85)
Net cash generated from / (used in) operating activities	459.27	759.03
B. Cash generated from investing activities		
Purchase of property, plant and equipment, Intangible assets and Capital work in progress	(731.44)	(792.20)
Proceeds from sale of property, plant and equipment	1.55	2.01
Investment in Subsidiary	(15.50)	(23.00)
Purchase of Investments	(62.99)	(146.43)
Sale proceeds of Investments	116.50	88.34
Increase in Term Deposits with Banks	420.47	(494.60)
Interest Income	41.85	44.88
Net cash flow from / (used in) from investing activities	(229.56)	(1321.00)

Standalone Statement of Cash flow

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
C. Cash generated from financing activities		
Proceeds from Initial Public Offering	-	1000.00
Offer Expenses on Initial Public Offering	-	(54.41)
Loans to subsidiary	(39.50)	(5.80)
Proceeds/(repayment) from Long term Borrowings (net)	(18.47)	(31.20)
Proceeds/(repayment) from short-term borrowings (net)	(89.21)	(123.56)
Dividend paid (including corporate dividend tax)	(86.37)	(35.77)
Interest paid (net)	(53.59)	(43.75)
Cash generated from / (used in) financing activities	(287.14)	705.51
D. Net Increase/ (Decrease) in cash and cash equivalent (A+B+C)	(57.43)	143.54
Cash and Cash equivalents		
At the beginning of the year	162.61	19.07
At the end of the year	105.17	162.61

Notes:

- a. Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.
- b. **Net Debt Reconciliation**

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening Net Debt	143.51	302.95
Proceeds from Borrowings (net)	(89.21)	(123.56)
Repayment of Borrowings (net)	(18.47)	(31.20)
Interest Expense (net)	53.59	39.01
Interest Paid (net)	(53.59)	(43.75)
Discounting adjustment for borrowing cost		0.07
Closing Net Debt	35.81	143.51

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Mumbai
Dated: May 30, 2023

Place : Lucknow
Dated: May 30, 2023

Standalone Statement of Changes in Equity

for the year ended 31st March 2023

A. Equity Share Capital

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	No. of Shares	Amount
As at 01st April, 2021	11,17,85,130	111.79
Changes in equity share capital during the period (Refer note 15)	33,78,378	3.38
As at 31st March, 2022	11,51,63,508	115.16
Changes in equity share capital during the period (Refer note 15)	-	-
As at 31st March, 2023	11,51,63,508	115.16

B. Other Equity

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Reserves and Surplus				Equity Instruments through OCI	Remeasurement of net defined benefit plan through OCI	Total
	Securities Premium	Revaluation Reserve	General Reserve	Retained Earnings			
Balance as at 01st April 2021	12.14	-	518.37	3251.50	2.30	-1.16	3783.16
Profit/(loss) for the year	-	-	-	1,583.85	-	-	1,583.85
Other Comprehensive Income / (loss)	-	-	-	-	0.08	-4.91	-4.83
Total Comprehensive Income for the year	12.14	-	518.37	4,835.35	2.38	-6.06	5,362.18
Dividends paid	-	-	-	(35.77)	-	-	-35.77
Amounts utilized towards Offer Expenses on Initial Public Offering	-54.41	-	-	-	-	-	(54.41)
Add: Proceeds from Initial Public Offering	996.62	-	-	-	-	-	996.62
Balance as on 31st March 2022	954.36	-	518.37	4,799.58	2.38	-6.06	6,268.62
Profit/(loss) for the year	-	-	-	1,444.77	-	-	1,444.77
Other Comprehensive Income / (loss)	-	-	-	-	-0.38	3.22	2.84
Total Comprehensive Income for the year	954.36	-	518.37	6,244.35	1.99	(2.83)	7,716.23
Dividends paid	-	-	-	(86.37)	-	-	(86.37)
Amounts utilized towards Offer Expenses on Initial Public Offering	5.00	-	-	-	-	-	5.00
Add: Proceeds from Initial Public Offering	-	-	-	-	-	-	-
Balance as on 31st March 2023	959.35	-	518.37	6,157.98	1.99	-2.83	7,634.85

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

Place : Mumbai
Dated: May 30, 2023

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

D. K. Jain
Chief Executive Officer

Place : Lucknow
Dated: May 30, 2023

R. S. Sharma
Director
DIN: 02487797

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Company Profile

India Pesticides Limited ("the Company") is a company incorporated on 13th December 1984 and having its registered office at Bareilly, Uttar Pradesh, India. The Company is engaged in 'Agro Chemicals' business which primarily includes manufacture, sale and distribution of insecticides, fungicides, herbicide and various other agrochemical products. The Company has its own manufacturing site for agrochemical production at Sandila and Dewa Road in Uttar Pradesh.

1 Significant Accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the years presented in the standalone financial statements.

The Standalone Financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS.

- a. Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)
- b. Defined Benefit and other Long-term Employee Benefits - Refer Note 1.(o) below

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

1.2 Use of Estimates and Judgments

In preparing the Standalone Financial Statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/ or results of operations.

The estimates and judgments used in the preparation of the Standalone Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

1.3 Summary of Significant accounting policies

(a) Property, Plant & Equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

Depreciation and Amortisation

“Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the period of the lease.

Asset Class	Useful Life
Factory Building	30 years
Plant & Equipment	10-20 years
R & D Equipment	20 years
Furniture & Fixtures	10 years
Vehicles	8-10 years
Office Equipment	5 years
Computers	3 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(b) Intangible Assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is

recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Asset Class	Useful Life
Software	5 years
Know How	10 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products:

Revenue from sale of products is recognized when the control on the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Export Incentive:

Income from Export Incentives such as duty drawback and MEIS are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(d) Other Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

Interest income is accrued on a time Proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(e) Inventories

Inventories encompass goods consumed in production (raw materials, packing materials and stores and spare parts), goods in the production process for sale (work-in-progress) and goods held for sale in the ordinary course of business (finished goods and stock-in-trade). Inventories are

recognised at the lower of their cost of acquisition calculated by the weighted average method and at their net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses necessary to make the sale.

(f) Financial Instruments

(i) Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method."

- fair value through profit and loss (FVTPL)

Assets shall be measured at FVTPL unless it is measured at amortised cost or at FVOCI. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented within other gains/ (losses) in the

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

period in which it arises. Interest income from these financial assets is included in Other Income.

- fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The movements in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in Other Income using the effective interest rate method.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Derecognition

Financial assets are derecognised when contractual rights to receive cash flows from the financial assets expire or the financial assets are transferred together with all material risks and benefits.

(ii) Financial Liabilities

Financial liabilities are initially recognised at fair value if the Company has a contractual obligation to transfer cash or other financial assets to another party. Borrowings and payables are recognised net of directly attributable transaction costs. In subsequent periods, such liabilities are measured at amortised cost using the effective interest method.

Derecognition

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled, or has expired.

(g) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The Company applies Expected Credit Loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost. The Company follows 'simplified approach' permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss on trade receivables and lease receivables based on expected lifetime losses at each reporting date right from its initial recognition. If the reasons for previously recognised impairment losses no longer apply, the impairment losses are reversed provided that this does not cause the carrying amounts to exceed the amortised cost of acquisition.

(h) Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

(i) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(j) Investments

Financial assets are recognised and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Company recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVTPL. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investment in Equity Instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investment in equity instruments which are not held for trading."

(k) Foreign Currency Transactions

The Standalone Financial Statements are presented in Indian Rupee, which is the Company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/ losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(l) Income tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current Tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a

transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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 the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized 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 recognized 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.

(m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

(n) Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(o) Provision for Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions

payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

i) Gratuity scheme:

The Company has a Defined Benefit Plan namely Gratuity covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme which is administered by LIC. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/ (asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Expenses related to other long term employee benefits are recognized in the Statement of Profit and loss (including actuarial gain and loss).

(p) Lease accounting

Assets taken on lease:

The Company mainly has lease arrangements for land.

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an

identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight-line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term i.e. between 3 to 90 years

If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonable certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

(q) Impairment of Non-financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss."

(r) Borrowing Costs

Borrowing cost includes interest, amortization 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, if any, directly attributable to the

acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

(s) Government Grants / Subsidies:

No Grants/Subsidies have been received by the Company during the period.

(t) Segment reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Board of Directors (who are Company's chief operating decision makers) in deciding how to allocate resources and in assessing performance.

(u) Dividends Payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(v) Earnings Per Share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

(w) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance

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sheet date of material size or nature are only disclosed.

(x) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(y) Rounding Of Amounts

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest million, unless otherwise stated.

(z) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- (a) Ind AS 1 – Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.
- (b) Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial

recognition of a lease and a decommissioning provision.

- (c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is evaluating the impact, if any, in its financial statements and does not expect to have these amendments to have any significant impacts in its financial statements.

(aa) Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(a) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(b) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired

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and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

(c) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the

discounted cash flow model, which involve various judgements and assumptions.

(e) Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023



(All amounts in Rupees Millions, unless otherwise stated)

2A Property, Plant and Equipment

Particulars	Factory Building	Plant & Equipment	R&D Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount								
Balance as at 01st April, 2021	358.85	937.22	1.17	9.85	35.83	2.80	3.28	1,349.01
Additions during the year	68.00	358.21	0.77	0.89	33.18	0.92	1.19	463.17
Disposals/ Reclassifications during the year	-	-	-	-	6.13	-	-	6.13
Balance as at 31st March, 2022	426.84	1,295.43	1.94	10.74	62.87	3.72	4.47	1,806.05
Additions during the year	133.14	681.41	4.89	2.93	12.04	2.46	1.80	838.67
Disposals/ Reclassifications during the year	-	-	-	0.26	1.62	0.02	-	1.90
Balance as at 31st March, 2023	559.99	1,976.84	6.83	13.40	73.28	6.16	6.27	2,642.82
Accumulated depreciation, amortisation and impairment								
Balance as at 01st April, 2021	26.74	105.60	0.17	2.65	10.66	1.02	2.25	149.09
Depreciation expense for the year	14.15	59.45	0.06	1.11	6.18	0.62	0.71	82.28
Eliminated on disposal of asset/ reclassifications	-	-	-	-	5.00	-	-	5.00
Balance as at 31st March, 2022	40.89	165.05	0.22	3.75	11.83	1.64	2.96	226.35
Depreciation expense for the year	16.06	80.62	0.21	1.30	8.42	0.85	1.07	108.53
Eliminated on disposal of asset/ reclassifications	-	-	-	0.16	1.15	0.02	-	1.33
Balance as at 31st March, 2023	56.95	245.67	0.43	4.89	19.10	2.48	4.03	333.55
Net Carrying amount								
Balance as at 01st April, 2021	332.11	831.62	1.00	7.20	25.17	1.78	1.03	1,199.92
Balance as at 31st March, 2022	385.95	1,130.38	1.72	6.99	51.04	2.08	1.51	1,579.66
Balance as at 31st March, 2023	503.03	1,731.16	6.40	8.51	54.19	3.68	2.24	2,309.22

Refer Note 21 for details of security charge on Property, Plant and Equipment

Significant accounting policies and explanatory notes to Standalone Financial Statements

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2B Right of Use Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	48.47	43.54
Additions	15.89	6.68
Deletions	-	-
Amortization	3.52	1.75
Closing Balance	60.84	48.47

Note: Refer Note 34 for detailed disclosures

2C Capital work-in-progress

Particulars	Plant & Machinery under Installation	Buildings under construction	Total
Balance as at 01st April, 2021	102.84	16.01	118.85
Balance as at 31st March, 2022	322.95	121.15	444.10
Balance as at 31st March, 2023	216.01	52.32	268.33

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 93.34 mn as at 31st March, 2023(Rs. 32.74 mn as at 31st March 2022).

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2023

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	229.54	-	38.79	-	268.33
Projects temporarily suspended	-	-	-	-	-
Total	229.54	-	38.79	-	268.33

As at 31 March 2022

Particulars	Less than 1Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	400.73	43.37	-	-	444.10
Projects temporarily suspended	-	-	-	-	-
Total	400.73	43.37	-	-	444.10

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

3 Intangible Assets

Particulars	Software	Know How	Total
Gross Carrying Amount			
Balance as at 1st April, 2021	0.40	2.12	2.52
Additions during the year	-	-	-
Deductions during the year	-	-	-
Balance as at 31st March, 2022	0.40	2.12	2.52
Additions during the year	0.90	-	0.90
Deductions during the year	-	-	-
Balance as at 31st March, 2023	1.30	2.12	3.42
Accumulated amortization			
Balance as at 1st April, 2021	0.24	1.06	1.30
Amortization expense for the year	0.07	0.36	0.43
Deductions for the year	-	-	-
Balance as at 31st March, 2022	0.31	1.42	1.73
Amortization expense for the year	0.13	0.32	0.45
Deductions for the year	-	-	-
Balance as at 31st March, 2023	0.44	1.74	2.18
Net Carrying amount			
Balance as at 1st April, 2021	0.16	1.06	1.22
Balance as at 31st March, 2022	0.09	0.71	0.79
Balance as at 31st March, 2023	0.86	0.38	1.24

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

4 Investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
(A) INVESTMENTS MEASURED AT COST		
In Unquoted, fully paid up Equity Shares of Subsidiary		
Shalvis Specialities Ltd	46.50	31.00
4,65,00,000 (31st March, 2022 : 3100000) equity shares of Rs.10 each		
TOTAL	46.50	31.00
(B) INVESTMENTS MEASURED AT AMORTISED COST		
In Unquoted, fully paid up Debt Instrument		
1 India Infoline Finance Ltd	-	4.05
Nil (31st March, 2022 : 4,000 @ 9.6 %) non-convertible debentures of Rs. 1000 each		
2 L&T Infra Debt Fund Limited Series B BR NCD	2.48	-
2 @ 7.50% (31st March, 2022 : Nil) non-convertible debentures of ₹ 10,00,000 each		
3 L&T Finance Limited Series A BR NCD	2.42	-
2 @ 7.40% (31st March, 2022 : Nil) non-convertible debentures of ₹ 10,00,000 each		
4 Tata Cleantech Capital Limited SR A FY 2020-21 BR NCD	4.08	-
35 @ 7.40% (31st March, 2022 : Nil) non-convertible debentures of ₹ 1,00,000 each		
TOTAL	8.98	4.05

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	As at 31st March, 2023	As at 31st March, 2022
In Unquoted Government Securities		
National Saving Certificate	0.04	0.04
TOTAL	0.04	0.04
(C) INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)		
In Unquoted, fully paid up Equity Shares of Other Company		
1 Swarup Chemicals Pvt Limited 3900 (31st March, 2022 : 3900) equity shares of Rs.10 each	1.99	2.38
TOTAL	1.99	2.38
(D) INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)		
In Quoted, fully paid up Equity Shares of Other Companies		
1 Suditi Industries Ltd 6,632 (31st March, 2022 : 4,632) equity shares of Re.10 each	0.12	0.22
2 K M Sugar Mills Ltd Nil (31st March, 2022 : 60979) equity shares of Rs.2 each	-	1.79
3 Reliance Industries Ltd - Right Issue 299 (31st March, 2022 : 300) equity shares of Rs.10 each	0.71	0.79
TOTAL	0.83	2.80
In quoted, fully paid up Mutual Funds		
1 BOI Multicap Fund 1,99,990.000 (31st March, 2022 : Nil) units.	2.00	-
2 ICICI Prudential Regular Savings Plan Growth 34,641.616 (31st March, 2022 : 34,641.616) units.	0.92	0.87
3 ICICI Prudential Equity Arbitrage Fund 91,903.791 (31st March, 2022 : 91,903.791) units.	2.69	2.56
4 ICICI Prudential Balanced Advantage Fund 15,173.377 (31st March, 2022 : 15,173.377) units.	0.80	0.75
5 Axis Special Situations Fund 5,00,087.396 (31st March, 2022 : 5,00,087.396) units.	5.70	6.33
6 Axis Growth Opportunities Fund 1,57,621.375 (31st March, 2022 : 1,57,621.375) units.	2.95	3.25
7 Axis Small Cap Fund 45,175.062 (31st March, 2022 : 45,175.062) units.	2.78	2.77
8 DSP Mid Cap Fund Nil (31st March, 2022 : 64,785.317) units.	-	5.58
9 DSP Flexi Cap Fund Nil (31st March, 2022 : 1,64,187.315) units.	-	10.38
10 Edelweiss Arbitrage Fund 3,71,381.901 (31st March, 2022 : 3,71,381.901) units.	6.13	5.84
11 HDFC Dividend Yield Fund Nil (31st March, 2022 : 12,79,506.97) units.	-	18.18
12 HDFC Ultra Short Term Fund 6,33,708.073 (31st March, 2022 : 8,33,743.279) units.	8.19	10.24
13 Mirae Asset Mid Cap Fund 1,50,350.334 (31st March, 2022 : 1,50,350.334) units.	3.07	3.09

Significant accounting policies and explanatory notes to Standalone Financial Statements

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Particulars	As at 31st March, 2023	As at 31st March, 2022
14 PGIM India Flexi Cap Fund 60,824.209 (31st March, 2022 : 60,824.209) units.	1.50	1.56
15 PGIM India Midcap Opportunities Fund 40,754.402 (31st March, 2022 : 40,754.402) units.	1.70	1.72
16 SBI Savings Fund Nil (31st March, 2022 : 4,31,859.760) units.	-	14.55
17 PGIM India Arbitrage Fund 3,48,338.332 (31st March, 2022 : 3,48,338.332) units.	5.51	5.26
18 Parag Pareikh Flexicap Fund 48,300.417 (31st March, 2022 : 48,300.417) units.	2.39	2.39
19 Mahindra manulife Hybrid Equity Nivesh Yojana 3,00,841.798 (31st March, 2022 : 3,00,841.798) units.	5.12	5.11
20 Nippon India Arbitrage Fund Nil (31st March, 2022 : 4,73,252.783) units.	-	10.24
21 Nippon India Ultra Short Duration Fund 1,565.127 (31st March, 2022 : 1,565.127) units.	5.40	5.14
22 SBI Balance Advantage Fund-Direct Growth Nil (31st March, 2022 : 9,99,950.02) units.	-	10.27
23 SBI Balance Advantage Fund-Regular Growth Nil (31st March, 2022 : 7,49,962.502) units.	-	7.73
24 SBI Multicap Fund-Regular Fund 2,99,985.001 (31st March, 2022 : 2,99,985.001) units.	3.02	3.09
25 SBI Corporate Bond Fund - Regular Growth 387646.635 (31st March, 2022 : Nil) units.	5.06	-
26 SBI Magnum Medium Duration Fund -Direct Growth 240385.845 (31st March, 2022 : Nil) units.	11.03	-
27 SBI Magnum Medium Duration Fund -Regular Growth 188681.078 (31st March, 2022 : Nil) units.	8.11	-
28 SBI Dividend Yield Fund -Regular Growth 99995 (31st March, 2022 : Nil) units.	1.01	-
29 SBI Fixed Maturity plan (FMP) Series 66 (1361 days) Reg G 199990.000 (31st March, 2022 : Nil) units.	2.09	-
30 Invesco India Dynamic Equity Fund 69,114.598 (31st March, 2022 : 69,114.598) units.	2.59	2.52
31 Invesco India Equity Savings Fund 1,94,704.93 (31st March, 2022 : 1,94,704.93) units.	2.60	2.56
32 Tata Arbitrage Fund 13,26,284.542 (31st March, 2022 : 17,50,168.467) units.	16.27	20.46
TOTAL	108.67	162.42
TOTAL NON CURRENT INVESTMENT	167.01	202.69
Aggregate book value of:		
Quoted investments	101.75	151.37
Unquoted investments	56.39	35.92
Aggregate market value of:		
Quoted investments	109.50	165.22
Unquoted investments	57.52	37.47
Aggregate amount of impairment in value of Investments	0.89	0.89

Significant accounting policies and explanatory notes to Standalone Financial Statements

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5 Loans

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Loan to subsidiary [refer Note (a) below]	45.30	5.80
Total	45.30	5.80

- (a) The Loan to Shalvis Specialty Ltd, a wholly owned subsidiary company, was given after complying with the provisions of section 186(4) of the Companies Act, 2013. The loan was given in accordance with the terms and conditions agreed between the parties and is to be used by the recipient in the normal course of business. The loan is repayable on demand. The Rate of Interest on the loan is 8% p.a.

