CHEMFAB ALKALIS LIMITED
(Formerly Known as Teamec Chlorates Limited)

REF: CHEMFAB/SEC/2024-2025 Date: 27th August 2024

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.
BSE – Scrip Code: 541269

National Stock Exchange of India Limited
The Manager, Listing Department
"Exchange Plaza"
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051
NSE Symbol: CHEMFAB

Sub: Submission of Annual Report for the Financial Year 2023-2024

Ref: Regulation 34, 42, 43 & 44 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation 2015

We wish to inform you that the 15th Annual General Meeting ("AGM") of the Company is Schedule to be held on **Friday, 20th September 2024 at 10:00 AM (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")**

In line with requirement of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are submitting herewith the Notice of Annual General Meeting along with 15th Annual Report of the Company for the Financial Year 2023-2024. The Annual Report has been uploaded on the website and it is available at https://chemfabalkalis.com/investors/.

The Schedule of the AGM is set out below:

Event	Date	Time
Relevant Date/Cut-off Date to vote on AGM resolution	13-09-2024	NA
Record Date for Dividend	13-09-2024	NA
Book Closure Period	14-09-2024 to 20-09-2024 (both days inclusive)	NA
Commencement of E-voting	17-09-2024	09:00 AM (IST)
End of E-voting	19-09-2024	05:00 PM (IST)
Annual General Meeting	20-09-2024	10:00 AM (IST)

Kindly take above information on records.

Thanking You,

Yours Faithfully,

For CHEMFAB ALKALIS LIMITED

B VIGNESH RAM Digitally signed by B VIGNESH RAM
Date: 2024.08.28 00:05:57 +05'30'

B. Vignesh Ram
Company Secretary & Compliance officer

CHEMFAB ALKALIS LIMITED

Technological dynamism with environmental commitment

Annual Report 2023-24

With a legacy spanning more than three decades, Chemfab Alkalis Limited has always stood on their promise to deliver products that synergises technological dynamism with environmental commitment. Our dedication towards innovating responsibly has been our guiding principle as we have steadily grown organically over the years.

At CCAL, our rich legacy has been underpinned by the pillars of innovation, responsibility, sustainability and diversity. A commitment to creating enhanced value for our stakeholders have encouraged us to always remain at the forefront of innovation, incorporating cutting-edge technology to fortify our position in the market. We have numerous 'firsts' to our credit and have received numerous patents for our implementation of innovative technologies in the Chloralkali sector. We take pride in incorporating previously deemed impractical technologies, delivering solutions that surpass industry standards.

As we grow organically, we are exploring new markets, such as PVC-O pipes, to broaden our horizons and cater to a more varied clientele base. Our quest for excellence encourages us to innovate responsibly and invest in initiatives that create a positive impact in society.

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

To view our report online, please visit: https://chemfabalkalis.com

Scan QR code to see this Annual Report online

What's Inside

Corporate Overview

Statutory Reports

Financial Statements

Standalone

Consolidated

A tribute to one of the greatest
Technocrats, Innovators and Visionaries of our times

Dr C.H.Krishnamurthi Rao
7.11.1940-19.1.2012

Founder Chairman-Chemfab Team Group of Companies
Dr Rao Holdings Pte Ltd., Singapore

We at CCAL pledge to carry forward your legacy
and fulfil your cherished dreams.

About Us

Synergising innovation and organic growth

Established in 1985, Chemfab Alkalis Limited (CCAL) has been one of India's leading Chlor-alkali manufacturers. We are on a mission to deliver high-quality Chlor-alkali chemicals leveraging advanced and the most sustainable technologies.

We have our headquarters in Chennai, India, and our state-of-the-art manufacturing plant is located at Gnanananda Place, Puducherry. With a legacy spanning more than three decades, we have established ourselves as a trusted supplier of caustic soda, chlorine and other essential inorganic chemicals for various industries across India.

CCAL has spearheaded several firsts in the industry. From implementing membrane technology to become the first in India to implement all fourteen elements of Process Safety Management as per OSHA guidelines, we have established our position as one of the major chemical organisations in India.

NABL

accredited Quality Assurance Department

Bureau of Indian Standards

certified Caustic Soda production

Our Vision

To achieve leadership through highly efficient operations, best practices and environment friendly technology, thereby generating significant value to all stakeholders

Our Moto

Technological dynamism with environment commitment

A Legacy of Innovation

Since our establishment, we have consistently pushed the boundaries of Chlor-alkali production in India. Transcending the set norms, we take pride in achieving several industry firsts.

- **1985:** First plant in India to implement Ion Exchange Membrane Cell technology
- **2014:** First plant in India to upgrade to BiTAC® electrolysers
- **First in India:** Implemented all fourteen elements of Process Safety Management as per OSHA guidelines
- **First Chlor-Alkali plant in India:** Certified to ISO 14001 and ISO 45001 management systems

Key milestones

Looking back with pride

1985

CCAL introduced Membrane Technology for the first time in the Indian chloralkali industry, significantly improving energy efficiency and completely eliminating the use of mercury in the process. The monopolar electrolysers which were installed in 1985 were upgraded subsequently to the latest bipolar state-of-the-art BiTAC® electrolysers

1989

Another industry first we achieved was the patent for the process that recovers barium sulphate from solid waste. This resulted in the reduction of solid waste by 30%

2003

CCAL became the first chloralkali plant in the world to introduce an Ultrafiltration membrane system for brine clarification. We achieved full capacity in FY 2011-12. This process resulted in elimination of precoat filter and alpha cellulose as well as reduced felling of trees to the extent of 28 MT and an effective carbon offset of 50 MT per annum

2004

Ultrafiltration technology for recycling of wastewater was implemented, resulting in reduced quantum of effluent generated

2005

CCAL introduced green technology for the first time in India to separate sodium sulphate from brine, reducing the use of toxic barium chloride

2007

A new hydrochloric plant was installed, with a heat recovery unit that converted waste heat into steam. This earned 4,600 carbon credits for the organisation, as well as helped in saving water resources

2011

CCAL designed, installed and commissioned a fully enclosed, negative pressure system for containment of accidental release of chlorine gas. This composite system is the first of its kind in the world

2012

CCAL developed a patent process for the manufacture of soda ash from flue gas, marking another industry first in the world. This reduced greenhouse gases and eliminated the purchase of soda ash for the brine treatment

2015

Introduced enclosed solar evaporation system for the evaporation of the wastewater generated from the ETP-RO

2017

With an objective of Sustainability and Generating Wealth out of Waste, CCAL has developed a process for converting the brine sludge to bricks or blocks. The application for Patent has already been filed for this process

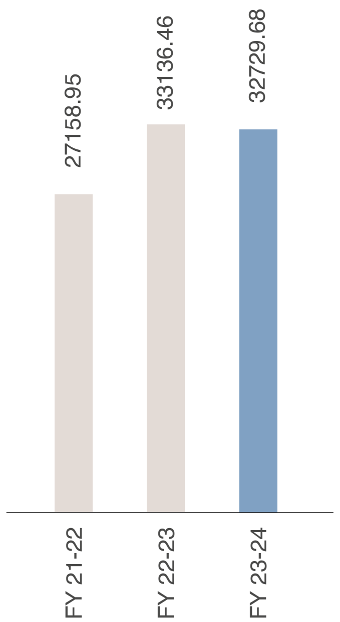
2021

CCAL has installed Membrane based 2 MLD Treated Sewage Water Plant to provide Sustainable Source as a Part of its ESG Commitment. This is the FIRST Treated Sewage Water Plant in Puducherry.