6 Other Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured and Considered Good		
Security Deposits	29.35	24.01
Term Deposits*	375.85	18.18
Total	405.20	42.19

*on lien against margin money, against bank guarantee and other commitments

7 Other Non-current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Others		
Advance to Gratuity Trust	6.20	3.43
Capital Advances	62.84	11.65
Total	69.05	15.08

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 93.34 mn as at 31st March, 2023(Rs. 32.74 mn as at 31st March, 2022).

8 Inventories

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials	613.91	470.89
Work-in-Progress	72.23	45.86
Finished Goods	1,458.93	803.00
Packing Materials	66.95	54.58
Stores, Spares and Consumables	37.63	22.52
Total	2,249.65	1,396.85

Refer Note 21 for details of security charge on Inventories.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

9 Trade Receivables

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured:		
Considered good	2,620.71	2,479.26
Considered doubtful	102.80	97.21
	2,723.51	2,576.47
Less: Allowance for Expected Credit Loss	(102.80)	(97.21)
Total	2,620.71	2,479.26

- i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- ii) Trade receivables are non interest bearing and generally on terms of 30 to 180 days.
- iii) Refer Note 21 for details of security charge on Trade receivables.

Trade Receivable Ageing As at 31 March 2023

Particulars	Bill Not Due	Less than 6 Months	6 Months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable							
Considered good	2,048.79	381.46	146.19	44.27	-	-	2,620.71
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	2.05	0.38	1.63	44.27	39.06	15.42	102.80
Disputed Trade Receivable							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Total	2,050.84	381.85	147.81	88.54	39.06	15.42	2,723.51

Trade Receivable Ageing As at 31 March 2022

As at 31 March 2022

Particulars	Bill Not Due	Less than 6 Months	6 Months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable							
Considered good	1,801.60	335.53	288.53	53.60	-	-	2,479.26
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	0.18	1.96	0.29	53.60	41.17	-	97.21
Disputed Trade Receivable							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Total	1,801.78	337.49	288.82	107.21	41.17	-	2,576.47

Significant accounting policies and explanatory notes to Standalone Financial Statements

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10 Cash and Cash Equivalents

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and Cash Equivalents		
Cash on hand	2.79	7.48
Balances with Banks		
In Current Accounts	102.39	118.12
In Cash Credit Accounts	-	37.01
Total	105.17	162.61

11 Other Balances with Banks

Particulars	As at 31st March, 2023	As at 31st March, 2022
Term Deposits	484.67	905.15
Total	484.67	905.15

*out of the above Term Deposit of Rs. 296.24 mn is on lien against margin money, against bank guarantee and other commitments as at March 2023 (Rs. 881.10 mn for March 2022)

Bank deposits earns interest at fixed rates. Short-term deposits are generally made for varying periods between three months to twelve months, depending on the cash requirements of the Company, and earn interest at the respective deposit rates.

12 Other Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured and Considered Good		
Security Deposits	38.54	37.53
Interest Receivable from Others (from related parties)	1.70	0.29
Total	40.24	37.82

13 Income tax Assets (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax Assets	11.25	2.28
(Net of Provision 463.51 mn as at 31st March, 2023)(533.24 mn as at 31st March, 2022)		
Total	11.25	2.28

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

14 Other Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with Government Authorities	216.49	424.65
Prepaid Expenses	5.21	19.53
Others		
Advances to Employees	7.78	7.54
Advances to Suppliers*	85.54	67.12
Total	315.02	518.84

*Includes related party balance of Rs. 58.82 mn (Rs. 46.80 mn as on 31st March 2022).

15 Equity Share Capital

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised :		
150,000,000 (31st March, 2022 : 150,000,000) Equity Shares of Re. 1 each (31st March, 2022 : Rs. 1).	150.00	150.00
	150.00	150.00
Issued, Subscribed and Paid up :		
115,163,508 (31st March, 2022 : 115,163,508) Equity Shares of Re. 1 (31st March, 2022: Rs. 1).	115.16	115.16
	115.16	115.16

a) Reconciliation of number of shares

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	Number	(Rs. in mn)	Number	(Rs. in mn)
Shares outstanding at the beginning of the year	11,51,63,508	115.16	11,17,85,130	111.79
Add: Share Alloted in Fresh Issue	-	-	33,78,378	3.38
Shares outstanding at the end of the year	11,51,63,508	115.16	11,51,63,508	115.16

Details of shareholders holding more than 5% equity shares in the Company

Name of Promoter	As at 31st March, 2023		As at 31st March, 2022	
	Number of Equity Shares	Percentage Holding	Number of Equity Shares	Percentage Holding
Fully paid Equity Shares of Re.1 each held by:				
1. Anand Swarup Agarwal	3,58,48,092	31.13%	3,52,83,092	30.64%
2. PSA Family Trust	1,24,22,242	10.79%	1,24,22,242	10.79%
3. Sudha Agarwal	89,16,631	7.74%	87,93,631	7.64%
4. ASA Family Trust	77,17,117	6.70%	77,17,117	6.70%

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

15 Equity Share Capital (Contd..)

b) Details of shares held by Promoter as at 31/03/2023:

Name of Promoter	No. of Shares held at the Beginning of the Year	Sales/ Transfer During the Year	No. of Shares held at the End of the year	% Change in Shareholding during the year to Total
Equity Shares of Re.1 each held by: (Refer note 15(d) and 15(e))				
1. Anand Swarup Agarwal	3,52,83,092	5,65,000	3,58,48,092	1.60%
2. Sudha Agarwal	87,93,631	1,23,000	89,16,631	1.40%
3. Mahendra Swarup Agarwal*	2,45,895	-2,45,895	-	-100.00%
4. Pramood Swarup Agarwal	1,09,022	-	1,09,022	0.00%
5. Virendra Swarup Agarwal	36,42,020	-	36,42,020	0.00%
6. Vishal Swarup Agarwal	2,51,892	27,000	2,78,892	10.72%
7. Vishwas Swarup Agarwal	2,21,486	-	2,21,486	0.00%
8. Sanju Agarwal	75,908	-	75,908	0.00%
9. VSA Family Trust	22,00,000	-	22,00,000	0.00%
10. ASA Family Trust	77,17,117	-	77,17,117	0.00%
11. PSA Family Trust	1,24,22,242	-	1,24,22,242	0.00%
12. MSA Family Trust	56,95,875	-	56,95,875	0.00%
13. Anurag Swarup Agarwal**	-	2,67,071	2,67,071	100.00%
	7,66,58,180	7,36,176	7,73,94,356	0.96%

** Promoter Group with effect from April 12, 2022

* Exit From Promoter Group with effect from April 12, 2022

Details of shares held by Promoter as at 31/03/2022:

Name of Promoter	No. of Shares held at the Beginning of the Year	Sales/ Transfer During the Year	No. of Shares held at the End of the year	“% Change in shareholding during the year to total shares”
Equity Shares of Re.1 (31st March, 2021 : Rs. 1) each held by:				
1. Anand Swarup Agarwal	4,47,89,850	-95,06,758	3,52,83,092	-9.43%
2. Sudha Agarwal*	17,43,800	70,49,831	87,93,631	6.08%
3. Mahendra Swarup Agarwal	1,10,69,375	-1,08,23,480	2,45,895	-9.69%
4. Pramood Swarup Agarwal	12,20,508	-11,11,486	1,09,022	-1.00%
5. Virendra Swarup Agarwal	46,21,750	-9,79,730	36,42,020	-0.97%
6. Vishal Swarup Agarwal	9,85,000	-7,33,108	2,51,892	-0.66%
7. Vishwas Swarup Agarwal	8,60,000	-6,38,514	2,21,486	-0.58%
8. Sanju Agarwal	8,42,800	-7,66,892	75,908	-0.69%
9. VSA Family Trust	22,00,000	-	22,00,000	-0.06%
10. ASA Family Trust	77,17,117	-	77,17,117	-0.20%
11. PSA Family Trust	1,24,22,242	-	1,24,22,242	-0.33%
12. MSA Family Trust	56,95,875	-	56,95,875	-0.15%
	9,41,68,317	-1,75,10,137	7,66,58,180	16.51%

* Promoter With Effect from March 5, 2022

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

15 Equity Share Capital (Contd..)

As per the records of the Company, including its registers of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

c) Rights, preferences and restrictions :

The Company has only one class of equity shares having a par value of Re. 1 Per Share (March 31, 2022 - Rs 1 per share). Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the no. of equity shares held by shareholder.

d) Bonus Shares

7,95,81,250 bonus equity shares of face value of Re.1/- each were issued during the year ended March 31, 2021.

e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current period/year end.

16 Other Equity

Particulars	As at 31st March, 2023	As at 31st March, 2022
Securities Premium		
As per Opening Balance	954.35	12.14
Less: Amounts utilized towards Offer Expenses on Initial Public Offering	-	54.41
Add: Proceeds from Initial Public Offering	5.00	996.62
Closing Balance	959.35	954.35
General Reserve		
As per last Balance Sheet	518.37	518.37
Less : amounts utilized towards issue of fully paid up bonus shares	-	-
Add : Transferred from Surplus	-	-
Closing Balance	518.37	518.37
Retained Earnings		
As per last Balance Sheet	4,795.90	3,252.65
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	1,444.77	1,583.85
Less: Other Comprehensive income (net of tax)	-2.85	4.83
Dividend distributed during the year (refer note below)	86.37	35.77
Closing Balance	6,157.16	4,795.90
Total	7,634.88	6,268.62

Nature and purpose of reserves

- a) **Securities premium** - Securities premium is used to record the premium on issue of shares. This will be utilised in accordance with the provisions of the Act.
- b) **General reserve** - : The General reserve is created by way of transfer of profits from retained earnings for appropriation

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

16 Other Equity (Contd..)

purposes. This reserve is utilised in accordance with the provisions of the Act.

- c) **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.

Note 1:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Final Dividend Rs 0.75 For Fy 2021-22 (March 31, 2022 : Rs. 0.32 for 2020-21 per equity share of 1 each (31st March, 2022 : Rs. 1) (Refer note below)	86.37	35.77

Note 2:

The Board of Directors at its meeting held on 30th May, 2023 have recommended a payment of final dividend of Rs. 0.75 per equity share of face value of Re.1 each for the financial year ended 31st March, 2022. The above is subject to the approval of the shareholders in Annual General Meeting of the Company and hence not being recognised as a liability

17 Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Term Loan:		
From Banks	23.82	26.19
Less: Current maturities of Long term Debt	6.75	6.46
Unsecured Term Loan:		
From Others	-	15.81
Total	17.06	35.54

i) Detail of Securities and Terms of repayment

- Secured Term Loan from Banks comprise of multiple Vehicle Loans which are each repayable in balance 12 to 60 monthly instalments from the date of balance sheet. Interest rate for these loans ranges between 7.95 % to 10.00%.
- Loans from Others comprise of Inter corporate loans which are not due for repayment in the next 12 months from the date of the Balance Sheet. Interest on these loans are payable at rates ranging between 9% to 12% per annum.

ii) Refer Note 42 for maturity analysis.

18 Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured		
Lease Liability	14.45	6.34
Total	14.45	6.34

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

19 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for Compensated Absences	14.31	12.83
Total	14.31	12.83

20 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Liabilities		
Arising on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	137.45	105.11
Increase in borrowing cost pursuant to application of effective interest rate method	-	-
Provision for Employee Defined Benefit obligations	-1.56	0.83
Difference in carrying value and Tax base of investments measured at FVTPL and Amortised Cost	2.23	3.88
Deferred Tax Assets		
Arising on account of:		
Lease liability amortisation	4.83	1.60
Allowances for Doubtful debt and Advances	25.87	24.46
Provision for Compensated Absences	4.07	3.61
Total	103.35	80.15

21 Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
From Banks	12.01	101.51
Current maturities of Long term Debt From Banks (Refer note no 17)	6.75	6.46
Total	18.76	107.97

- i) Working capital loans are secured by first charge by way of hypothecation on the current assets of the Company namely inventories of raw materials, finished and work in progress, stores spares and consumables and packing materials, book debts and all other movable assets both present and future, and additionally secured by way of second charge on :
- The immovable properties situated at Plot No. E-17 to E-23, UPSIDC, Deva Road, Lucknow.
 - Land & building situated at Khasra No. 691, Village Uttar Dhauna, Tiwariganj, Chinhat, Faizabad Road, Lucknow owned by M/s Ram Swarup Cold Storage & Allied Ind. Lucknow.
 - Hypothecation of Plant & Machinery at UPSIDC, Deva Road, Lucknow in favour of the banks.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

21 Borrowings (Contd..)

- d. Leasehold Industrial plot at K4 & K5 at UPSIDC, Sandila, UP.
- e. Interest rate varies from MCLR+Nil spread to 0.85%.
- ii) The company has borrowings from banks on the basis of security of current assets. The quarterly statements of current assets filed by company with banks are in agreements with the books of accounts with no discrepancy.
- iii) Refer Note 42 for maturity analysis."

22 Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease Liability	4.74	0.03
Total	4.74	0.03

23 Trade Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Dues to MSME	36.83	45.10
(b) Dues to Other than MSME	994.64	900.73
Total	1,031.47	945.83

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

Trade Payables Ageing As at 31 March 2023

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	36.83	-	-	-	36.83
(ii) Others	980.39	4.83	1.75	7.67	994.64
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	1,017.22	4.83	1.75	7.67	1,031.47

Trade Payables Ageing As at 31 March 2022

Particulars	Less than 1Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	45.10	-	-	-	45.10
(ii) Others	886.68	4.15	7.35	2.55	900.73
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	931.78	4.15	7.35	2.55	945.83

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

23 Trade Payables (Contd..)

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	36.83	45.10
Interest	1.77	0.04
Total	38.60	45.14
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.77	0.04
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

24 Other Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade and Security Deposits from Customers	59.66	56.69
Payable towards IPO Expenses	-	62.27
Payable towards Capital Nature Expenses	22.30	16.10
Total	81.96	135.06

25 Other Current Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Advances		
Advance from Customers	55.74	79.91
Others		
Statutory Liabilities	8.69	10.15
Total	64.43	90.06

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

26 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for Compensated Absences	1.86	1.52
Provision for Gratuity		
Provision for Corporate Social Responsibility*(refer Note 33)	50.50	42.48
Total	52.36	44.00

* In accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by Ministry of Corporate Affairs on January 22, 2021, the Company has created provision for the cumulative unspent amount as on March 31, 2023.

27 Revenue from Operations

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(i) Sales of products		
Domestic (Net of Returns)	4,022.18	3,789.54
Exports (Net of Returns)	4,796.32	3,302.12
	8,818.49	7,091.66
(ii) Other Operating Revenues		
Export Incentives	30.85	69.77
Total	8,849.35	7,161.43

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue as per contracted price	8,961.84	7,363.87
Less: Discounts/Sales Return	143.35	272.21
Revenue from contract with customers	8,818.49	7,091.66

28 Other Income

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest Income from financial assets at amortised cost		
On bank deposits	35.88	41.70
Other Interest	5.97	3.18
Dividend Income	0.00	0.04
Other non-operating Income		
Fair value gain on Investment through Amortised cost	-	0.05
Fair value gain on Investments at fair value through profit and loss	1.48	13.93
Miscellaneous income	10.83	6.85

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

28 Other Income (Contd..)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Other gains and losses		
Net Gain on foreign currency transactions & translation	76.11	55.65
Profit from Sale of Investments	1.22	9.35
Profit on Sale of Property, Plant & Equipment	0.42	0.88
Total	131.93	131.65

29 Cost of Materials Consumed

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw materials Consumed		
Opening stock	470.89	235.84
Add : Purchases of Raw Material	5,508.18	3,803.67
	-	-
Less: Closing stock	613.91	470.89
TOTAL	5,365.15	3,568.61
Packing Materials Consumed		
Opening Stock	54.58	44.79
Add:Purchases of Packing Material	179.14	183.21
Less: Closing Stock	66.95	54.58
TOTAL	166.78	173.42
Total	5,531.93	3,742.03

30 Changes in inventories of finished goods, Stock-in-trade and work-in-progress

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Inventories at the beginning of the year		
Finished Goods	803.00	393.66
Work in Progress	45.86	14.04
	(a)	848.86
Inventories at the end of the year		
Finished goods	1,458.93	803.00
Work in Progress	72.23	45.85
	(b)	1,531.16
Net (Increase)/Decrease in Inventories	(a) -(b)	(682.30)

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

31 Employee Benefits Expense

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages and benefits	316.37	274.12
Contribution to provident and other funds	27.53	14.27
Staff welfare expenses	10.78	8.45
Total	354.67	296.84

32 Finance Costs

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense		
- Cash credit facilities / buyers' credit	34.16	20.52
- Term Loans from Banks	2.05	1.86
- On Other Loans	0.57	3.71
- interest on Taxes paid	3.97	24.21
- Others	5.77	1.85
- Lease Liabilities	1.16	0.21
Other Borrowing Costs	16.80	12.70
Total	64.48	65.06

2 & 3 Depreciation and Amortisation Expense

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on Property, Plant & equipment	108.98	82.71
Depreciation on Right of Use	3.52	1.75
Amortisation of Intangible Assets	-	-
Total	112.50	84.46

33 Other Expenses

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores, spares and consumables	435.63	272.24
Power and Fuel	404.25	326.99
Labour & Processing Charges	290.02	213.48
Pollution Control Expenses	31.11	26.73
Freight and handling Charges	179.93	219.73
Advertisement and Sales Promotion Expenses	21.32	11.27
Legal and Professional expenses	82.23	68.95
Travelling & Conveyance	76.40	53.00

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

33 Other Expenses (Contd..)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Rent Expenses	12.78	11.57
Directors Fees	3.85	5.05
Repairs & Maintenance		
- Building	9.51	5.44
- Others	3.66	6.98
- Machinery	22.65	19.90
Rates, Fees and Taxes	9.30	5.31
Testing and Sampling Charges	0.84	0.40
Insurance	10.41	8.70
Printing, Stationery and Communication Expenses	11.01	11.75
Corporate Social Responsibility Expenses and Other Donations*	32.91	22.54
Payment to Auditors		
- Statutory Audit Fees	2.20	2.40
- In other Capacity		
For Tax Audit	0.40	0.40
For Limited Review & Certification fees	0.90	1.05
For Reimbursement of Expenses	0.27	0.17
Bad Debts	4.92	48.00
Provision for Doubtful Debts	5.59	64.76
Miscellaneous Expenses	17.38	18.35
Total	1,669.47	1,425.16

*Note : Corporate Social Responsibility Expenses

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A Gross Amount Required to be spent by the Company :	32.84	22.50
B Amount Of Expenditure Incurred		
i Construction / Acquisition of any assets	-	-
ii Purpose other than above	6.98	3.51
C Short Fall at the end of the year	25.86	18.99
D Total Of Previous Years Shortfall	24.64	23.49
E Reason For Shortfall - Non Availability of Suitable Project		
F Nature Of CSR Activities - Health and Education		
G Details Of Related Party Transactions		
Related party transactions in relation to Corporate Social Responsibility:	-	-
H Provision movement during the year/ Period:		
Opening provision	42.48	31.04
Addition during the year / Period	25.86	18.99
Utilised during the year /Period	17.84	7.55
Closing provision	50.50	42.48

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

34 Leases

Following are the changes in the carrying value of right of use assets (Land)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	48.47	43.54
Additions	15.89	6.68
Deletions	-	-
Depreciation	3.52	1.75
Closing Balance	60.84	48.47

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term leases was Rs. 12.78 mn for the year ended March 31, 2023 (Rs. 11.57 Mn for the year ended March 31, 2022). The Company's lease asset classes primarily consist of leases for land. 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 of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense in the statement of profit and loss.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The lease liability is initially measure at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

35 Contingent Liabilities

Claims against the Company not acknowledged as debts	As at 31st March, 2023	As at 31st March, 2022
Tax matters in dispute under appeal	5.49	-

36 Assets and liabilities relating to Employee Benefits

See accounting policy in Note 1.(o)

For details about the related employee benefit expenses, refer Note 31

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

36 Assets and liabilities relating to Employee Benefits (Contd..)

The expenses recognised during the year towards defined contribution plans are as detailed below:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Provident Fund and other Funds	6.79	17.43
Total (included in Note 31 - 'Contribution to provident and other funds')	6.79	17.43

B. Defined Benefit Obligation:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/ Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity.

The amount of gratuity payable on retirement/ termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/ Company policy multiplied for the number of years of service."

The plan asset for the funded gratuity plan is invested in insurer managed fund administered by Life Insurance Corporation of India ('LIC'), independently as per the investment pattern stipulated for Pension and Group Schemes fund as per the regulations framed by Insurance and Regulatory and Development Authority of India i.e., 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Principal actuarial assumptions				
Discount rate	7.40%	6.90%	7.40%	6.90%
Range of compensation increase	10.00%	10.00%	10.00%	10.00%
Withdrawal Rate:				
- Younger ages	10.00%	10.00%	10.00%	10.00%
- Older ages	8.00%	8.00%	8.00%	8.00%

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Components of income statement charge				
Current service cost	8.71	5.62	1.84	6.69
Interest cost	-0.53	2.53	-	-
Recognition of past service cost	-	-	-	-
Immediate recognition of (gain)/losses	-	-	-	-
Settlement/curtailment/termination loss	-	-	-	-
Total charged to statement of profit or loss	8.19	8.16	1.84	6.69
Total charged to Retained Earnings	-	-	-	-
Movements in net liability/(asset)				
Net liability at the beginning of the year	-3.31	41.80	14.33	7.64
Adjustment to the opening fund	-	(55.12)	-	-

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

36 Assets and liabilities relating to Employee Benefits (Contd..)

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Employer contributions	(6.79)	(4.67)	-	-
Total expense recognised in the statement of profit or loss	8.19	8.16	1.84	6.69
Total expense recognised in the Retained Earnings	-	-		
Total amount recognised in OCI	(4.18)	6.53		
Net liability at the end of the year	(6.09)	(3.31)	16.17	14.33
Reconciliation of benefit obligations				
Obligation at start of the year	57.86	41.80	14.33	7.64
Current service cost	8.71	5.62	1.84	6.69
Interest cost	3.83	2.61	-	-
Benefits paid directly by the Group	(2.67)	(2.08)	-	-
Extra payments or expenses/(income)	-	-	-	-
Obligation of past service cost	-	-	-	-
Actuarial gain/loss	(4.55)	9.91		
Defined benefits obligations at the end of the year	63.19	57.86	16.17	14.33
Reconciliation of plan assets	61.16	-	-	-
Adjustment to the Opening Fund	-	55.12	-	-
Interest Income	4.36	0.07	-	-
Return on plan assets excluding amounts included in interest income	(0.37)	3.39	-	-
Contributions by Employer	6.79	4.67	-	-
Benefits paid	(2.67)	-2.08	-	-
Closing value of plan assets	69.27	61.16	-	-
Re-measurements of defined benefit plans				
Actuarial gain/(loss) due to changes in demographic assumptions	-	-	-	-
Actuarial gain/(loss) due to changes in financial assumptions	(2.60)	9.68	-	-
Actuarial gain/(loss) on account of experience adjustments	(1.95)	0.23	-	-
Return on plan assets excluding amounts included in interest income	0.37	(3.39)		
Total actuarial gain/(loss) recognised in Other Comprehensive Income	(4.18)	6.53	-	-
The Maturity Profile of Defined Benefit Obligation				
Year 1 Cashflow	5.89	4.62	-	-
Year 2 Cashflow	7.40	4.81	-	-
Year 3 Cashflow	4.69	6.89	-	-
Year 4 Cashflow	5.13	4.30	-	-
Year 5 Cashflow	5.63	4.88	-	-
Year 6 to Year 10 Cashflow	33.45	29.39	-	-

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

36 Assets and liabilities relating to Employee Benefits (Contd..)

C. Sensitivity analysis of significant assumptions

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	Year ended 31st March, 2023		Year ended 31st March, 2022	
	% increase in DBO	% increase in DBO	Liability	Liability
Discount rate				
+ 0.5% discount rate	-3.84%	60.76	-3.97%	55.56
- 0.5% discount rate	4.12%	65.79	4.26%	60.32
Salary increase				
+ 0.5% salary growth	3.07%	65.13	3.09%	59.64
+ 0.5% salary growth	-3.26%	61.12	-3.42%	55.88
Withdrawal rate				
+ 0.5% salary growth	-0.55%	62.84	-0.71%	57.44
- 0.5% salary growth	0.56%	63.54	0.74%	58.28

Sensitivity of DBO, Service Cost, and P&L Account	Leave Encashment	
	Year ended 31st March, 2023	Year ended 31st March, 2022
Discount rate		
+ 0.5% discount rate	15.41	13.62
- 0.5% discount rate	16.99	15.11
Salary increase		
+ 0.5% salary growth	16.97	15.08
+ 0.5% salary growth	15.42	13.64
Withdrawal rate		
+ 1.1 % salary growth	16.00	14.14
- 1.1 % salary growth	16.35	14.54

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

37 Related party disclosures as per Ind AS 24

1) Related parties with whom transactions have taken place during the year and its relationship:

Name of the related parties	Designation / Relationship
Anand Swarup Agarwal (w.e.f 6th October, 2020)	Chairman and Non Executive Director
Satya Prakash Gupta (w.e.f 1st November 2020)	Chief Financial Officer
Dheeraj Kumar Jain (w.e.f 23rd January 2021)	Chief Executive Officer
Ajeet Pandey (w.e.f 1st October 2020)	Company Secretary
Ajai Kumar Sinha (w.e.f 1st February 2021)	General Manager
B.T. Hanumantha Reddy	General Manager
Rajendra Singh Sharma	Whole-time Director
Rahul Arun Bagaria (w.e.f 23rd January 2021)	Non Executive Director
Adesh Kumar Gupta (w.e.f 23rd January 2021)	Independent Director
Mohan Vasant Tanksale (w.e.f 21st December 2020)	Independent Director
Madhu Dikshit (w.e.f 21st December 2020)	Independent Director
Shalvis Specialities Ltd (w.e.f 18th January 2021)	Wholly Owned Subsidiary
Swarup Publications Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
Swarup chemicals Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
M/s Ram Swarup Cold Storage & Allied Industries.	Entity in which a director or manager or his relative is a member or director
Vishwas Swarup Agarwal	Relative of director
Vishal Swarup Agarwal	Relative of director

2 Transactions during the year

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Remuneration		
Rajendra Singh Sharma	0.80	0.73
Ajeet Pandey	1.03	0.87
Satya Prakash Gupta	3.15	2.70
Dheeraj Kumar Jain	8.42	7.65
Ajai Kumar Sinha	0.96	0.87
B.T. Hanumantha Reddy	2.30	2.00
Director Sitting fees		
Anand Swarup Agarwal	0.80	0.80
Adesh Kumar Gupta	1.00	1.15
Mohan Vasant Tanksale	0.80	1.05
Rahul Arun Bagaria	0.65	1.20
Madhu Dikshit	0.60	0.85
Professional Fees		
Vishal Swarup Agarwal	12.00	12.00
Vishwas Swarup Agarwal	12.00	12.00

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

37 Related party disclosures as per Ind AS 24 (Contd..)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest Income		
Swarup Chemicals Pvt Limited	3.63	2.95
Shalvis Specialities Limited	1.57	0.32
Expenses (net)		
Swarup Chemicals Pvt Limited	10.31	13.54
Swarup Publications Pvt Limited	2.64	2.64
Vishal Swarup Agarwal	0.54	0.54
Swarup Cold Storage & Ice Factory	0.25	0.12
Reimbursement of Expenses made on behalf of the Company		
Vishal Swarup Agarwal	-	0.50
Reimbursement of Expenses made on behalf of the related party		
Shalvis Specialities Ltd	-	0.04
Equity Investment		
Shalvis Specialities Ltd	23.50	23.00
TOTAL	86.94	87.52

3 Outstanding balances as at the year end

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances		
Swarup Chemicals Pvt Limited	58.82	46.80
Loan Given		
Shalvis Specialities Ltd	45.30	5.80
Interest Receivable		
Swarup Chemicals Pvt Limited	-	0.13
Shalvis Specialities Ltd	1.70	0.29
Payable		
Swarup Publications Pvt Limited	6.45	2.27

4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables or payables.

No balances in respect of the related parties has been provided for written off / written back."

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

37 Related party disclosures as per Ind AS 24 (Contd..)

5 Additional Disclosure

Type of Borrower	As at 31st March, 2023		As at 31st March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-
- Advances	58.82	100.00%	46.80	100.00%
- Loan	45.30	100.00%	5.80	100.00%

(b) Disclosure as per Regulation 34(3) and 53(f) read with Part A of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of loans/ advances/Investments outstanding as at year end

Type of Borrower	Investment in equity/ preference at cost		Gross Loan Outstanding		Maximum Amount of Loan and Advances outstanding during the year	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Swarup Chemicals Private Limited	0.39	0.39	58.82	46.80	58.82	47.80
Shalvis Specialties Limited	46.50	31.00	45.30	5.80	45.30	5.80

38 Financial instruments

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed below and Note 1.

A Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

38 Financial instruments (Contd..)

Financial Assets and Liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

a. Financial Assets

Particulars	Instruments carried at fair value			Instruments carried at amortized cost	Total Fair Value	Total Carrying Value
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL			
As at 31st March, 2023						
(i) Investments	1.99	-	109.46	55.56	167.01	167.01
(ii) Other financial assets	-	-	-	490.73	490.73	490.73
(iii) Trade receivables	-	-	-	2,620.71	2,620.71	2,620.71
(iv) Cash and cash equivalents	-	-	-	105.17	105.17	105.17
(v) Other Balances with Banks	-	-	-	484.67	484.67	484.67
Total	1.99	-	109.46	3756.85	3868.29	3,868.29
As at 31st March, 2022						
(i) Investments	2.38	-	165.22	35.09	202.69	202.69
(ii) Other financial assets	-	-	-	85.81	85.81	85.81
(iii) Trade receivables	-	-	-	2,479.26	2,479.26	2,479.26
(iv) Cash and cash equivalents	-	-	-	162.61	162.61	162.61
(v) Other Balances with Banks	-	-	-	905.15	905.15	905.15
Total	2.38	-	165.22	3,667.93	3,835.53	3,835.53

b. Financial Liabilities

Particulars	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
As at 31st March, 2023				
(i) Borrowings	-	35.82	35.82	35.82
(ii) Other financial liabilities	-	101.15	101.15	101.15
(ii) Trade payables	-	1,031.47	1,031.47	1,031.47
Total	-	1,168.45	1,168.45	1,168.45
As at 31st March, 2022				
(i) Borrowings	-	143.51	143.51	143.51
(ii) Other financial liabilities	-	141.43	141.43	141.43
(ii) Trade payables	-	945.83	945.83	945.83
Total	-	1,230.77	1,230.77	1,230.77

*The carrying value and fair value approximation, if any.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

38 Financial instruments (Contd..)

c. Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities as at March 31, 2023 and March 31, 2022 measured at fair value:

As at 31st March, 2023	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Equity Shares	0.82	-	1.99	2.81
Investment in Mutual Funds	108.67	-	-	108.67
As at 31st March, 2022	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Equity Shares	2.80	-	2.38	5.18
Investment in Mutual Funds	162.42	-	-	162.42

39 Segment Reporting

The Board of Directors are identified as Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Agro Chemicals" as its only operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statements."

Geographical Information

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
a. Revenue from external customers		
attributed to the Company's country of domicile, India	4,022.18	3,789.54
attributed to all foreign countries	4,796.32	3,302.12
Total	8,818.49	7,091.67

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

39 Segment Reporting (Contd..)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
b. Revenues from transactions with customers (including customers of the same group) exceeding 10% of the Company's sales in current as well as previous year.	1,753.24	1,949.05
c. Non-current assets (excluding Deferred/ Current Tax and Financial Assets)		
located in the Company's country of domicile, India	2,639.64	2,073.02
located in all foreign countries	-	-
Total	2,639.64	2,073.02

40 Income tax

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(i) Tax expense recognised in the standalone statement of profit and loss		
Current Tax on profits for the year	463.51	533.24
Adjustments for current tax of prior periods	-	2.84
Total Current Tax Expense	463.51	536.08
Deferred Tax charge/ (credit) P&L	22.24	0.74
Total Deferred Tax Expense	22.24	0.74
Income tax expense recognised in the standalone statement of profit and loss	485.75	536.82
(ii) Tax expense recognised in OCI		
Deferred Tax:		
Deferred Tax expense on Remeasurement of defined benefit plans	(0.96)	1.62
Income tax expense recognised in the standalone statement of profit and loss	(0.96)	1.62

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable to the Company (in %)	25.17	25.17
Profit/ (Loss) before income tax expense	1,930.53	2,120.67
Current tax expense on Profit/ (loss) before tax expenses at enacted income tax rate in India	485.88	533.73
Tax effects of :		
Tax effect on non-deductible expenses	8.28	5.67
Effect of Income which is taxed at special rates	(0.68)	(5.87)
Effect of Government grants offered to income tax on receipt basis	-	-
Effects of Adjustments for current tax of prior periods	-	-
Other items	(7.73)	0.45
Total Income tax expense	485.75	533.97

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

40 Income tax (Contd..)

The Company elected to exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961 inserted vide Taxation Laws (Amendment) Act, 2019.

The Company, accordingly has recognized Provision for Income Tax.

The details of Income tax Assets / Liabilities are as follows:-

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Income Tax Assets	2,405.27	1,932.79
Current Income Tax Liabilities	2,394.02	1,930.51
Net Current Income Tax Liabilities/(Assets) at the end of the year	(11.25)	(2.28)

The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

As at 31st March, 2023

Particulars	Balance sheet 01st April 2022	Profit and loss For the Year	OCI For the Year	Balance sheet 31st March, 2023
Deferred Tax Liabilities				
Arising on account of:				
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	105.10	32.34	-	137.44
Increase in borrowing cost pursuant to application of effective interest rate method	0.00	-	-	0.00
Provision for Employee Defined Benefit obligations	0.83	(1.44)	(0.96)	-1.56
Difference in carrying value and Tax base of investments measured at FVTPL	3.88	(1.65)	-	2.23
Provision for Compensated Absences	-3.61	(0.46)	-	(4.07)
Deferred Tax Assets				
Arising on account of:				
Lease liability amortisation	1.60	3.23	-	4.83
Allowances for Doubtful debt and Advances	24.46	1.41	-	25.86
Total	80.15	24.15	(0.96)	103.35

As at 31st March, 2022

Particulars	Balance sheet 01st April 2021	Profit and loss For the Year	OCI For the Year	Balance sheet 31st March, 2022
Deferred Tax Liabilities				
Arising on account of:				
"Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961"	85.81	19.30	-	105.10
Increase in borrowing cost pursuant to application of effective interest rate method	0.06	(0.06)	-	0.00

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

40 Income tax (Contd..)

Particulars	Balance sheet 01st April 2021	Profit and loss For the Year	OCI For the Year	Balance sheet 31st March, 2022
Provision for Employee Defined Benefit obligations	0.49	(1.28)	1.62	0.83
Difference in carrying value and Tax base of investments measured at FVTPL	2.80	1.08	-	3.88
Provision for Compensated Absences	0.10	(3.71)	-	(3.61)
Deferred Tax Assets				
Arising on account of:				
Lease liability amortisation	0.06	1.54	-	1.60
Allowances for Doubtful debt and Advances	8.17	16.30	-	24.47
Total	81.03	(2.51)	1.62	80.15

41 Earnings per share (EPS)

(a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i Profit attributable to Equity holders of Company

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	1,444.78	1,583.85

ii Weighted average number of ordinary shares

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity shares outstanding as at year end	11,51,63,508	11,51,63,508
Weighted average number of shares as at year end for basic earnings per shares	11,51,63,508	11,42,74,948
Weighted average number of shares as at year end for diluted earnings per shares	11,51,63,508	11,42,74,948
Basic earnings per share (in Rs)	12.57	13.82
Diluted earnings per share (in Rs)	12.57	13.82

42 Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board has been monitoring the risks that the Company

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

The Company has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk

(A) Credit risk

Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviours. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines.

There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due.

Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 3 months, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

Ageing of account receivables :

Particulars	As at 31st March, 2023	As at 31st March, 2022
0-3 months	1,609.05	1,522.26
More than 3 months	1,114.46	1,054.21
Total	2,723.51	2,576.47

Reconciliation of loss allowance - Trade Receivables

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	97.21	32.45
Allowance made during the year	5.59	64.76
Closing balance	102.80	97.21

The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience.

Credit limits and concentration of exposures are actively monitored by the Management of the Company.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Additionally, considering the COVID 19 situation, the Company has also assessed the performance and recoverability of trade receivables. The Company believes that the current value of trade receivables reflects the fair value/ recoverable values.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

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.

Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. "

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity analysis of significant financial liabilities

Particulars	Contractual cash flows					
	As at 31st March, 2023			As at 31st March, 2022		
	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year
Non-derivative financial liabilities						
Term Loans	23.82	6.75	17.06	42.00	6.46	35.54
Short Term Borrowings	12.01	12.01	-	101.51	101.51	-
Trade and Other Payables	1,031.47	1,031.47	-	945.83	945.83	-
Other Financial Liabilities	96.41	81.96	14.45	141.40	135.06	6.34
Other Current Liabilities	64.43	64.43	-	90.06	90.06	-

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies. "

Foreign Currency Risk

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR).

The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. "

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

	As at 31st March, 2023			As at 31st March, 2022		
	INR Rs in mn	EURO Rs in mn	USD RS in mn	INR Rs in mn	EURO Rs in mn	USD RS in mn
Financial Assets						
Trade Receivables	2,096.88	11.96	511.86	1,955.43	174.87	444.95
Total	2,096.88	11.96	511.86	1,955.43	174.87	444.95
Financial Liabilities						
Trade payables	700.95	-	330.53	615.30	2.84	327.33
Total	700.95	-	330.53	615.30	2.84	327.33

The following significant exchange rates have been applied during the year.

Currency	31st March, 2023	31st March, 2022
USD	82.22	75.81
EURO	89.61	84.66

Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies 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 net exposure outstanding on receivables or 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 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Type of Borrower	Year ended 31st March, 2023		Year ended 31st March, 2022	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	0.45	(0.45)	0.29	(0.29)
EURO	0.03	(0.03)	0.43	(0.43)
AUD	-	-	-	-

(D) Cash flow and fair value interest rate risk

- Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long - term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

- Interest rate risk exposure:

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	23.82	42.00
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	12.01	101.51
Total	35.82	143.51

- Interest rate sensitivity

Interest rate sensitivity

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

Price Risk

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

43 Capital management

(a) Risk management

The Company's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets."

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

43 Capital management (Contd..)

The gearing ratios were as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net debt (Total Debt - Cash & cash equivalent - Other Bank Balances other than on lien)	-	-
Total equity	7,750.04	6,383.78
Net debt to equity ratio	-	-

44 Financial Ratios

Sr. No.	Particulars	Note reference	Year ended 31st March, 2023	Year ended 31st March, 2022	% Variance	Reason for Variance
1	Current Ratio	a	4.65	4.16	11.73%	Not applicable
2	Debt - Equity Ratio	b	0.00	0.02	-79.44%	Reduction in borrowing and increase in Equity base.
3	Debt Service Coverage Ratio	c	38.50	58.20	-33.86%	Reduction in Long Term borrowing
4	Return on Equity (ROE):	d	20.44%	27.34%	-25.22%	Decline due to drop in profitability during the current year
5	Inventory Turnover Ratio	e	4.85	6.83	-28.92%	Carrying higher inventory due to global supply chain disruption
6	Trade receivables turnover ratio	f	3.47	3.10	11.98%	Not applicable
7	Trade payables turnover ratio	g	5.75	4.73	21.66%	Not applicable
8	Net profit ratio	h	16.33%	22.12%	-26.18%	Decline due to higher cost of raw material and fuel
9	Net capital turnover ratio (in times)	i	1.96	1.74	12.56%	Not applicable
10	Return on capital employed (%)	j	25%	33%	-23.56%	Not applicable
11	Return on investment (ROI)	k	19%	25%	-24.86%	Not applicable

Note :

- a Current ratio (in times) : Current Assets / Current liabilities
- b Debt - Equity ratio : Total Debt divided by Equity
- c Debt Service Coverage Ratio (DSCR) (no. of times) : Profit before interest, divided by Interest expense.