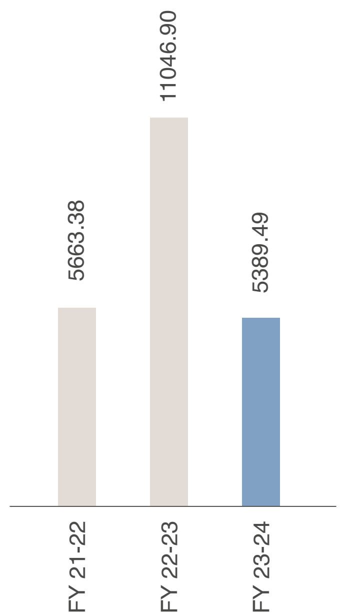
Financial Performance

Growing with strength and stability

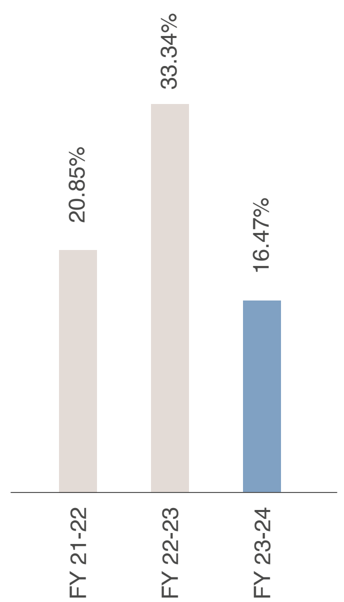
Revenue
₹ in Lakhs



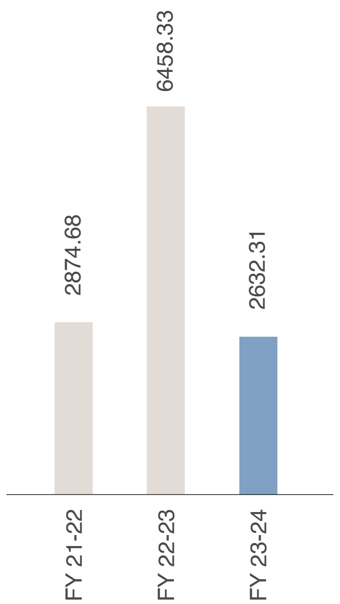
EBITDA
₹ in Lakhs



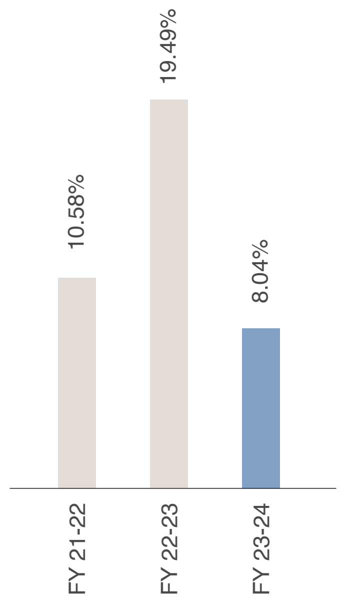
EBITDA Margin
%



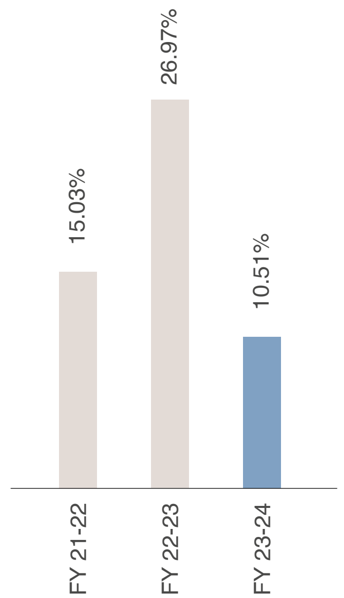
PAT
₹ in Lakhs



PAT Margin
%



ROCE
%



Chairman's Speech

On course to excel

We have also been continuously working on productive usage and recycling of our Non-Hazardous Solid sludge. I am Happy to share that we have become the First Company in India to successfully convert our Sludge to Bricks and we have patented the same. The Bricks produced by us through this process is now gaining market acceptance and we are slowly scaling up the operations with a long term objective of achieving and sustaining complete recycle.

Dear Shareowners,

As we look back on the past year, FY 2023-24 has certainly been a period of both challenges and promising prospects for Chemfab Alkalis. While our chlor-alkali division encountered some challenging market conditions stemming from the decline in commodity prices, we are happy to report good progress and growth in our PVC-O segment.