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

44 Financial Ratios (Contd..)

- d ROE : Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity
- e Inventory turnover ratio: Revenue from operations / Average Inventory
- f Trade receivable turnover ratio: Revenue from operations / Average (Trade receivable and contract assets)
- g Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables
- h Net profit margin (in %) : profit after tax / Revenue from operation
- i Net capital turnover ratio = Net Sales / Working Capital
- j ROCE : Earning before interest and taxes / Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)
- k Return on investment (ROI) : $\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\} / \{MV(T0) + \text{Sum } [W(t) * C(t)]\}$
 T1 = End of time period T0 = Beginning of time period
 t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1
 MV(T0) = Market Value at T0 C(t) = Cash inflow, cash outflow on specific date
 W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1 - t] / T1$

- 45 (A)** No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
- (B)** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (C)** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (D)** There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (E)** The Company does not have any transactions with companies struck off.
- (F)** The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Significant accounting policies and explanatory notes to Standalone Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

45 (Contd..)

- (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (G) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

46 The previous year figures have been re-grouped / re-classified wherever required to conform to current year's classification.

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Lucknow
Dated: May 30, 2023

Independent Auditor's Report

To The Members of
India Pesticides Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of India Pesticides Limited ("the Holding Company") and its subsidiary (hereinafter to be referred as "the Group") which comprises of consolidated Balance Sheet as at March 31, 2023, the consolidated statement of Profit & Loss (including other comprehensive income), the consolidated Statement of changes in equity and the consolidated Statement of cash flow for the year than ended, and notes to the consolidated 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 consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2023, its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the

Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in Other Matter paragraph below, 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

S. No	Key Audit Matters	Auditor's response
1.	<p>Allowances for Expected Credit Losses</p> <p>The Holding Company determines the allowance for credit losses on trade receivables based on historical loss experience adjusted to reflect current and estimated future economic conditions. In calculating expected credit loss, the Holding Company also considers the security deposit and other securities, besides other related information to estimate the probability of default in future. The Management has exercised significant judgement in estimating the allowance for credit losses. Refer Note 9 and 42 to the Consolidated Financial Statements</p>	<p>Our principal procedures included the following, but were not limited to:</p> <ul style="list-style-type: none"> • Evaluated the design and tested operating effectiveness of internal controls over allowance for credit losses on trade receivables. • Development of the expected credit model for the allowance for credit losses, including consideration of the current and estimated future economic conditions. • Completeness and accuracy of information used in the estimation of probability of default. • Analysis of those trade receivables where there is significant increase in credit risk and review of ageing of the trade receivables pertaining to current and immediately preceding years. • Computation of the allowance for credit losses. • Testing the arithmetical accuracy and computation of the allowances prepared by the Management. • Assessed the appropriateness of disclosures in Consolidated financial statements in accordance with the applicable accounting standards.

Information Other than the Consolidated Financial Statements and auditor's report thereon

The Holding Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business Responsibility and Sustainability Report, Corporate Governance Report, but does not include the consolidated financial statements, standalone 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 the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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 matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 are responsible for assessing the ability of the Group 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.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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 and its subsidiary 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 the 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 entity'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 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 entity 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

- (a) We did not audit the financial statements of its wholly owned subsidiary included in the consolidated financial statements of the Group whose financial statements reflect total assets of Rs. 149.24 million as at March 31, 2023 (Rs. 116.29 million as at March 31, 2022); total revenue for the year ended March 31, 2023 of Rs. 0.40 million (Rs. 0.22 for the year ended March 31, 2022), Net loss and other comprehensive loss for the year ended March 31, 2023 of Rs. 14.00 million (Rs. 4.33 million for the year ended March 31, 2022) and net cash inflow of Rs. 20.84 million for the year ended March 31, 2023 (Cash Outflow of Rs. 7.58 million for the year ended March 31, 2022), as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. 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 maintained by the Group have been kept so far as it appears from our examination of those books and records.
 - (c) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- (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 its subsidiary incorporated in India, none of the directors of the Group Companies 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 financial statements of the Holding Company and its Indian subsidiary and the operating effectiveness of such controls, please refer Annexure B of the standalone audit report attached with the standalone financial statements included in this annual report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of Section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group does not have any pending litigation which would impact its financial performance in its consolidated financial statements. (Refer Note No. 35 to the consolidated financial statements)
 - ii. The Group 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 Holding Company and its subsidiary.
 - iv. (a) The respective Managements of the Holding Company and its subsidiary which are Companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge

and belief, 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 by any of the such subsidiary 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 subsidiary ("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 subsidiary which are Companies incorporated in India has represented whose financial statements have been audited under the Act, that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company and by any of the such subsidiary 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 subsidiary 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 that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to the notice that has caused to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- v. (a) (a) The final dividend paid by the Holding Company during the year in respect of the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- (b) As stated in note 16 to the consolidated financial statements, the Board of Directors of the Holding Company has 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 the declaration of dividend.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and by the auditors of the subsidiary company included in the consolidated financial statements of the Holding

Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Lodha & Company**

Chartered Accountants

Firm registration No. – 301051E

R.P. Baradiya

Partner

Membership No. 44101

UDIN : 23044101BGTSJQ7915

Place : Mumbai

Date : May 30, 2023

Consolidated Balance Sheet

as at 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	2A	2,309.24	1,579.66
Right of Use Assets	2B	172.22	156.05
Capital work-in-progress	2C	273.44	444.14
Other Intangible Assets	3	1.24	0.79
Financial Assets			
Investments	4	120.51	171.69
Other Financial Assets	5	413.33	49.92
Deferred Tax Assets	6	2.44	0.71
Other Non-current Assets	7	69.05	15.08
Total Non current assets		3,361.47	2,418.04
Current Assets			
Inventories	8	2,249.65	1,396.85
Financial Assets			
Trade Receivables	9	2,620.71	2,479.26
Cash and Cash Equivalents	10	126.21	162.81
Other Balances with Banks	11	484.67	905.15
Other Financial Assets	12	38.54	37.53
Income tax Assets (Net)	13	11.25	2.28
Other Current Assets	14	316.17	518.88
Total Current Assets		5,847.20	5,502.76
Total Assets		9,208.67	7,920.80
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	115.16	115.16
Other Equity	16	7,616.33	6,264.08
Total Equity		7,731.49	6,379.24
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	17.06	35.54
Lease Liabilities	18	81.38	78.83
Provisions	19	14.31	12.83
Deferred Tax Liabilities (Net)	20	103.35	80.15
Total Non Current Liabilities		216.10	207.35
Current Liabilities			
Financial liabilities			
Borrowings	21	18.76	107.97
Lease Liabilities	22	10.25	11.24
Trade Payables	23		
Total outstanding dues of micro enterprises and small enterprises		36.83	45.10
Total outstanding dues of creditors other than micro enterprises and small enterprises		994.64	900.73
Other Financial Liabilities	24	81.96	135.06
Other Current Liabilities	25	66.24	90.08
Provisions	26	52.39	44.03
Total Current Liabilities		1,261.07	1,334.21
Total Liabilities		1,477.17	1,541.56
Total Equity and Liabilities		9,208.67	7,920.80
Significant accounting policies and Key accounting estimates and judgements	1		
See accompanying notes to Standalone Financial Statements	2-47		

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Mumbai
Dated: May 30, 2023

Place : Lucknow
Dated: May 30, 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from Operations	27	8,849.35	7,161.43
Other Income	28	132.33	131.55
Total Income (I)		8,981.68	7,292.98
EXPENSES			
Cost of Materials Consumed	29	5,531.93	3,742.04
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	30	(682.30)	(441.15)
Employee Benefits Expense	31	354.67	296.84
Finance Costs	32	71.54	68.53
Depreciation and Amortisation Expense	2 & 3	113.79	85.06
Other Expenses	33	1,675.69	1,425.98
Total Expenses (II)		7,065.32	5,177.30
Profit Before Tax (I-II)		1,916.36	2,115.68
Tax Expense			
(1) Current Tax		463.51	533.24
(2) Deferred Tax		20.50	0.08
(3) Current taxes relating to earlier years		-	2.84
Profit for the period		1,432.35	1,579.52
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		4.18	(6.53)
- Equity Instruments through OCI		(0.38)	0.08
- Income tax related to items that will not be reclassified to Profit and loss		(0.96)	1.62
Total Other comprehensive income/(loss) for the year (Net of Tax)		2.84	(4.83)
Total Comprehensive income for the Year		1,435.19	1,574.69
Earnings per Equity Share of ₹ 1 Each	41		
Basic (in ₹)		12.46	13.78
Diluted (in ₹)		12.46	13.78
Significant accounting policies and Key accounting estimates and judgements	1		
See accompanying notes to Standalone Financial Statements	2-47		

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

Place : Mumbai
Dated: May 30, 2023

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

D. K. Jain
Chief Executive Officer

Place : Lucknow
Dated: May 30, 2023

R. S. Sharma
Director
DIN: 02487797

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Consolidated Statement of Cash flow

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A Cash flow from operating activities:		
Net profit before tax	1914.79	2115.68
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	112.50	84.46
Net unrealised foreign exchange loss/(gain)	(7.04)	(8.61)
Net gain on sale / fair valuation of investments through profit and loss	(2.71)	(23.34)
(Profit)/Loss on Sale of property, plant and equipment (net)	(0.42)	(0.88)
Dividend Income	(0.00)	(0.04)
Provision for Employee Benefits	4.18	3.14
Finance Lease	(0.78)	0.74
Interest received	(42.25)	(44.78)
Provision for Expected Credit Loss	5.59	64.76
Bad Debt	4.92	48.00
Interest expenses	62.20	42.48
Operating profit before working capital changes	2050.98	2281.61
Adjustment for		
Decrease/ (Increase) in other financial assets	(365.42)	(43.52)
Decrease/ (Increase) in non current assets	(2.77)	(3.55)
Decrease/ (Increase) in trade receivables	(145.87)	(449.82)
Decrease/(Increase) in other current assets	202.71	(131.04)
Decrease/(Increase) in Inventories	(852.80)	(696.06)
(Decrease)/Increase in other financial liabilities	(38.22)	71.44
(Decrease)/Increase in trade payables	86.59	221.46
(Decrease)/ Increase in other current liabilities	(23.84)	36.51
(Decrease)/ Increase in provisions	14.82	14.99
Cash generated from operations	926.18	1302.01
Add/(Deduct) :		
Direct taxes paid (net)	(472.48)	(543.85)
Net cash generated from / (used in) operating activities	453.70	758.17
B Cash generated from investing activities		
Purchase of property, plant and equipment, Intangible assets and Capital work in progress	(759.90)	(820.20)
Proceeds from sale of property, plant and equipment	1.55	2.01
Purchase of Investments	(62.99)	(146.43)
Sale proceeds of Investments	116.50	88.34
Increase in Term Deposits with Banks	420.47	(502.10)
Interest Income	41.85	44.88
Net cash flow from / (used in) from investing activities	(242.52)	(1333.50)

Consolidated Statement of Cash flow

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
C Cash generated from financing activities		
Proceeds from Initial Public Offering	-	1000.00
Offer Expenses on Initial Public Offering	-	(54.41)
Loans to subsidiary		
Proceeds/(repayment) from Long term Borrowings (net)	(18.47)	(31.20)
Proceeds/(repayment) from short-term borrowings (net)	(89.21)	(123.56)
Dividend paid (including corporate dividend tax)	(86.37)	(35.77)
Interest paid (net)	(53.74)	(43.78)
Cash generated from / (used in) financing activities	(247.78)	711.28
D Net Increase/ (Decrease) in cash and cash equivalent (A+B+C)	(36.61)	135.95
Cash and Cash equivalents		
At the beginning of the year	162.81	26.86
At the end of the year	126.21	162.81

Notes:

Net Debt Reconciliation

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening Net Debt	143.51	302.95
Proceeds from Borrowings (net)	(89.21)	(104.80)
Repayment of Borrowings (net)	(18.47)	(49.96)
Interest Expense (net)	62.20	39.01
Interest Paid (net)	(53.74)	(43.75)
Discounting adjustment for borrowing cost		0.07
Closing Net Debt	44.27	143.51

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Mumbai
Dated: May 30, 2023

Place : Lucknow
Dated: May 30, 2023

Consolidated Statement of Changes in Equity

for the year ended 31st March 2023

A. Equity Share Capital

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	No. of Shares	Amount
As at 01st April, 2021	11,17,85,130	111.79
Changes in equity share capital during the period (Refer note 15)	33,78,378	3.38
As at 31st March, 2022	11,51,63,508	115.16
Changes in equity share capital during the period (Refer note 15)	-	-
As at 31st March, 2023	11,51,63,508	115.16

B. Other Equity

(All amounts in Rupees Millions, unless otherwise stated)

Particulars	Reserves and Surplus				Equity Instruments through OCI	Remeasurement of net defined benefit plan through OCI	Total
	Securities Premium	Revaluation Reserve	General Reserve	Retained Earnings			
Balance as at 01st April 2021	12.14	-	518.37	3,251.33	2.30	-1.16	3,782.99
Profit/(loss) for the year	-	-	-	1,579.52	-	-	1,579.52
Other Comprehensive Income / (loss)	-	-	-	-	0.08	-4.91	-4.83
Total Comprehensive Income for the year	12.14	-	518.37	4,830.85	2.38	-6.06	5,357.68
Dividends paid	-	-	-	(35.77)	-	-	-35.77
Amounts utilized towards Offer Expenses on Initial Public Offering	-54.41	-	-	-	-	-	(54.41)
Less : Appropriations	-	-	-	(0.04)	-	-	(0.04)
Add: Proceeds from Initial Public Offering	996.62	-	-	-	-	-	996.62
Balance as on 31st March 2022	954.36	-	518.37	4,795.04	2.38	-6.06	6,264.08
Profit/(loss) for the year	-	-	-	1,430.78	-	-	1,430.78
Other Comprehensive Income / (loss)	-	-	-	-	-0.38	3.22	2.84
Total Comprehensive Income for the year	954.36	-	518.37	6,225.81	1.99	(2.83)	7,697.69
Dividends paid	-	-	-	(87.37)	-	-	(86.37)
Amounts utilized towards Offer Expenses on Initial Public Offering	5.00	-	-	-	-	-	5.00
Add: Proceeds from Initial Public Offering	-	-	-	-	-	-	-
Balance as on 31st March 2023	959.35	-	518.37	6,139.44	1.99	-2.83	7,616.33

As per our report of even date attached

For **Lodha & Co.**
Chartered Accountants
ICAI Firm Registration No: 301051E

R.P. Baradiya
Partner

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Mumbai
Dated: May 30, 2023

Place : Lucknow
Dated: May 30, 2023

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

1 Group Overview

The consolidated financial statements comprise financial statements of India Pesticides Limited, Holding Company and its subsidiary (hereinafter referred as “the Group”).

India Pesticides Limited (“the Holding Company”) is a company incorporated on 13th December 1984 and having its registered office at Bareilly, Uttar Pradesh, India. The Group is engaged in Chemicals business which primarily includes manufacture, sale and distribution agrochemical products. The Group has its manufacturing site for agrochemical production at Sandila and Dewa Road in Uttar Pradesh.

1.1 Basis of Preparation of Financial Statements

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013.

The accounting policies are applied consistently to all the years presented in the consolidated financial statements.

The consolidated financial statements of the Group are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- a) Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)
- b) Defined Benefit and other long-term Employee Benefits [1 (o)]

1.2 Use of Estimates and Judgments

In preparing the Consolidated Financial Statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Group's financial position and/or results of operations.

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Holding Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Holding Company believes

to be reasonable under the existing circumstances. Although the Holding Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

1.3 Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiary as at 31st March 2023. The Holding Company prepares and report its consolidated financial statements in INR.

Subsidiaries:

Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

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 controls. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.

Consolidation procedure:

Subsidiaries:

- a) Combine, on line by line basis 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.
- b) Offset (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.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

- c) 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). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 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 are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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.

(All amounts in Rupees Millions, unless otherwise stated)

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. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

1.4 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Group has identified its Managing Director as CODM which assesses the operational performance and position of the Group and makes strategic decisions.

- 1.5 For other accounting policies - Refer significant accounting policies mentioned in the standalone financial statements.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

2A Property, Plant and Equipment

Particulars	Factory Building	Plant & Equipment	R&D Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount								
Balance as at 01st April, 2021	358.85	937.22	1.17	9.85	35.83	2.80	3.28	1,349.01
Additions during the year	68.00	358.21	0.77	0.89	33.18	0.92	1.19	463.17
Disposals/ Reclassifications during the year	-	-	-	-	6.13	-	-	6.13
Balance as at 31st March, 2022	426.84	1,295.43	1.94	10.74	62.87	3.72	4.47	1,806.05
Additions during the year	133.14	681.41	4.89	2.93	12.04	2.46	1.80	838.67
Disposals/ Reclassifications during the year	-	-	-	0.26	1.62	0.02	-	1.90
Balance as at 31st March, 2023	559.99	1,976.84	6.83	13.40	73.28	6.16	6.27	2,642.82
Accumulated depreciation, amortisation and impairment								
Balance as at 01st April, 2021	26.74	105.60	0.17	2.65	10.66	1.02	2.25	149.09
Depreciation expense for the year	14.15	59.45	0.06	1.11	6.18	0.62	0.71	82.28
Eliminated on disposal of asset/ reclassifications	-	-	-	-	5.00	-	-	5.00
Balance as at 31st March, 2022	40.89	165.05	0.22	3.75	11.83	1.64	2.96	226.35
Depreciation expense for the year	16.06	80.62	0.21	1.30	8.42	0.85	1.07	108.53
Eliminated on disposal of asset/ reclassifications	-	-	-	0.16	1.15	0.02	-	1.33
Balance as at 31st March, 2023	56.95	245.67	0.43	4.89	19.10	2.48	4.03	333.55
Net Carrying amount								
Balance as at 01st April, 2021	332.11	831.62	1.00	7.20	25.17	1.78	1.03	1,199.92
Balance as at 31st March, 2022	385.95	1,130.38	1.72	6.99	51.04	2.08	1.51	1,579.66
Balance as at 31st March, 2023	503.03	1,731.16	6.40	8.51	54.19	3.68	2.24	2,309.22

Refer Note 21 for details of security charge on Property, Plant and Equipment.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

2B Right of Use Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	156.06	43.54
Additions	20.98	114.86
Deletions	-	-
Amortization	4.81	2.35
Closing Balance	172.22	156.05

Note: Refer Note 34 for detailed disclosures

2C Capital work-in-progress

Particulars	Plant & Machinery under Installation	Buildings under construction	Total
Balance as at 01st April, 2021	102.84	16.01	118.85
Balance as at 31st March, 2022	322.95	121.19	444.14
Balance as at 31st March, 2023	216.01	57.43	273.44

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 93.34 mn as at 31st March, 2023 (Rs. 32.74 mn as at 31st March 2022).

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2023

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	229.54	5.11	38.79	-	273.44
Projects temporarily suspended	-	-	-	-	-
Total	229.54	5.11	38.79	-	273.44

As at 31 March 2022

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	400.77	43.37	-	-	444.14
Projects temporarily suspended	-	-	-	-	-
Total	400.77	43.37	-	-	444.14

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

3 Intangible Assets

Particulars	Software	Know How	Total
Gross Carrying Amount			
Balance as at 1st April, 2021	0.40	2.12	2.52
Additions during the year	-	-	-
Deductions during the year	-	-	-
Balance as at 31st March, 2022	0.40	2.12	2.52
Additions during the year	0.90	-	0.90
Deductions during the year	-	-	-
Balance as at 31st March, 2023	1.30	2.12	3.42
Accumulated amortization			
Balance as at 1st April, 2021	0.24	1.06	1.30
Amortization expense for the year	0.07	0.36	0.43
Deductions for the year	-	-	-
Balance as at 31st March, 2022	0.31	1.42	1.73
Amortization expense for the year	0.13	0.32	0.45
Deductions for the year	-	-	-
Balance as at 31st March, 2023	0.44	1.74	2.18
Net Carrying amount			
Balance as at 1st April, 2021	0.16	1.06	1.22
Balance as at 31st March, 2022	0.09	0.71	0.79
Balance as at 31st March, 2023	0.86	0.38	1.24

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

4 Investments

Particulars	As at 31st March, 2023	As at 31st March, 2022
(A) INVESTMENTS MEASURED AT AMORTISED COST		
In Unquoted, fully paid up Debt Instrument		
1 India Infoline Finance Ltd Nil (31st March, 2022 : 4,000 @ 9.6 %) non-convertible debentures of Rs. 1000 each	-	4.05
2 L&T Infra Debt Fund Limited Series B BR NCD 2 @ 7.50% (31st March, 2022 : Nil) non-convertible debentures of Rs. 10,00,000 each	2.48	-
3 L&T Finance Limited Series A BR NCD 2 @ 7.40% (31st March, 2022 : Nil) non-convertible debentures of Rs. 10,00,000 each	2.42	-
4 Tata Cleantech Capital Limited SR A FY 2020-21 BR NCD 35 @ 7.40% (31st March, 2022 : Nil) non-convertible debentures of Rs. 1,00,000 each	4.08	-
TOTAL	8.98	4.05
In Unquoted Government Securities		
National Saving Certificate	0.04	0.04
TOTAL	0.04	0.04

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

4 Investments (Contd..)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(B) INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)		
In Unquoted, fully paid up Equity Shares of Other Company		
1 Swarup Chemicals Pvt Limited 3900 (31st March, 2022 : 3900) equity shares of Rs.10 each	1.99	2.38
TOTAL	1.99	2.38
(C) INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)		
In Quoted, fully paid up Equity Shares of Other Companies		
1 Suditi Industries Ltd 6,632 (31st March, 2022 : 4,632) equity shares of Re.10 each	0.12	0.22
2 K M Sugar Mills Ltd Nil (31st March, 2022 : 60979) equity shares of Rs.2 each	-	1.79
3 Reliance Industries Ltd - Right Issue 299 (31st March, 2022 : 300) equity shares of Rs.10 each	0.71	0.79
TOTAL	0.83	2.80
In quoted, fully paid up Mutual Funds		
1 BOI Multicap Fund 1,99,990.000 (31st March, 2022 : Nil) units.	2.00	-
2 ICICI Prudential Regular Savings Plan Growth 34,641.616 (31st March, 2022 : 34,641.616) units.	0.92	0.87
3 ICICI Prudential Equity Arbitrage Fund 91,903.791 (31st March, 2022 : 91,903.791) units.	2.69	2.56
4 ICICI Prudential Balanced Advantage Fund 15,173.377 (31st March, 2022 : 15,173.377) units.	0.80	0.75
5 Axis Special Situations Fund 5,00,087.396 (31st March, 2022 : 5,00,087.396) units.	5.70	6.33
6 Axis Growth Opportunities Fund 1,57,621.375 (31st March, 2022 : 1,57,621.375) units.	2.95	3.25
7 Axis Small Cap Fund 45,175.062 (31st March, 2022 : 45,175.062) units.	2.78	2.77
8 DSP Mid Cap Fund Nil (31st March, 2022 : 64,785.317) units.	-	5.58
9 DSP Flexi Cap Fund Nil (31st March, 2022 : 1,64,187.315) units.	-	10.38
10 Edelweiss Arbitrage Fund 3,71,381.901 (31st March, 2022 : 3,71,381.901) units.	6.13	5.84
11 HDFC Dividend Yield Fund Nil (31st March, 2022 : 12,79,506.97) units.	-	18.18
12 HDFC Ultra Short Term Fund 6,33,708.073 (31st March, 2022 : 8,33,743.279) units.	8.19	10.24
13 Mirae Asset Mid Cap Fund 1,50,350.334 (31st March, 2022 : 1,50,350.334) units.	3.07	3.09
14 PGIM India Flexi Cap Fund 60,824.209 (31st March, 2022 : 60,824.209) units.	1.50	1.56

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

4 Investments (Contd..)

Particulars	As at 31st March, 2023	As at 31st March, 2022
15 PGIM India Midcap Opportunities Fund 40,754.402 (31st March, 2022 : 40,754.402) units.	1.70	1.72
16 SBI Savings Fund Nil (31st March, 2022 : 4,31,859.760) units.	-	14.55
17 PGIM India Arbitrage Fund 3,48,338.332 (31st March, 2022 : 3,48,338.332) units.	5.51	5.26
18 Parag Pareikh Flexicap Fund 48,300.417 (31st March, 2022 : 48,300.417) units.	2.39	2.39
19 Mahindra manulife Hybrid Equity Nivesh Yojana 3,00,841.798 (31st March, 2022 : 3,00,841.798) units.	5.12	5.11
20 Nippon India Arbitrage Fund Nil (31st March, 2022 : 4,73,252.783) units.	-	10.24
21 Nippon India Ultra Short Duration Fund 1,565.127 (31st March, 2022 : 1,565.127) units.	5.40	5.14
22 SBI Balance Advantage Fund-Direct Growth Nil (31st March, 2022 : 9,99,950.02) units.	-	10.27
23 SBI Balance Advantage Fund-Regular Growth Nil (31st March, 2022 : 7,49,962.502) units.	-	7.73
24 SBI Multicap Fund-Regular Fund 2,99,985.001 (31st March, 2022 : 2,99,985.001) units.	3.02	3.09
25 SBI Corporate Bond Fund - Regular Growth 387646.635 (31st March, 2022 : Nil) units.	5.06	-
26 SBI Magnum Medium Duration Fund -Direct Growth 240385.845 (31st March, 2022 : Nil) units.	11.03	-
27 SBI Magnum Medium Duration Fund -Regular Growth 188681.078 (31st March, 2022 : Nil) units.	8.11	-
28 SBI Dividend Yield Fund -Regular Growth 99995 (31st March, 2022 : Nil) units.	1.01	-
29 SBI Fixed Maturity plan (FMP) Series 66 (1361 days) Reg G 199990.000 (31st March, 2022 : Nil) units.	2.09	-
30 Invesco India Dynamic Equity Fund 69,114.598 (31st March, 2022 : 69,114.598) units.	2.59	2.52
31 Invesco India Equity Savings Fund 1,94,704.93 (31st March, 2022 : 1,94,704.93) units.	2.60	2.56
32 Tata Arbitrage Fund 13,26,284.542 (31st March, 2022 : 17,50,168.467) units.	16.27	20.46
TOTAL	108.67	162.42
TOTAL NON CURRENT INVESTMENT	120.51	171.69
Aggregate book value of:		
Quoted investments	101.75	151.37
Unquoted investments	56.39	35.92
Aggregate market value of:		
Quoted investments	109.50	165.22
Unquoted investments	11.02	6.47
Aggregate amount of impairment in value of Investments	0.89	0.89

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

5 Other Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured and Considered Good		
Security Deposits	29.36	24.02
Term Deposits*	383.97	25.90
Total	413.33	49.92

*on lien against margin money, against bank guarantee and other commitments

6 Deferred Tax Assets (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Assets		
Arising on account of:		
Lease liability amortisation	2.42	0.67
Allowances for Doubtful debt and Advances	-	-
Preliminary / Incorporation Expenses	0.02	0.03
Difference in carrying value and Tax base of investments measured at FVTPL and Amortised Cost	-	-
Provision for bonus and ex Gratia	-	-
Total	2.44	0.71

7 Other Non-current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Others		
Advance to Gratuity Trust	6.20	3.43
Capital Advances	62.84	11.65
Total	69.05	15.08

Note: Capital expenditures contracted for but not recognised in the financial statements is Rs. 93.34 mn as at 31st March, 2023 (Rs. 32.74 mn as at 31st March, 2022).

8 Inventories

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials	613.91	470.89
Work-in-Progress	72.23	45.86
Finished Goods	1,458.93	803.00
Packing Materials	66.95	54.58
Stores, Spares and Consumables	37.63	22.52
Total	2,249.66	1,396.85

Refer Note 21 for details of security charge on Inventories.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

9 Trade Receivables

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured:		
Considered good	2,620.71	2,479.26
Considered doubtful	102.80	97.21
	2,723.51	2,576.47
Less: Allowance for Expected Credit Loss	(102.80)	(97.21)
Total	2,620.71	2,479.26

- i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- ii) Trade receivables are non interest bearing and generally on terms of 30 to 180 days.
- iii) Refer Note 21 for details of security charge on Trade receivables.

Trade Receivable Ageing As at 31 March 2023

Particulars	Bill Not Due	Less than 6 Months	6 Months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable							
Considered good	2,048.79	381.46	146.19	44.27	-	-	2,620.71
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	2.05	0.38	1.63	44.27	39.06	15.42	102.80
Disputed Trade Receivable							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Total	2,050.84	381.85	147.81	88.54	39.06	15.42	2,723.51

Trade Receivable Ageing As at 31 March 2022

As at 31 March 2022

Particulars	Bill Not Due	Less than 6 Months	6 Months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable							
Considered good	1,801.60	335.53	288.53	53.60	-	-	2,479.26
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	0.18	1.96	0.29	53.60	41.17	-	97.21
Disputed Trade Receivable							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Total	1,801.78	337.49	288.82	107.21	41.17	-	2,576.47

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

10 Cash and Cash Equivalents

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and Cash Equivalents		
Cash on hand	2.80	7.50
Balances with Banks		
In Current Accounts	123.41	118.30
In Cash Credit Accounts	-	37.01
Total	126.21	162.81

11 Other Balances with Banks

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
Term Deposits	484.67	905.15
Total	484.67	905.15

*out of the above Term Deposit of Rs. 296.24 mn is on lien against margin money, against bank guarantee and other commitments as at March 2023 (Rs. 881.10 mn for March 2022)

Bank deposits earns interest at fixed rates. Short-term deposits are generally made for varying periods between three months to twelve months, depending on the cash requirements of the Company, and earn interest at the respective deposit rates.

12 Other Financial Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured and Considered Good		
Security Deposits	38.54	37.53
Total	38.54	37.53

13 Income tax Assets (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax Assets	11.25	2.28
(Net of Provision 463.51 mn as at 31st March, 2023)(533.24 mn as at 31st March, 2022)		
Total	11.25	2.28

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

14 Other Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with Government Authorities	217.57	424.68
Prepaid Expenses	5.22	19.53
Others		
Advances to Employees	7.78	7.54
Advances to Suppliers	85.59	67.12
Total*	316.17	518.88

*Includes related party balance of Rs. 58.82 mn (Rs. 46.80 mn as on 31st March 2022).

15 Equity Share Capital

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised :		
150,000,000 (31st March, 2022 : 150,000,000) Equity Shares of Re. 1 each (31st March, 2022 : Rs. 1).	150.00	150.00
	150.00	150.00
Issued, Subscribed and Paid up :		
115,163,508 (31st March, 2022 : 115,163,508) Equity Shares of Re. 1 (31st March, 2022: Rs. 1).	115.16	115.16
	115.16	115.16

a) Reconciliation of number of shares

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	Number	(Rs. in mn)	Number	(Rs. in mn)
Shares outstanding at the beginning of the year	11,51,63,508	115.16	11,17,85,130	111.79
Add: Share Alloted in Fresh Issue	-	-	33,78,378	3.38
Shares outstanding at the end of the year	11,51,63,508	115.16	11,51,63,508	115.16

Details of shareholders holding more than 5% equity shares in the Company

Name of Promoter	As at 31st March, 2023		As at 31st March, 2022	
	Number of Equity Shares	Percentage Holding	Number of Equity Shares	Percentage Holding
Fully paid Equity Shares of Re.1 each held by:				
1. Anand Swarup Agarwal	3,58,48,092	31.13%	3,52,83,092	30.64%
2. PSA Family Trust	1,24,22,242	10.79%	1,24,22,242	10.79%
3. Sudha Agarwal	89,16,631	7.74%	87,93,631	7.64%
4. ASA Family Trust	77,17,117	6.70%	77,17,117	6.70%

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

15 Equity Share Capital (Contd..)

b) Details of shares held by Promoter as at 31/03/2023:

Name of Promoter	No. of Shares held at the Beginning of the Year	Sales/ Transfer During the Year	No. of Shares held at the End of the year	% Change in Shareholding during the year to Total
Equity Shares of Re.1 each held by: (Refer note 15(d) and 15(e))				
1. Anand Swarup Agarwal	3,52,83,092	5,65,000	3,58,48,092	1.60%
2. Sudha Agarwal	87,93,631	1,23,000	89,16,631	1.40%
3. Mahendra Swarup Agarwal*	2,45,895	-2,45,895	-	-100.00%
4. Pramood Swarup Agarwal	1,09,022	-	1,09,022	0.00%
5. Virendra Swarup Agarwal	36,42,020	-	36,42,020	0.00%
6. Vishal Swarup Agarwal	2,51,892	27,000	2,78,892	10.72%
7. Vishwas Swarup Agarwal	2,21,486	-	2,21,486	0.00%
8. Sanju Agarwal	75,908	-	75,908	0.00%
9. VSA Family Trust	22,00,000	-	22,00,000	0.00%
10. ASA Family Trust	77,17,117	-	77,17,117	0.00%
11. PSA Family Trust	1,24,22,242	-	1,24,22,242	0.00%
12. MSA Family Trust	56,95,875	-	56,95,875	0.00%
13. Anurag Swarup Agarwal**	-	2,67,071	2,67,071	100.00%
	7,66,58,180	7,36,176	7,73,94,356	0.96%

* Exit From Promoter Group with effect from April 12, 2022

** Promoter Group with effect from April 12, 2022

b) Details of shares held by Promoter as at 31/03/2022:

Name of Promoter	No. of Shares held at the Beginning of the Year	Sales/ Transfer During the Year	No. of Shares held at the End of the year	% Change in shareholding during the year to total shares
Equity Shares of Re.1 (31st March, 2021 : Rs. 1) each held by:				
1. Anand Swarup Agarwal	4,47,89,850	-95,06,758	3,52,83,092	-9.43%
2. Sudha Agarwal*	17,43,800	70,49,831	87,93,631	6.08%
3. Mahendra Swarup Agarwal	1,10,69,375	-1,08,23,480	2,45,895	-9.69%
4. Pramood Swarup Agarwal	12,20,508	-11,11,486	1,09,022	-1.00%
5. Virendra Swarup Agarwal	46,21,750	-9,79,730	36,42,020	-0.97%
6. Vishal Swarup Agarwal	9,85,000	-7,33,108	2,51,892	-0.66%
7. Vishwas Swarup Agarwal	8,60,000	-6,38,514	2,21,486	-0.58%
8. Sanju Agarwal	8,42,800	-7,66,892	75,908	-0.69%
9. VSA Family Trust	22,00,000	-	22,00,000	-0.06%
10. ASA Family Trust	77,17,117	-	77,17,117	-0.20%
11. PSA Family Trust	1,24,22,242	-	1,24,22,242	-0.33%
12. MSA Family Trust	56,95,875	-	56,95,875	-0.15%
	9,41,68,317	-1,75,10,137	7,66,58,180	-16.51%

* Promoter With Effect from March 5, 2022

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

15 Equity Share Capital (Contd..)

As per the records of the Company, including its registers of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

c) Rights, preferences and restrictions :

The Company has only one class of equity shares having a par value of Re. 1 Per Share (March 31, 2022 - Rs 1 per share). Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the no. of equity shares held by shareholder.

d) Bonus Shares

7,95,81,250 bonus equity shares of face value of Rs. 1/- each were issued during the year ended 31st March, 2021.

e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current period/year end.

16 Other Equity

Particulars	As at 31st March, 2023	As at 31st March, 2022
Securities Premium		
As per Opening Balance	954.35	12.14
Less: Amounts utilized towards Offer Expenses on Initial Public Offering	-	54.41
Add: Proceeds from Initial Public Offering	5.00	996.62
Closing Balance	959.35	954.35
General Reserve		
As per last Balance Sheet	518.37	518.37
Less : amounts utilized towards issue of fully paid up bonus shares	-	-
Add : Transferred from Surplus	-	-
Closing Balance	518.37	518.37
Retained Earnings		
As per last Balance Sheet	4,791.35	3,252.48
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	1,430.78	1,579.52
Less: Other Comprehensive income (net of tax)	-2.85	4.83
Less : Appropriations	-	0.04
Dividend distributed during the year (refer note below)	86.37	35.77
Closing Balance	6,138.61	4,791.35
Total	7,616.33	6,264.08

Nature and purpose of reserves

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

16 Other Equity (Contd..)

- a) **Securities premium** - Securities premium is used to record the premium on issue of shares. This will be utilised in accordance with the provisions of the Act.
- b) **General reserve** - : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- c) **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.

Note 1:

Dividend on Equity shares paid during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Final Dividend Rs 0.75 For Fy 2021-22 (March 31, 2022 : Rs.0.32 for 2020-21) per equity share of 1 each (31st March, 2022 : Rs. 1) (Refer note below)	86.37	35.77

Note 2:

The Board of Directors at its meeting held on 30th May, 2023 have recommended a payment of final dividend of Rs. 0.75 per equity share of face value of Re.1 each for the financial year ended 31st March, 2022. The above is subject to the approval of the shareholders in Annual General Meeting of the Company and hence not being recognised as a liability

17 Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Term Loan:		
From Banks	23.82	26.19
Less: Current maturities of Long term Debt	6.75	6.46
Unsecured Term Loan:		
From Others	-	15.81
Total	17.06	35.54

i) Detail of Securities and Terms of repayment

- a) Secured Term Loan from Banks comprise of multiple Vehicle Loans which are each repayable in balance 12 to 60 monthly instalments from the date of balance sheet. Interest rate for these loans ranges between 7.95 % to 10.00%.
- b) Loans from Others comprise of Inter corporate loans which are not due for repayment in the next 12 months from the date of the Balance Sheet. Interest on these loans are payable at rates ranging between 9% to 12% per annum.

ii) Refer Note 42 for maturity analysis.

18 Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured		
Lease Liability	81.38	78.83
Total	81.38	78.83

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

19 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for Compensated Absences	14.31	12.83
Total	14.31	12.83

20 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Liabilities		
Arising on account of:		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	137.45	105.11
Increase in borrowing cost pursuant to application of effective interest rate method	-	-
Provision for Employee Defined Benefit obligations	-1.56	0.83
Difference in carrying value and Tax base of investments measured at FVTPL and Amortised Cost	2.23	3.88
Deferred Tax Assets		
Arising on account of:		
Lease liability amortisation	4.83	1.60
Allowances for Doubtful debt and Advances	25.87	24.46
Provision for Compensated Absences	4.07	3.61
Total	103.35	80.15

21 Borrowings

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
From Banks	12.01	101.51
Current maturities of Long term Debt From Banks (Refer note no 17)	6.75	6.46
Total	18.76	107.97

i) Working capital loans are secured by first charge by way of hypothecation on the current assets of the Company namely inventories of raw materials, finished and work in progress, stores spares and consumables and packing materials, book debts and all other movable assets both present and future, and additionally secured by way of second charge on :

- a. The immovable properties situated at Plot No. E-17 to E-23, UPSIDC, Deva Road, Lucknow.
- b. Land & building situated at Khasra No. 691, Village Uttar Dhauna, Tiwariganj, Chinhat, Faizabad Road, Lucknow owned by M/s Ram Swarup Cold Storage & Allied Ind. Lucknow.
- c. Hypothecation of Plant & Machinery at UPSIDC, Deva Road, Lucknow in favour of the banks.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

21 Borrowings (Contd..)

- d. Leasehold Industrial plot at K4 & K5 at UPSIDC, Sandila, UP.
 - e. Interest rate varies from MCLR+Nil spread to 0.85%.
- ii) The company has borrowings from banks on the basis of security of current assets. The quarterly statements of current assets filed by company with banks are in agreements with the books of accounts with no discrepancy.
- iii) Refer Note 42 for maturity analysis.

22 Lease Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Lease Liability	10.25	11.24
Total	10.25	11.24

23 Trade Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Dues to MSME	36.83	45.10
(b) Dues to Other than MSME	994.64	900.73
Total	1,031.47	945.83

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 days terms.