While macroeconomic challenges impacted the global landscape, businesses worldwide faced a multitude of challenges in the past year. The impact of prolonged geopolitical tensions in the Middle East and Red Sea, accelerating climate emergency, supply chain disruptions, escalating fuel costs have affected the operating environment. Nevertheless, the Indian economy demonstrated remarkable resilience in the face of challenges driven by prudent monetary policies by the Government of India, healthy consumer demand and a robust macroeconomic framework. Similarly, at Chemfab Alkalis Limited (CCAL) we maintain a positive outlook for the company's path ahead.

Chlor-Alkali Segment

The cyclical downturn in commodity prices has had a trickle-down effect, impacting our profits in the chlor-alkali business. However, we remain hopeful about the opportunities ahead, and have taken proactive measures to mitigate the impact and position the company for continued growth. Our diverse product portfolio in the Chlor-Alkali segment caters to a wide customer base and we are committed to providing our customers with the highest quality products. While our chemical business encountered pressures from global factors affecting profits we maintained resilience through strategic initiatives, including product mix and supply chain optimization, particularly strategic sourcing for critical raw materials like salt to reduce operating costs and enhance operational excellence.

Our Aluminum Chloride project set-up under our 100% Wholly Owned Subsidiary Chemfab Alkalis Karaikal Limited, has been commissioned in February 2024. Our product has received good acceptance from our potential customers. We expect to gradually scale to full capacity of this plant during coming Financial Year. However due to the sharp drop in Global Caustic Soda prices, we have deferred our 250 TPD Caustic Soda project in Karaikal for now. We will keep evaluating the same and move forward at an appropriate time.

PVCO Pipes Segment

We hold a strong presence in the PVCO pipes segment. We have successfully penetrated the market replacing traditional metal and ductile iron pipes with our superior products. The market outlook for PVCO pipes looks quite robust with more State Government Boards accepting and commencing usage of PVCO pipes, which is very encouraging. One of our key strategies going ahead involves significant capacity expansions in our PVCO pipe segment. We will be doubling from our present capacity of two lines to four lines in FY 2024-25 which will be functional from Q2 of FY 24-25. Among these two lines addition in FY 24-25, one of the lines is for manufacturing higher diameter pipes. This will enhance our product range offering to the market from 110 mm upto 630 mm from current range of 110mm to 400 mm.

We further intend to add three more lines during FY 25-26, increasing our capacity to seven lines by 2025-26 to meet the anticipated demand from government initiatives like Jal Jeevan Mission.

Sustainability

Sustainability is a core focus for us at CCAL. We are actively transitioning and working on sourcing more renewable energy to further enhance our renewable energy sourcing portfolio which aligns with our dedication to responsible business practices. This is also expected to add value t our bottom line by bringing down our power sourcing cost.

We have also been continuously working on productive usage and recycling of our Non-Hazardous Solid sludge. I am Happy to share that we have become the First Company in India to successfully convert our Sludge to Bricks and we have patented the same. The Bricks produced by us through this process is now gaining market acceptance and we are slowly scaling up the operations with a long term objective of achieving and sustaining complete recycle.

We are also committed to being a Great place to work to CCALmates, fostering employee satisfaction and skill development. I am Happy to share that your company has again been Certified as a " Great Place to Work".

Going forward as well, our commitment to organic growth and sustainability are integral components that will drive our strategic expansion plans.

We are also committed to being a Great place to work to CCALmates, fostering employee satisfaction and skill development.

I would like to convey my heartfelt gratitude to the Government, our committed CCAL team and all our esteemed stakeholders for your continued support, valuable contributions and the trust you have placed in our Company.

I also extend my sincere appreciation to the Board of Directors for their continued guidance and insightful inputs.

Wishing you the best of health and abundance in all things good.

Warm Regards,

Suresh Krishnamurthi Rao
Chairman

Manufacturing Facilities

Enhancing our manufacturing prowess

Chloralkali Plant

Leading Chlor-Alkali production since 1985, we have fortified our position in the market, establishing Chemfab Alkalis Limited (CCAL) as a name synonymous with innovation and sustainability.

Our Chlor-alkali division, located at Gnanananda Place, Puducherry, has always been at the forefront in implementing cutting-edge green technologies within the industry.