Trade Payables Ageing As at 31 March 2023

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	36.83	-	-	-	36.83
(ii) Others	980.39	4.83	1.75	7.67	994.64
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	1,017.22	4.83	1.75	7.67	1,031.47

Trade Payables Ageing As at 31 March 2022

Particulars	Less than 1Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	45.10	-	-	-	45.10
(ii) Others	886.68	4.15	7.35	2.55	900.73
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	931.78	4.15	7.35	2.55	945.83

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

23 Trade Payables (Contd..)

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	36.83	45.10
Interest	1.77	0.04
Total	38.60	45.14
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.77	0.04
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

24 Other Financial Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade and Security Deposits from Customers	59.66	56.69
Payable towards IPO Expenses	-	62.27
Payable towards Capital Nature Expenses	22.30	16.10
Total	81.96	135.06

25 Other Current Liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Advances		
Advance from Customers	55.74	79.91
Others		
Statutory Liabilities	10.50	10.17
Total	66.24	90.08

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

26 Provisions

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits		
Provision for Compensated Absences	1.86	1.52
Provision for Gratuity		
Provision for Corporate Social Responsibility*(refer Note 44)	50.50	42.48
Others	0.03	0.03
Total	52.39	44.03

* In accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by Ministry of Corporate Affairs on January 22, 2021, the Company has created provision for the cumulative unspent amount as on March 31, 2023.

27 Revenue from Operations

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
(i) Sales of products		
Domestic (Net of Returns)	4,022.18	3,789.54
Exports (Net of Returns)	4,796.32	3,302.12
	8,818.49	7,091.66
(ii) Other Operating Revenues		
Export Incentives	30.85	69.77
Total	8,849.35	7,161.43

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue as per contracted price	8,961.84	7,363.87
Less: Discounts/Sales Return	143.35	272.21
Revenue from contract with customers	8,818.49	7,091.66

28 Other Income

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest Income from financial assets at amortised cost		
On bank deposits	36.28	41.92
Other Interest	5.97	2.86
Dividend Income	0.00	0.04
Other non-operating Income		
Fair value gain on Investment through Amortised cost	-	0.05
Fair value gain on Investments at fair value through profit and loss	1.48	13.93
Miscellaneous income	10.83	6.85

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

28 Other Income (Contd..)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Other gains and losses		
Net Gain on foreign currency transactions & translation	76.11	55.65
Profit from Sale of Investments	1.22	9.35
Profit on Sale of Property, Plant & Equipment	0.42	0.88
Total	132.33	131.55

29 Cost of Materials Consumed

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw materials Consumed		
Opening stock	470.89	235.84
Add : Purchases of Raw Material	5,508.18	3,803.67
	-	-
Less: Closing stock	613.91	470.89
TOTAL	5,365.15	3,568.62
Packing Materials Consumed		
Opening Stock	54.58	44.79
Add:Purchases of Packing Material	179.14	183.21
Less: Closing Stock	66.95	54.58
TOTAL	166.78	173.42
Total	5,531.93	3742.04

30 Changes in inventories of finished goods, Stock-in-trade and work-in-progress

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Inventories at the beginning of the year		
Finished Goods	803.00	393.66
Work in Progress	45.86	14.04
	(a)	848.86
Inventories at the end of the year		
Finished goods	1,458.93	803.00
Work in Progress	72.23	45.85
	(b)	1,531.16
Net (Increase)/Decrease in Inventories	(a)-(b)	(682.30)

Significant accounting policies and explanatory notes to Consolidated Financial Statements

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(All amounts in Rupees Millions, unless otherwise stated)

31 Employee Benefits Expense

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages and benefits	316.37	274.12
Contribution to provident and other funds	27.53	14.27
Staff welfare expenses	10.78	8.45
Total	354.67	296.84

32 Finance Costs

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense		
- Cash credit facilities / buyers' credit	34.16	20.52
- Term Loans from Banks	2.05	1.86
- On Other Loans	0.57	3.71
- interest on Taxes paid	3.97	24.21
- Others	5.77	1.85
- Lease Liabilities	8.21	3.68
Other Borrowing Costs	16.80	12.70
Total	71.54	68.53

2 & 3 Depreciation and Amortisation Expense

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on Property, Plant & equipment	108.98	82.71
Depreciation on Right of Use	4.81	2.35
Amortisation of Intangible Assets	-	-
Total	113.79	85.06

33 Other Expenses

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores, spares and consumables	435.63	272.24
Power and Fuel	404.25	326.99
Labour & Processing Charges	290.02	213.48
Pollution Control Expenses	31.11	26.73
Freight and handling Charges	179.93	219.73
Advertisement and Sales Promotion Expenses	21.33	11.27
Legal and Professional expenses	85.50	69.00
Travelling & Conveyance	76.42	53.03

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

33 Other Expenses (Contd..)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Rent Expenses	12.78	11.57
Directors Fees	3.85	5.05
Repairs & Maintenance		
- Building	9.51	5.44
- Others	5.59	6.98
- Machinery	22.65	19.90
Rates, Fees and Taxes	9.69	5.60
Testing and Sampling Charges	0.96	0.40
Insurance	10.41	8.70
Printing, Stationery and Communication Expenses	11.02	11.75
Corporate Social Responsibility Expenses and Other Donations	32.91	22.54
Payment to Auditors		
- Statutory Audit Fees	2.26	2.49
- In other Capacity		
For Tax Audit	0.40	0.40
For Limited Review & Certification fees	0.90	1.05
For Reimbursement of Expenses	0.27	0.17
Bad Debts	4.92	48.00
Provision for Doubtful Debts	5.59	64.76
Miscellaneous Expenses	17.78	18.71
Total	1,675.69	1,425.98

34 Leases

Following are the changes in the carrying value of right of use assets (Land)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	156.05	43.54
Additions	20.98	114.86
Deletions	-	-
Depreciation	4.81	2.35
Closing Balance	172.22	156.05

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term leases was Rs. 12.78 mn for the year ended March 31, 2023 (Rs. 11.57 Mn for the year ended March 31, 2022). The Company's lease asset classes primarily consist of leases for land. 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 of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

34 Leases (Contd..)

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense in the statement of profit and loss.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The lease liability is initially measure at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

35 Contingent Liabilities & Capital Commitments

Claims against the Company not acknowledged as debts	As at 31st March, 2023	As at 31st March, 2022
A. Contingent Liabilities	-	
- Tax or other Statutory litigations	5.49	
- Claims against the Company not acknowledged as debts	-	
B. Capital Commitments		
Capital expenditures contracted for but not recognised in the financial statements (Net of advance Rs. 62.84 mn) (Rs. 11.65 mn as at 31st March, 2022)	93.34	32.74

36 Assets and liabilities relating to Employee Benefits

See accounting policy in Note 1.(o)

For details about the related employee benefit expenses, refer Note 31

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Provident Fund and other Funds	6.79	17.43
Total (included in Note 31 - 'Contribution to provident and other funds')	6.79	17.43

B. Defined Benefit Obligation:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/ Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity.

The amount of gratuity payable on retirement/ termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/ Company policy multiplied for the number of years of service."

The plan asset for the funded gratuity plan is invested in insurer managed fund administered by Life Insurance Corporation of India ('LIC'), independently as per the investment pattern stipulated for Pension and Group Schemes fund as per

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

36 Assets and liabilities relating to Employee Benefits (Contd..)

the regulations framed by Insurance and Regulatory and Development Authority of India i.e., 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Principal actuarial assumptions				
Discount rate	7.40%	6.90%	7.40%	6.90%
Range of compensation increase	10.00%	10.00%	10.00%	10.00%
Withdrawal Rate:				
- Younger ages	10.00%	10.00%	10.00%	10.00%
- Older ages	8.00%	8.00%	8.00%	8.00%

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Components of income statement charge				
Current service cost	8.71	5.62	1.84	6.69
Interest cost	-0.53	2.53	-	-
Recognition of past service cost	-	-	-	-
Immediate recognition of (gain)/losses	-	-	-	-
Settlement/curtailment/termination loss	-	-	-	-
Total charged to statement of profit or loss	8.19	8.16	1.84	6.69
Total charged to Retained Earnings	-	-	-	-
Movements in net liability/(asset)				
Net liability at the beginning of the year	-3.31	41.80	14.33	7.64
Adjustment to the opening fund	-	(55.12)	-	-
Employer contributions	(6.79)	(4.67)	-	-
Total expense recognised in the statement of profit or loss	8.19	8.16	1.84	6.69
Total expense recognised in the Retained Earnings	-	-	-	-
Total amount recognised in OCI	(4.18)	6.53	-	-
Net liability/(assets) at the end of the year	(6.09)	(3.31)	16.17	14.33
Reconciliation of benefit obligations				
Obligation at start of the year	57.86	41.80	14.33	7.64
Current service cost	8.71	5.62	1.84	6.69
Interest cost	3.83	2.61	-	-
Benefits paid directly by the Group	(2.67)	(2.08)	-	-
Extra payments or expenses/(income)	-	-	-	-
Obligation of past service cost	-	-	-	-

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

36 Assets and liabilities relating to Employee Benefits (Contd..)

Actuarial study analysis	Gratuity		Leave Encashment	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Actuarial gain/loss	(4.55)	9.91		
Defined benefits obligations at the end of the year	63.19	57.86	16.17	14.33
Reconciliation of plan assets	61.16	-	-	-
Adjustment to the Opening Fund	-	55.12	-	-
Interest Income	4.36	0.07	-	-
Return on plan assets excluding amounts included in interest income	(0.37)	3.39	-	-
Contributions by Employer	6.79	4.67	-	-
Benefits paid	(2.67)	-2.08	-	-
Closing value of plan assets	69.27	61.16	-	-
Re-measurements of defined benefit plans				
Actuarial gain/(loss) due to changes in demographic assumptions	-	-	-	-
Actuarial gain/(loss) due to changes in financial assumptions	(2.60)	9.68	-	-
Actuarial gain/(loss) on account of experience adjustments	(1.95)	0.23	-	-
Return on plan assets excluding amounts included in interest income	0.37	(3.39)		
Total actuarial gain/(loss) recognised in Other Comprehensive Income	(4.18)	6.53	-	-
The Maturity Profile of Defined Benefit Obligation				
Year 1 Cashflow	5.89	4.62	-	-
Year 2 Cashflow	7.40	4.81	-	-
Year 3 Cashflow	4.69	6.89	-	-
Year 4 Cashflow	5.13	4.30	-	-
Year 5 Cashflow	5.63	4.88	-	-
Year 6 to Year 10 Cashflow	33.45	29.39	-	-

Sensitivity analysis of significant assumptions

- C. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	Year ended 31st March, 2023		Year ended 31st March, 2022	
	% increase in DBO	Liability	% increase in DBO	Liability
Discount rate				
+ 0.5% discount rate	-3.84%	60.76	-3.97%	55.56
- 0.5% discount rate	4.12%	65.79	4.26%	60.32

Significant accounting policies and explanatory notes to Consolidated Financial Statements

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36 Assets and liabilities relating to Employee Benefits (Contd..)

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	Year ended 31st March, 2023		Year ended 31st March, 2022	
	% increase in DBO	Liability	% increase in DBO	Liability
Salary increase				
+ 0.5% salary growth	3.07%	65.13	3.09%	59.64
+ 0.5% salary growth	-3.26%	61.12	-3.42%	55.88
Withdrawal rate				
+ 0.5% salary growth	-0.55%	62.84	-0.71%	57.44
- 0.5% salary growth	0.56%	63.54	0.74%	58.28

Sensitivity of DBO, Service Cost, and P&L Account	Leave Encashment	
	Year ended 31st March, 2023	Year ended 31st March, 2022
Discount rate		
+ 0.5% discount rate	15.41	13.62
- 0.5% discount rate	16.99	15.11
Salary increase		
+ 0.5% salary growth	16.97	15.08
+ 0.5% salary growth	15.42	13.64
Withdrawal rate		
+ 1.1 % salary growth	16.00	14.14
- 1.1 % salary growth	16.35	14.54

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

37 Related party disclosures as per Ind AS 24

1) Related parties with whom transactions have taken place during the year and its relationship:

Name of the related parties	Designation / Relationship
Anand Swarup Agarwal (w.e.f 6th October, 2020)	Chairman and Non Executive Director
Satya Prakash Gupta (w.e.f 1st November 2020)	Chief Financial Officer
Dheeraj Kumar Jain (w.e.f 23rd January 2021)	Chief Executive Officer
Ajeet Pandey (w.e.f 1st October 2020)	Company Secretary
Ajai Kumar Sinha (w.e.f 1st February 2021)	General Manager
B.T. Hanumantha Reddy	General Manager
Rajendra Singh Sharma	Whole-time Director

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

37 Related party disclosures as per Ind AS 24 (Contd..)

Name of the related parties	Designation / Relationship
Rahul Arun Bagaria (w.e.f 23rd January 2021)	Non Executive Director
Adesh Kumar Gupta (w.e.f 23rd January 2021)	Independent Director
Mohan Vasant Tanksale (w.e.f 21st December 2020)	Independent Director
Madhu Dikshit (w.e.f 21st December 2020)	Independent Director
Shalvis Specialities Ltd (w.e.f 18th January 2021)	Wholly Owned Subsidiary
Swarup Publications Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
Swarup chemicals Pvt Limited (w.e.f 6th October, 2020)	Entity in which a director or manager or his relative is a member or director
M/s Ram Swarup Cold Storage & Allied Industries.	Entity in which a director or manager or his relative is a member or director
Vishwas Swarup Agarwal	Relative of director
Vishal Swarup Agarwal	Relative of director

2 Transactions during the year

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Remuneration		
Rajendra Singh Sharma	0.80	0.73
Ajeet Pandey	1.03	0.87
Satya Prakash Gupta	3.15	2.70
Dheeraj Kumar Jain	8.42	7.65
Ajai Kumar Sinha	0.96	0.87
B.T. Hanumantha Reddy	2.30	2.00
Director Sitting fees		
Anand Swarup Agarwal	0.80	0.80
Adesh Kumar Gupta	1.00	1.15
Mohan Vasant Tanksale	0.80	1.05
Rahul Arun Bagaria	0.65	1.20
Madhu Dikshit	0.60	0.85
Professional Fees		
Vishal Swarup Agarwal	12.00	12.00
Vishwas Swarup Agarwal	12.00	12.00
Interest Income		
Swarup Chemicals Pvt Limited	3.63	2.95
Expenses (net)		
Swarup Chemicals Pvt Limited	10.31	13.54
Swarup Publications Pvt Limited	2.64	2.64
Vishal Swarup Agarwal	0.54	0.54
Swarup Cold Storage & Ice Factory	0.25	0.12
Reimbursement of Expenses made on behalf of the Company		
Vishal Swarup Agarwal	-	0.50
TOTAL	61.88	64.16

Significant accounting policies and explanatory notes to Consolidated Financial Statements

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(All amounts in Rupees Millions, unless otherwise stated)

37 Related party disclosures as per Ind AS 24 (Contd..)

3 Outstanding balances as at the year end

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances		
Swarup Chemicals Pvt Limited	58.82	46.80
Interest Receivable		
Swarup Chemicals Pvt Limited	-	0.13
Payable		
Swarup Publications Pvt Limited	6.45	2.27

4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables or payables.

No balances in respect of the related parties has been provided for written off / written back."

5 (a) Loans or advances to related parties

Type of Borrower	As at 31st March, 2023		As at 31st March, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-
- Advances	58.82	100.00%	46.80	100.00%

(b) Disclosure as per Regulation 34(3) and 53(f) read with Part A of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of loans/ advances/Investments outstanding as at year end

Type of Borrower	Investment in equity/ preference at cost		Gross Loan Outstanding		Maximum Amount of Loan and Advances outstanding during the year	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Swarup Chemicals Private Limited	0.39	0.39	58.82	46.80	58.82	47.80

38 Financial instruments

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed below and Note 1.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

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38 Financial instruments (Contd..)

A Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Financial Assets and Liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

a. Financial Assets

Particulars	Instruments carried at fair value			Instruments carried at amortized cost	Total Fair Value	Total Carrying Value
	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL			
As at 31st March, 2023						
(i) Investments	1.99	-	109.46	9.06	120.51	120.51
(ii) Other financial assets	-	-	-	451.87	451.87	451.87
(iii) Trade receivables	-	-	-	2,620.71	2,620.71	2,620.71
(iv) Cash and cash equivalents	-	-	-	126.21	126.21	126.21
(v) Other Balances with Banks	-	-	-	484.67	484.67	484.67
Total	1.99	-	109.46	-	3,692.51	3,803.95
As at 31st March, 2022						
(i) Investments	2.38	-	165.22	4.09	171.69	171.69
(ii) Other financial assets	-	-	-	87.45	87.45	87.45
(iii) Trade receivables	-	-	-	2,479.26	2,479.26	2,479.26
(iv) Cash and cash equivalents	-	-	-	162.81	162.81	162.81
(v) Other Balances with Banks	-	-	-	905.15	905.15	905.15
Total	2.38	-	165.22	-	3,638.76	3,806.37

b. Financial Liabilities

Particulars	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
As at 31st March, 2023				
(i) Borrowings	-	35.82	35.82	35.82
(ii) Other financial liabilities	-	173.60	173.60	173.60

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

38 Financial instruments (Contd..)

Particulars	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
(ii) Trade payables	-	1,031.47	1,031.47	1,031.47
Total	-	1,240.89	1,240.89	1,240.89
As at 31st March, 2022				
(i) Borrowings	-	143.51	143.51	143.51
(ii) Other financial liabilities	-	225.13	225.13	225.13
(ii) Trade payables	-	945.83	945.83	945.83
Total	-	1,314.47	1,314.47	1,314.47

*The carrying value and fair value approximation, if any.

c. Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities as at March 31, 2023 and March 31, 2022 measured at fair value:

As at 31st March, 2023	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Equity Shares	0.82	-	1.99	2.81
Investment in Mutual Funds	108.67	-	-	108.67
As at 31st March, 2022				
Financial Assets at Fair Value				
Investments in Equity Shares	2.80	-	2.38	5.18
Investment in Mutual Funds	162.42	-	-	162.42

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

39 Segment Reporting

The Board of Directors are identified as Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Agro Chemicals" as its only operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statements.

Geographical Information

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
a. Revenue from external customers		
attributed to the Company's country of domicile, India	4,022.18	3,789.54
attributed to all foreign countries	4,796.32	3,302.12
Total	8,818.49	7,091.67
b. Revenues from transactions with customers (including customers of the same group) exceeding 10% of the Company's sales in current as well as previous year.	1,753.24	1,949.05

40 Income tax

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Enacted income tax rate in India applicable to the Company (in %)	25.17	25.17
Profit/ (Loss) before income tax expense	1,916.36	2,115.68
Current tax expense on Profit/ (loss) before tax expenses at enacted income tax rate in India	482.31	532.47
Tax effects of :		
Tax effect on non-deductible expenses	8.28	5.67
Effect of Income which is taxed at special rates	(0.68)	(5.87)
Effect of Government grants offered to income tax on receipt basis	-	-
Effects of Adjustments for current tax of prior periods	-	2.84
Other items	(7.73)	1.04
Total Income tax expense	482.18	536.16

The Company elected to exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961 inserted vide Taxation Laws (Amendment) Act, 2019.

The Company, accordingly has recognized Provision for Income Tax.

The details of Income tax Assets / Liabilities are as follows:-

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Income Tax Assets	2405.27	1,932.79
Current Income Tax Liabilities	2394.02	1,930.51
Net Current Income Tax Liabilities/(Assets) at the end of the year	(11.25)	(2.28)

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

40 Income tax (Contd..)

The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

As at 31st March, 2023

Particulars	Balance sheet 01st April 2022	Profit and loss For the Year	OCI For the Year	Balance sheet 31st March, 2023
Deferred Tax Liabilities				
Arising on account of:				
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	105.10	32.34	-	137.44
Increase in borrowing cost pursuant to application of effective interest rate method	0.00	-	-	0.00
Provision for Employee Defined Benefit obligations	0.83	(1.44)	(0.96)	-1.56
Difference in carrying value and Tax base of investments measured at FVTPL	3.88	(1.65)	-	2.23
Provision for Compensated Absences	-3.61	(0.46)	-	(4.07)
Deferred Tax Assets				
Arising on account of:				
Lease liability amortisation	(0.03)	3.23	-	3.20
Allowances for Doubtful debt and Advances	-	1.41	-	1.41
Total	106.24	24.15	(0.96)	129.44

As at 31st March, 2022

Particulars	Balance sheet 01st April 2021	Profit and loss For the Year	OCI For the Year	Balance sheet 31st March, 2022
Deferred Tax Liabilities				
Arising on account of:				
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	85.81	19.30	-	105.10
Increase in borrowing cost pursuant to application of effective interest rate method	0.06	(0.06)	-	0.00
Provision for Employee Defined Benefit obligations	0.49	(1.28)	1.62	0.83
Difference in carrying value and Tax base of investments measured at FVTPL	2.80	1.08	-	3.88
Provision for Compensated Absences	0.10	(3.71)	-	(3.61)
Deferred Tax Assets				
Arising on account of:				
Lease liability amortisation	0.06	2.21	-	2.27
Allowances for Doubtful debt and Advances	8.17	16.30	-	24.47
Preliminary / Incorporation Expenses	-	0.03	-	0.03
Total	81.03	(3.21)	1.62	79.44

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

41 Earnings per share (EPS)

(a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i Profit attributable to Equity holders of Company

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	1,432.35	1,579.52

ii Weighted average number of ordinary shares

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity shares outstanding as at year end	11,51,63,508	11,51,63,508
Equity shares post split and bonus (Refer note 13(d), 13(e) and 13(f))		
Weighted average number of shares as at year end for basic earnings per shares	11,51,63,508	11,42,74,948
Weighted average number of shares as at year end for diluted earnings per shares	11,51,63,508	11,42,74,948
Basic earnings per share (in Rs)	12.46	13.78
Diluted earnings per share (in Rs)	12.46	13.78

42 Financial risk management

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board has been monitoring the risks that the Company is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk; and
- Interest rate risk

(A) Credit risk

Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviours. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines.

There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due.

Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system.

The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics."

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 3 months, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience.

Credit limits and concentration of exposures are actively monitored by the Management of the Company.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Additionally, considering the COVID 19 situation, the Company has also assessed the performance and recoverability of trade receivables. The Company believes that the current value of trade receivables reflects the fair value/ recoverable values.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

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.

Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity analysis of significant financial liabilities

Particulars	Contractual cash flows					
	As at 31st March, 2023			As at 31st March, 2022		
	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year
Non-derivative financial liabilities						
Term Loans	23.82	6.75	17.06	42.00	6.46	35.54
Short Term Borrowings	12.01	12.01	-	101.51	101.51	-
Trade and Other Payables	1,031.47	1,031.47	-	945.83	945.83	-
Other Financial Liabilities	163.34	81.96	81.38	213.89	135.06	78.83
Other Current Liabilities	66.24	66.24	-	90.08	90.08	-

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies. "

Foreign Currency Risk

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR).

The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

	As at 31st March, 2023			As at 31st March, 2022		
	INR Rs in mn	EURO Rs in mn	USD RS in mn	INR Rs in mn	EURO Rs in mn	USD RS in mn
Financial Assets						
Trade Receivables	2,096.88	11.96	511.86	1,859.44	174.87	444.95
Total	2,096.88	11.96	511.86	1,859.44	174.87	444.95
Financial Liabilities						
Trade payables	700.95	-	330.53	631.76	2.84	327.33
Total	700.95	-	330.53	631.76	2.84	327.33

The following significant exchange rates have been applied during the year.

Currency	31st March, 2023	31st March, 2022
USD	82.22	75.81
EURO	89.61	84.66

Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies 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 net exposure outstanding on receivables or 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 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

42 Financial risk management (Contd..)

Type of Borrower	Year ended 31st March, 2023		Year ended 31st March, 2022	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	0.45	(0.45)	0.29	(0.29)
EURO	0.03	(0.03)	0.43	(0.43)
AUD	-	-	-	-

(D) Cash flow and fair value interest rate risk

- Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long - term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

- Interest rate risk exposure:

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	23.82	42.00
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	12.01	101.51
Total	35.82	143.51

- Interest rate sensitivity

Interest rate sensitivity

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

Price Risk

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023

(All amounts in Rupees Millions, unless otherwise stated)

43 Capital management

(a) Risk management

The Company's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets."

The gearing ratios were as follows:

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net debt (Total Debt - Cash & cash equivalent - Other Bank Balances other than on lien)	-	-
Total equity	7,731.50	6,379.24
Net debt to equity ratio	-	-

44 Corporate Social Responsibility

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A Gross Amount Required to be spent by the Company :	32.84	22.50
B Amount Of Expenditure Incurred	-	-
i Construction / Acquisition of any assets	-	-
ii Purpose other than above	6.98	3.51
C Short Fall at the end of the year	25.86	18.99
D Total Of Previous Years Shortfall	24.64	23.49
E Reason For Shortfall - Non Availability of Suitable Project		
F Nature Of CSR Activities - Health and Education		

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
G Details Of Related Party Transactions		
Related party transactions in relation to Corporate Social Responsibility:	-	-

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
H Provision movement during the year/ Period:		
Opening provision	42.48	31.04
Addition during the year / Period	25.86	18.99
Utilised during the year /Period	17.84	7.55
Closing provision	50.50	42.48

Significant accounting policies and explanatory notes to Consolidated Financial Statements

for the year ended 31st March 2023
(All amounts in Rupees Millions, unless otherwise stated)

45 Additional Information on entities included in Consolidated Financial Statements

Name of the entity in the Group	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Shalvis Specialities Ltd	0.36%	27.95	(0.98%)	(14.00)	-	-	(0.98%)	(14.00)

- 46** (A) No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
- (B) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (C) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (D) There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (E) The Company does not have any transactions with companies struck off.
- (F) The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend to 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 to or on behalf of the Ultimate Beneficiaries
- (G) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- directly or indirectly lend to 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

- 47** The previous year figures have been re-grouped / re-classified wherever required to conform to current year's classification.

For and on behalf of Board of Directors of
India Pesticides Limited

A. S. Agarwal
Director
DIN: 00777581

R. S. Sharma
Director
DIN: 02487797

D. K. Jain
Chief Executive Officer

S. P. Gupta
Chief Financial Officer

Ajeet Pandey
Company Secretary

Place : Lucknow
Dated: May 30, 2023



INDIA PESTICIDES LIMITED

CIN - L24112UP1984PLC006894

Tel : +91-522-2653602, 2653603, 2653622, 4041014 Fax : +91-522-2653610

Corporate Address: Water Works Road, Swarup Cold Storage Compound,
Aishbagh, Lucknow-226004

Registered Office -35-A, Civil Lines, Bareilly - 243001

e-mail id-investor@indiapesticideslimited.com website: www.indiapesticideslimited.com

NOTICE

Notice is hereby given that 38th **Annual General Meeting ("the AGM") of India Pesticides Limited ("IPL")** will be held on **Thursday, 24th August, 2023 at 12:30 P.M.** through Video Conferencing/Other Audio Visual Means ("VC/OAVM"), without physical presence of members at the AGM venue to transact businesses as set out in this notice. The venue of the AGM shall be deemed to be the Registered Office of the Company at 35-A Civil Lines, Bareilly, Uttar Pradesh- 243001. The following businesses will be transacted at the AGM:

ORDINARY BUSINESSES:

- To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023, the Reports of the Board of Directors and Auditors thereon and Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Report of Auditors thereon.**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2023, the Reports of the Board of Directors and Auditors thereon and Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the report of Auditors thereon, as circulated to the Members and laid before the meeting, be considered, received and adopted."

- To declare a Final Dividend on equity shares of the Company for the Financial Year 2022-23.**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation of the Board of Directors, final dividend of Rs. 0.75 paise per equity share of face value of Rs. 1/- each, of the Company for the year ended March 31st, 2023, be and is hereby declared and that the same be paid, out of the profits of the company."

- To re-appoint Mr. Rajendra Singh Sharma (DIN: 02487797), Whole Time Director, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 (6) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time ("Act"), Mr. Rajendra Singh Sharma (DIN: 02487797) Whole time director, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Whole Time Director designated as Executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESSES:

- Item No. 4: Increase in Remuneration of the Whole-Time Director (Executive Director).**

To consider, and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolution**:

"RESOLVED THAT subject to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for increase in the remuneration of Mr. Rajendra Singh Sharma, Whole Time Director (Executive Director) of the Company w.e.f. 01 April, 2023 and authority be given to Board of Directors to alter and vary the terms and conditions of the remuneration from time to time within the scope of Schedule V of the Companies Act, 2013, or any amendments

thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Rajendra Singh Sharma

Remuneration:

- 1) The current consolidated remuneration drawn by Mr. Rajendra Singh Sharma is Rs. 73,600 (Consolidated) subject to the annual increments and other increments as may be decided by the management.
- 2) He shall be entitled to the bonus/ex-gratia payment if any as may be decided by the Chairperson of the Company from time to time
- 3) Moreover, he shall be entitled to the perquisites, benefits, and allowance, if any as may be decided by the Management of the Company from time to time;
- 4) In addition to the above, he shall be entitled to Company's contribution to Provident Fund, leave encashment and payment of gratuity as per the Policy of the Company if any;
- 5) Overall Remuneration: The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mr. Rajendra Singh Sharma in any Financial Year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force);
- 6) The perquisites, if any shall be valued in terms of actual expenditure incurred by the Company and shall be evaluated wherever applicable as per the Income Tax Act, 1961 or rules made thereunder and any modification thereof.
- 7) The Whole Time Director shall be entitled to use the company's car, all the expenses for maintenance and running of the same including the salary of the driver to be borne by the Company if any.
- 8) Telecommunications facilities including broadband, internet and mobile if any.

The remuneration will be revised from time to time as may be decided by the Chairperson of the Company subject to the recommendation of the Nomination and Remuneration Committee and noting and approval of the Board in accordance with the policy of the Company.

RESOLVED FURTHER THAT Board of Directors be and are hereby authorized to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

Item No. 5: To re-appoint Mr. Rajendra Singh Sharma as a Whole Time Director (Executive Director) in the category of Executive Director of the Company.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 196 , 197, 198, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 (the Act) and the Rules made thereunder SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of Nomination and Remuneration Committee and Board of Directors ,the consent of members be and is hereby accorded to re-appoint **Mr. Rajendra Singh Sharma (DIN: 02487797)**, who has attained age of 79 years, as a Whole Time Director (Executive Director) of the Company for a period of five years with effect from 01st October, 2023 to 30th September, 2028.

RESOLVED FURTHER THAT the remuneration payable to **Mr. Rajendra Singh Sharma (DIN: 02487797)**, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time. Details of the proposed remuneration are as under:

- 1) The current consolidated remuneration drawn by Mr. Rajendra Singh Sharma is Rs. 73,600 (Consolidated) subject to the annual increments and other increments as may be decided by the management.
- 2) He shall be entitled to the bonus/ex-gratia payment if any as may be decided by the Chairperson of the Company from time to time
- 3) Moreover, he shall be entitled to the perquisites, benefits, and allowance, if any as may be decided by the Management of the Company from time to time;
- 4) In addition to the above, he shall be entitled to Company's contribution to Provident Fund, leave encashment and payment of gratuity as per the Policy of the Company if any;
- 5) Overall Remuneration: The aggregate of salary, together with perquisites, allowance, benefits and amenities payable to Mr. Rajendra Singh Sharma in any Financial Year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force);

- 6) The perquisites, if any shall be valued in terms of actual expenditure incurred by the Company and shall be evaluated wherever applicable as per the Income Tax Act, 1961 or rules made thereunder and any modification thereof.
- 7) The Whole Time Director shall be entitled to use the company's car, all the expenses for maintenance and running of the same including the salary of the driver to be borne by the Company if any.
- 8) Telecommunications facilities including broadband, internet and mobile if any.

The remuneration will be revised from time to time as may be decided by the Chairperson of the Company subject to the recommendation of the Nomination and Remuneration Committee and noting and approval of the Board in accordance with the policy of the Company.

RESOLVED FURTHER THAT any of the Director and/or Mr. Ajeet Pandey, Company Secretary and Compliance Officer of the Company, be and is hereby authorized to take all steps for giving effect to the aforesaid resolution, including making the necessary applications, filing forms and doing all such acts, deeds, and things as may be required or deemed necessary to implement this resolution."

Item No. 6: To ratify the remuneration of Cost Auditors for the Financial Year 2023-24.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, **M/s Honey Singh & Associates, Cost Accountants (FRN: 101134)**, Lucknow who were appointed by the Board of Directors of the Company, to conduct the audit of the cost records for the Financial Year 2023-24, be paid the remuneration of Rs. 0.18 million p.a. plus applicable taxes and out of pocket expenses that may be incurred by them during the course of audit.

RESOLVED FURTHER THAT any of the director of the Company and/or Mr. Ajeet Pandey, Company Secretary and Compliance Officer of the Company, be and is hereby severally authorized to do all such acts, deeds and things, as they may, in their absolute discretion, deem necessary to give effect to this resolution."

Item No. 7: Approval under Section 188 of the Companies Act, 2013 & Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for transactions with Related Parties:

To consider and approve related party transactions and in this regard, if thought fit, to give assent/dissent to the following resolution to be passed as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 188 read with Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014, and other applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, (including any statutory modification(s) or amendment(s) or reenactment(s) thereof for the time being in force), Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations"), the Company's Policy on Related Party Transactions, and pursuant to the approval of the Audit Committee and the recommendation of the Board of Directors, the approval of the Members be and is hereby accorded to prescribe limit of commission payable to advisor/ consultant of the company and holding an office or place of profit in the company as specified in the explanatory statement.

RESOLVED FURTHER THAT the Board of Directors (including its Committee(s) thereof) be and are hereby severally authorized to do all such acts, deeds, matters and things, to finalize the terms and conditions of the transactions with the related party and to execute or authorize any person to execute all such documents, instruments and writings as may be necessary, relevant, usual, customary, proper and/or expedient for giving effect to the Resolution."

Item No. 8: Approval for India Pesticides Employees Stock Option Plan 2023 and grant of Employee Stock Options to the Employees of the Company thereunder:

To consider and if thought fit, to pass, the following resolution as an **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed there under and SEBI Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Memorandum and Articles of Association of the Company, and subject to such other approvals, permissions and sanctions as may be necessary and prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the "**Board**"), consent of the Shareholders of the Company ("**Shareholders**") be and is hereby accorded respectively to the "India Pesticides Employees Stock Option Plan, 2023 (hereinafter inferred to as the "**ESOP 2023**"/ "**Plan**") and to the Board to create, offer and grant from time to time upto **28,79,088 (Twenty Eight Lakh Seventy Nine Thousand Eighty Eight)** Employee Stock Options ("ESOPs") to the permanent employees including Directors of the company (other than promoter(s) or Directors not belonging to the promoter group of the company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), whether whole time or otherwise, whether working in India or out of India (hereinafter referred to as an "**Employee(s)**"), as may be decided solely by the Board under the Plan, exercisable into

not more than **28,79,088 (Twenty Eight Lakh Seventy Nine Thousand Eighty Eight)** equity shares of the Company in aggregate of face value of Rs.1/- (Rupee One only) each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with all applicable laws and regulations.

RESOLVED FURTHER THAT all actions taken by the Board in connection with the above and all incidental and ancillary things done are hereby specifically approved and ratified.

RESOLVED FURTHER THAT the Board / Nomination & Remuneration Committee be and is hereby further authorized to issue and allot equity shares upon exercise of ESOPs from time to time in accordance with the Plan and such equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of ESOPs that may be granted to any specified Employee(s), in any Financial Year and in aggregate under the Plan shall be less than 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as bonus issues, merger and/or sale of division/undertaking or other re-organisation, and others, if any additional equity shares are required to be issued by the Company to the Shareholders ("**Additional Shares**"), the ceiling as aforesaid of **11,51,635** ESOP's and equity shares respectively to be issued and allotted shall be deemed to increase in proportion of such Additional Shares issued to facilitate making a fair and reasonable adjustment.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 1/- (Rupee One only) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the option grantees.

RESOLVED FURTHER THAT the Board / Nomination & Remuneration Committee be and is hereby also authorized at any time to modify, change, vary, alter, amend, suspend

or terminate the ESOP 2023 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Shareholders and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2023 and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under any applicable laws and regulations to the extent relevant and applicable to the ESOP 2023.

RESOLVED FURTHER THAT the Board / Nomination & Remuneration Committee be and is hereby further authorized to do all such acts, deeds and things, as it may in its absolute discretion, deem necessary including authorizing or directing the Board to appoint Merchant Bankers or Consultants, being incidental to the effective implementation and administration of ESOP 2023 as also to prefer applications to the appropriate authorities, parties and the institutions for their requisite approvals, if required.

RESOLVED FURTHER THAT the Board / Nomination & Remuneration Committee be and is hereby also authorized to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board is authorized to do for the purpose of giving effect to this resolution."

By the order of the Board
For **India Pesticides Limited**

Ajeet Pandey

Company Secretary and
Compliance Officer

Membership No.: 42500

Address: Swarup Cold Storage, Water Works Road,
Aishbagh, Lucknow-226004

Date: 30.05.2023

Place: Lucknow

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the businesses under Item Nos. 4 to 7 of the accompanying Notice is annexed hereto **Annexure I**.
2. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 38th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the 38th AGM through VC/OAVM Facility only. Therefore, proxy form, attendance slip and route map are not annexed to this notice.
3. 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.
4. Corporate/Institutional Members intending to authorize their representative to attend the Meeting through VC facility are requested to send to the Company, a certified true copy of the board resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting. The said resolution/authorisation shall be sent to the scrutinizer, GSK & Associates, Company Secretaries appointed by the Company ("Scrutinizer"), by e-mail through its registered e-mail address to cssaket.associates@gmail.com with a copy marked to NSDL at evoting@nsdl.co.in.
5. Facility of joining the AGM through VC facility shall open 15 minutes before the time scheduled for the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large shareholders (Members 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. Alternatively, Members can also view the proceedings of the AGM through live webcast facility available at <https://www.evoting.nsd.com>.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 18th August, 2023 to Thursday, 24th August, 2023 (both days inclusive) for the purpose of the AGM.
7. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such **dividend, subject to deduction of tax at source**, will be made on or after 25th August, 2023 to all the Beneficial Owners in respect of shares held in Dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively referred as "Depositories", as on record/cut off date i.e. Thursday, 17th August, 2023.
8. The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.
9. Members are requested to note that under Section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government of India.
10. The Company's Registrar and Transfer Agent (RTA) for its Share Registry Work is Kfin Technologies Limited (formerly known as Kfin Technologies Private Limited), having its office at Selenium Tower -B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500032, Telangana, India, Phone: +914067162222, E-mail Id: einward.ris@kfintech.com
11. Members may note that the Notice of the 38th AGM along with the Annual Report for the Financial Year 2022-23 will also be available on the Company's corporate website <https://www.indiapesticideslimited.com> and also on 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. The Notice of the 38th AGM will also be available at the website of KFintech at <https://evoting.kfintech.com>.
12. Members are requested to intimate/update changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc. (along with duly cancelled cheque leaf stating the said details) to their Depository Participant in case the shares are held by them in electronic form.
13. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

14. Members holding shares in electronic form may contact their respective Depository Participants for availing the facility of nomination in respect of shares held by them.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participant. This may be considered as an advance opportunity to the members to register their e-mail address and changes therein as required under Rule 18 of the Companies (Management and Administration) Rules, 2014, as amended from time to time.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts.
17. In terms of Section 152 of the Act, Mr. Rajendra Singh Sharma, Whole Time Director of the Company is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
18. Details under Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standard-2 in respect of the Directors seeking appointment/re-appointment at the 38th Annual General Meeting are annexed hereto as **Annexure II** to this Notice which forms part of the explanatory statement. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
19. Non-Resident Indian members are requested to inform RTA/respective DP's, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC Code and address of the bank with pin code number, if not furnished earlier.
20. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, August 17, 2023. Members are eligible to cast vote only if they are holding shares as on that date and a person who is not a member as on the cut off date should treat this notice for information purposes only.
21. Members of the Company who acquires shares after the sending of Notice by the Company and hold shares as on the cut-off date i.e. Thursday, August 17, 2023, shall follow the same procedure for e-Voting as mentioned at **point no 26**.
22. A person, whose name is recorded in the register of members or in the register of beneficial owners

maintained by the depositories and Company's RTA as on the date only shall be entitled to avail the facility remote e-voting as well as voting at the AGM through VC/OAVM.

23. An Electronic Dispatch of Annual Report and Process for Registration of Email Id for Obtaining Copy of Electronic Annual Report:

- (i) In accordance with, the **General Circular No. 20/2020** dated 05th May, 2020 read with **General Circular No. 02/2021** dated 13th January 2021 & **General Circular No. 10/2022** dated 28th December, 2022, issued by MCA regarding Clarification of holding of Annual General Meeting (AGM) through Video Conference (VC) or Other AudioVisual Means (OAVM)-reg. and Circular No. **SEBI/HO/CFD/PoD-2/P/CIR/2023/4** dated 05th January, 2023 and **SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001** dated 05th January, 2023 issued by SEBI, companies are allowed to hold AGM through VC, without the physical presence of the Members for the meeting at a common venue. Hence, Members can attend and participate in the AGM through VC / OAVM.
- (ii) Members who do not have registered their E-mail ID and/or bank details (such as Bank Account No., name of the Bank, Branch, IFSC Code and Place with PIN Code No.) are required to register their email addresses and/or bank details, in respect of electronic holdings with their concerned Depository Participants. In case, Demat Holding please contact your Depository Participant (DP) and register your email address and bank account details in your Demat account, as per the process advised by your DP.
- (iii) The Notice of AGM along with Annual Report for the Financial Year 2022-23, is available on the website of the Company at <https://www.indiapesticideslimited.com> on the website of Stock Exchanges where shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com.

24. PROCEDURE FOR INSPECTION OF DOCUMENTS:

- (i) 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, maintained under Section 189 of the Companies Act, 2013, and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM.
- (ii) All documents referred to in the Notice will also be available electronically for inspection without any

fee by the Members from the date of circulation of this Notice up to the date of AGM.

- (iii) Members seeking to inspect such documents can send an e-mail to investor@indiapesticideslimited.com.
- (iv) Members may also note that the Notice of the 38thAGM and the Annual Report for the Financial Year 2022-23 will also be available on the Company's corporate website, www.indiapesticideslimited.com, for download. The physical copies of the documents referred to in this Notice will also be available at the Company's Corporate Office for inspection during normal business hours on working days, up to the date of the Meeting.

25. DIVIDEND TDS COMMUNICATION:

- (i) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Thursday, August 17, 2023, i.e. the date prior to the commencement of book closure, being the Record date, will be paid the Final Dividend for the Financial Year ended 31st March, 2023, as recommended by the Board, if approved at the AGM, within 30 days from the date of AGM.
- (ii) Members holding shares in Demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their Demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar & Transfer Agent cannot act on any request received directly from the Members holding shares in Demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in Demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
- (iii) Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company on or after 01st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the final dividend. In order

to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

- (iv) The Resident Non-Individual Members i.e. Insurance Companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Member i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms/ declarations/documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

26. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING THROUGH VC/OAVM ARE AS UNDER :-

The remote e-voting period begins on Monday, 21st August, 2023 at 9:00 A.M. and ends on Wednesday, 23rd August, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, August 17, 2023, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, August 17, 2023.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on    
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in Demat mode) login through their depository participants	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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. NSDL and CDSL.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in Demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- a. In case shares are held in Demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar

Card) to investor@indiapesticideslimited.com or einward.ris@kfintech.com. If you are an Individual shareholders holding securities in Demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode.**

- b. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- c. In terms of SEBI circular dated 9th December, 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 required to update their mobile number and email ID correctly in their Demat account in order to access e-Voting facility.

6. If you are unable to retrieve or have not received the **"Initial password"** or have forgotten your password:

- a. Click on **"Forgot User Details/Password"** (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b. Physical User Reset Password?" (If b) you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address etc.
- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cssaket.associates@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need

to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior manager NSDL or Ms. Soni Singh, Asst.Manager-NSDL at evoting@nsdl.co.in
4. Members who need assistance before or during the AGM, may contact the following:
 - a. Name and Designation: Ms. Pallavi Mhatre, Manager-NSDL or Ms. Soni Singh, Asst. Manager-NSDL
 - b. Contact No: 180001020990/ 1800224430

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@indiapesticideslimited.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
2. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM 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 in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
5. Members who are present in the meeting through video conferencing facility and have not cast their vote on the resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.
6. Members who have cast their votes by remote e-voting prior to the AGM may also attend and participate in the AGM but they shall not be entitled to cast their vote again at the AGM.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to **NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops/Desktop for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name Demat account number/ folio number, email id, mobile number at investor@indiapesticideslimited.com. The same will be replied by the company suitably.

27. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at investor@indiapesticideslimited.com on or before **17th August, 2023** to enable the management to keep the information ready at the AGM. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, Demat account number/folio no., mobile number at investor@indiapesticideslimited.com on or before **17th August, 2023**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The other members desiring to seek information/clarification during the AGM may ask through the chat box facility provided by NSDL. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

28. DECLARATION OF RESULTS

1. Mr. Saket Sharma, a Practicing Company Secretary (Certificate of Practice No. 2565, Membership No. FCS 4229), Partner, M/s. GSK & Associates has been appointed as the Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner.
2. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
3. Subject to receipt of a requisite number of votes, the Resolution shall be deemed to be passed on the date of the meeting i.e. Thursday, 24th August, 2023.
4. The results shall be declared not later than 2 working days from the conclusion of the meeting by posting the same on the website of the Company (www.indiapesticideslimited.com), website of NSDL (www.evoting.nsdl.com.) and by filing with the BSE Ltd. and National Stock Exchange of India Ltd. It shall also be displayed on the Notice Board at the Registered Office & Corporate Office of the Company.

Annexure- I

Explanatory Statement

[pursuant to Section 102 of Companies Act, 2013]

Item No. 4

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on May 30, 2023, has decided to increase the remuneration of Mr. Rajendra Singh Sharma in the manner as provided in the proposed resolution.

The proposed remuneration is towards his able guidance and a service provided to the Company and is well within the limits prescribed under Schedule V of The Companies Act, 2013.

Mr. Sharma has been associated with the Company since incorporation and he also has rich and varied experience in the industry and his understanding of business helps the management in taking the financial and business decisions diligently as well as his presence in the board will be beneficial for the growth of the Company. The Board have appreciated his zeal, enthusiasm, positive attitude and his openness to accept all the suggestions of the directors for betterment of the Company and looking for the implementation of those suggestions in the best interest of the Company. The proposed remuneration is as per the remuneration policy of the company and also in terms of regular increment policy of the company.

The present proposal requires approval of Shareholders of the company by way of Special Resolution. None of the Directors, except Mr. Rajendra Singh Sharma himself is interested in this resolution.

Details of the Director are as under:

Name	Rajendra Singh Sharma
Age	79 years
Date of Appointment	10.06.1998
Qualification	B.Sc. in Agriculture
Experience and Expertise in specific functional areas	Mr. Rajendra Singh Sharma is having 49 Years of experience in field of Pesticides
List of other Public Limited Companies in which directorships held.	Anand Herbal Limited Shalvis Specialities Limited
No- Of Equity Shares held in the Company	Nil
Relationship with other Directors, Manager and Key Managerial Personnel	None

The Directors recommend the Item No. 4 of the Notice for consent and approval by Shareholders.

Except Mr. Rajendra Singh Sharma, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.4.

Item No. 5

Mr. Rajendra Singh Sharma, Whole Time Director (Executive Director) of the Company is above the age of 79 years and was re-appointed on 29.09.2018 thereby his term shall expire on September 2023. In view of the contribution and ongoing efforts of Mr. Rajendra Singh Sharma, Whole Time Director of the Company, the Nomination and Remuneration Committee at its meeting, recommended to Board of Directors of the Company for re-appointment of Mr. Rajendra Singh Sharma as Whole time Director (Executive Director). The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on May 30, 2023 has approved the re-appointment of Mr. Rajendra Singh Sharma as Whole time Director (Executive Director) and recommended the same for the approval by the Shareholders of the Company.

Pursuant to clause (a) of sub-section (3) of section 196 of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the Listing Regulations") and applicable provisions; no entity shall appoint a person or continue the directorship of any person as a whole time director, who has attained the age of 70 (seventy) years and shall continue directorship or appointed as Whole-time (executive) director unless a special resolution has been passed to that effect.

Mr. Rajendra Singh Sharma has already attained the age of seventy nine (79) years and hence pursuant to applicable provisions, the shareholders are requested to accord approval for the re-appointment of Mr. Rajendra Singh Sharma as whole time director (Executive Director) of the Company. Mr. Sharma has been associated with the Company since incorporation and he also has rich and varied experience in the industry and his understanding of business helps the management in taking the financial and business decisions diligently as well as his presence in the board will be beneficial for the growth of the Company. The Board have appreciated his zeal, enthusiasm, positive attitude and his openness to accept all the suggestions of the directors for betterment of the Company and looking for the implementation of those suggestions in the best interest of the Company.

Details of Director are as under:

Name	Rajendra Singh Sharma
Age	79 years
DIN	02487797
Date of Birth	10/07/1944
Date of Appointment	10/06/1998

The resolution at Item No.5 of the Notice is set out as a Special Resolution for approval and ratification by the members in terms of Section 196 of the Companies Act, 2013.

Except Mr. Rajendra Singh Sharma, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.5.

Item No. 6

The Board on the recommendation of the Audit Committee, approved the re-appointment of **M/s Honey Singh & Associates, Cost Accountants FRN: 101134**, Lucknow as the Cost Auditors to conduct the cost audit of the Company for the Financial Year 2023-24 and remuneration of Rs. 0.18 million p.a. including re-imburement of expenses and applicable taxes have been fixed for this purpose. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014,

ratification is required for the remuneration payable to the Cost Auditors for the Financial Year 2023-24.

The resolution at Item No.6 of the Notice is set out as an Ordinary Resolution for approval by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.6.

Item No. 7

The Board on the recommendation of the Audit Committee, approved and took on record the overall limit of transactions with related parties for the Financial Year 2023-24. Pursuant to Section 188 of the Companies Act, 2013 , approval of members are required to enter into contract(s)/ arrangement(s)/ transaction(s) with parties. The details are as given with respect to Sale, purchase or supply of goods or materials, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such parties to any office or place of profit in the company or any other transactions of whatever nature, at arm's length basis and in the ordinary course of business, notwithstanding that such transactions may exceed the limit as specified in section 188 and rules made thereunder and any other applicable provision of the Company's Act, 2013.

The particulars of the transactions pursuant to the provisions of section 188 and the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

S. No.	Nature of Transaction as per section 188 of the of the companies Act. 2013	Name of Related Party and nature of its concern or interest	Nature of relationship with the company	Value of Transaction (in cr.)
1.	Commission/fee	Mr. Vishwas Swarup Agarwal (Advisor/Consultant)	Relative of Promoter, Director and Promotor group of Company	1.50
2.	Commission/fee	Mr. Vishal Swarup Agarwal (Advisor/consultant)	Relative of Promoter, Director and Promotor group of Company	1.50

The resolution at Item No.7 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 188 of the Companies Act, 2013.

Except Mr. Anand Swarup Swarup Agarwal, Non Executive Director of the Company and his relative, None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.7.

Item No. 8

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with

organizational objectives by participating in the ownership of the Company through share based compensation plan. Company believes in rewarding its employees including Directors of the Company as well as that of the Subsidiary Company(ies) for their continuous hard work, dedication and support, which has led the Company and the Subsidiary Company(ies) on the growth path. The Company intends to implement India Pesticides Employees Stock Option Plan 2023 ("ESOP 2023"/ "Plan") with a view to attract and retain key talents working with the Company and its Subsidiary Company(ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

The Company seeks approval of the Shareholders in respect of ESOP 2023 and for grant of Stock Options to the eligible

employees, Directors of the Company, that of its Subsidiary Company(ies) as may be decided by the Board from time to time in due compliance with Companies, Act, 2013 and other applicable laws and regulations.

The main features of the ESOP 2023 are as under:

1. Brief description of the scheme:

The Company plans to implement an employee stock option scheme under which Options shall vest over a period of time. Employees can exercise the Options post vesting before the end of the exercise period.

2. Total number of Options to be granted:

28,79,088 (Twenty Eight Lakh Seventy Nine Thousand Eighty Eight) Options would be available for grant to the eligible employees of the Company under ESOP 2023, in one or more tranches exercisable into **28,79,088 (Twenty Eight Lakh Seventy Nine Thousand Eighty Eight only)** equity shares of the Company of face value of Re.1/- each fully paid-up.

Vested Options lapsed due to non-exercise and/or unvested Options that get cancelled due to resignation/ termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed /cancelled options as per the provisions of ESOP 2023.

If any additional equity shares are required to be issued pursuant to any corporate action, the above ceiling of options or equity shares shall be deemed to increase in proportion of such additional equity shares issued subject to compliance of the applicable laws.

3. Identification of classes of employees entitled to participate in ESOP 2023

Following class/classes of employees are entitled to participate in ESOP 2023:

- Permanent employees of the Company working with the Company in India or out of India;
- Directors of the Company; and Permanent employees and Directors of the Subsidiary Company(ies) / working with respective subsidiary company.

Following class/classes of employees are not eligible:

- an employee who is a Promoter or belongs to the Promoter Group;
- a Director who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and

- an Independent Director within the meaning of the Companies Act, 2013.

4. Requirements of vesting and period of vesting:

The Options granted shall vest so long as an employee continues to be in the employment of the Company or the Subsidiary Company as the case may be. The Board / Nomination & Remuneration Committee may, at its discretion, lay down certain performance metrics on the achievement of which or on completion of a certain period such Options would vest, the detailed terms and conditions relating to such performance-based vesting or time-based vesting, and the proportion in which Options granted would vest subject to the minimum vesting period of 1 year.

5. Maximum period within which the Options shall be vested:

Options granted under ESOP 2023 would vest subject to a maximum period of 4 years from the date of grant of Options.

6. Exercise price or pricing formula:

The exercise price per Option shall not be less than the face value of one equity share and shall not exceed the fair market price of the equity share of the Company as on the date of grant of the Option, which may be decided by the Board / Nomination & Remuneration Committee.

The Board / Nomination & Remuneration Committee can give cashless exercise of options, if required to the employees and shall provide necessary procedures and/or mechanisms for exercising such options subject to applicable laws, rules and regulations.

7. Exercise period and the process of Exercise:

The vested Options shall be allowed for exercise on and from the date of vesting. The vested Options need to be exercised within a maximum period of 6 years from the date of grant of such Options.

The vested Option shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such Options in such manner and on such format as may be prescribed by the Board from time to time. The Options shall lapse if not exercised within the specified exercise period.

In case of cashless system of exercise of vested Options, the Board / Nomination & Remuneration Committee shall be entitled to specify such procedures and/or mechanism for the Shares to be dealt with thereon as may be necessary and the same shall be binding on the Option grantees.

8. Appraisal process for determining the eligibility of employees under ESOP 2023:

The appraisal process for determining the eligibility of the employees will be decided by the Board / Nomination & Remuneration Committee from time to time.

The employees would be granted Options under the ESOP 2023 based on various parameters such as performance rating, period of service, rank or designation and such other parameters as may be decided by the Board / Nomination & Remuneration Committee from time to time.

9. Maximum number of Options to be issued per employee and in aggregate:

The maximum number of Options that may be granted to any specific employee of the Company or of its Subsidiary Company under the Plan, in any Financial Year under the ESOP 2023 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. Direct Scheme/use of Trust Route:

The Company proposes to implement a direct ESOP scheme without adopting Trust route.

11. Whether new shares to be issued / acquired from secondary market:

The Company proposes to issue new shares as and when Options shall be exercised.

12. Accounting and Disclosure Policies:

The Company shall follow the relevant Accounting Standard as may be prescribed by from time to time, including the disclosure requirements prescribed therein.

13. Method of Option Valuation:

To calculate the employee compensation cost, the Company shall use the Fair Value method for valuation of the Option granted.

14. Lock in period / transferability of Employee Stock Options:

The Options granted to an employee shall not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of the Option grantee, the right to exercise all the Options granted to him till such date shall be transferred to his legal heirs or nominees within the period as may be prescribed under ESOP 2023.

15. Conditions under which option vested in employees may lapse:

The Options will lapse if the employment is terminated prior to Vesting. Even after the Options are vested, the unexercised Options may be forfeited if the Eligible Employee is terminated for misconduct, breach of employment contract, gross negligence, unethical practices, failure to comply with and confirm with Company's policies, willful suppression of material information or any other non-compliance or violation of any law in force ("Cause") or is absconding for more than 15 days, or if the Option has lapsed as provided in this Plan or if the Exercise Period, as specified has lapsed.

16. Specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

Particulars	Time limit for exercise of Vested Options
Resignation	Vested Options to the extent exercisable, within (i) upto the last day of working with the Company; or (ii) prior to the lapse of the Exercise Period; whichever is earlier.
Termination for Cause	All vested Options shall stand cancelled with immediate effect.
Termination for other than cause	Vested Options to the extent exercisable, within (i) time limit as permitted by the Nomination and Remuneration Committee; or (ii) prior to the lapse of the Exercise Period; whichever is earlier.
Death / Permanent Disability	Vested Options shall be transferred in name of Nominee / Legal Heir. These Options can be exercised by Nominee / Legal Heir any time prior to the lapse of the Exercise Period.
Absconding for 15 days or more	All vested Options shall stand cancelled with immediate effect.
Long Leave / Sabbatical	Vested Options can be exercised on resuming service with Company.
Retirement	Vested Options can be exercised anytime within one year from date of retirement or prior to the lapse of the Exercise Period (whichever is earlier).



In terms of provisions of Section 62(1) (b) and all other applicable provisions, if any, or the Companies Act, 2013 consent of the Shareholders is being sought by way of a Special Resolution(s) set out at Item No, 8 of this Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned in the aforesaid Special Resolution(s), except to the extent of their entitlements, if any. under the Plan.

By the order of the Board
For **India Pesticides Limited**

Ajeet Pandey

Company Secretary and Compliance Officer

Membership No.: 42500

Address: Swarup Cold Storage, Water Works Road,
Aishbagh, Lucknow-226004

Date: 30.05.2023

Place: Lucknow

Annexure II

Information of directors to be re-appointed at the forthcoming Annual General Meeting pursuant to Regulation 36(3) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the provisions of Companies Act, 2013 read with Secretarial Standard -2

Mr. Rajendra Singh Sharma

Mr. Rajendra Singh Sharma is Whole Time Director (Executive Director) of the Company. He holds a Bachelor's degree in agriculture. He has experience of over 49 years in agro-chemical manufacturing.

Name	Mr. Rajendra Singh Sharma
Designation	Whole Time Director (Executive Director)
Date of Birth	10.08.1944
Age	79 years
Qualifications	B.Sc. in Agriculture
Experience	32 years in Agro- Chemical Industry
Remuneration last drawn	0.80 Million,
Remuneration sought to be paid	Remuneration of Mr. Rajendra Singh Sharma is Rs. 73,600 (Consolidated). Allowance, perquisites and other benefits will be in accordance with the terms & conditions of re-appointment as approved by the shareholders and as per the internal HR Policy of the company.
Nationality	Indian
Expertise in specific functional area	He has Experience in Agrochemical Manufacturing & Marketing/ Business Administration
Date of first appointment on the Board of the Company	10.06.1998
No. of Equity Shares held in the Company	Nil
No. of Board meetings attended during the year (F.Y. 2022-23)	4
Relationship with other directors, Manager and other KMP	Nil
Other Directorships, Membership/ Chairmanship of Committees of other Boards	Nil
Terms and conditions of appointment or re-appointment	Liable to retire by rotation and is eligible for re-appointment.
Name of the Listed Entities from which the person has resigned in the past 3 years	NIL



India Pesticides Limited

Where Innovation, Quality & Sustainability are ways of life

Corporate Office

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Email: info@indiapesticideslimited.com
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