Products Manufactured

- Caustic Soda Lye (two grades: 32 percent and 48 percent)
- Caustic Soda Flakes
- Hydrogen Gas
- Liquid Chlorine
- Hydrochloric Acid
- Sodium Hypochlorite or Bleach Liquor

Salt Division – 1

India is third largest salt producer in the world, with Tamil Nadu contributing 12% to the total salt production. Leveraging Tamil Nadu's rich salt production tradition, Chemfab Alkalis Limited's Salt Division-1 is located just 30 km from our Puducherry headquarters, spanning two expansive salt fields. Kanthadu (1,223 acres) and Chunampet (450 acres) have been the key source of industrial-grade salt for our Chlor-alkali operations since 1992.

Our Salt Division-1 utilises the prime location in mainland India's southernmost state and leverages the rich tradition of salt production in this region, ensures a reliable and sustainable supply of this essential raw material for our core business.

Products Manufactured

At Chemfab Alkalis Limited's Salt Division-1, we employ traditional yet sustainable method of natural solar evaporation to create two distinct products.

Industrial Grade Salt

This essential raw material meets the stringent specifications set by the Bureau of Indian Standards and forms the foundation for our Chlor-alkali operations.

Salt Division – 2

We have further 700 acres of Salt field in Sayalkudi near Ramnad. This is still under development.

PVC-O Pipes Plant

As we are growing strength-to-strength, we are exploring new frontiers. We have embarked upon a new journey, i.e., establishing our mark in PVC-O pipes. Our new state-of-the-art facility at Sri City, TADA, is dedicated to manufacturing top-quality PVC-O pipes, setting a new benchmark for sustainability within the industry. Operating on a zero-discharge philosophy, this facility ensures this facility ensures waste generated during the production process and recycled. no waste is generated during the production process.

CCAL PVC-O Pipe Offerings

Pressure Classes

PN12.5 (12.5 kg/cm2) and
PN16 (16 kg/cm2)
PN20 (20/kg/cm2)

Diameters

110mm (4"), 160mm (6"), 200mm (8"), 250mm (10"), 315mm (12"), and 400mm (16")

Synergising the benefits of both plastic and metal properties, PVC-O (Oriented Poly Vinyl Chloride) pipes are specifically designed for high-pressure water applications.

Strength

Through a process called molecular orientation, PVC-O pipes achieve strength that can be comparable to metal pipes.

Lightweight

Despite their strength, PVC-O pipes are significantly lighter than metal counterparts, making them easier to handle and transport.

Applications

High-pressure water conveyance

Ideal for applications such as irrigation systems, water supply networks and pumping systems. This can also be used in Sewage application.

Research and Development

Leading through responsible innovation

At Chemfab Alkalis Limited (CCAL), we have made substantial investments in research and development to harness the power of innovation, progressing towards a more sustainable future. Our commitment towards environmental excellence and the zeal to consistently improve has been the guiding principle for research and development endeavours.

We leverage advanced technology to develop new products, deploy green technologies and optimise operations. We collaborate with external partners and research organisations to push the boundaries of sustainable development while simultaneously adhering to strict regulatory standards.

Our research and development initiatives are a testament to our dedication to innovation that fuels our growth and strengthens our brand. We innovate to deliver high-quality products while ensuring our promise to minimising our environmental impact.

Key Focus areas of FY24

Solid Waste Management

Develop small Cement Masonry Bricks (CMB) from sludge for a more marketable solution

Brine Treatment

Reduce Total Organic Carbon (TOC) in brine stream by 50%

Water Treatment Efficiency

Increase overall RO plant recovery rate by 4% through effluent reuse.

Water Purification Technology

Develop method to remove trace amounts of Hexavalent Chromium

Key Technological Initiatives

Production of a green product from brine sludge	Reduction of micro-level Iodide in the brine stream	Installation of a 2 MLD RO PLANT for reclamation of treated sewage water, thereby, reducing the groundwater consumption.	Conducting carbon sequestration potential and biodiversity assessment from its plantation activities
Removal of ammonia from secondary treated sewage effluent water	Conducting a carbon footprint study in India as the first Chlor-Alkali industry	Introduction of ultrafiltration system for brine clarification	Introduction of membrane technology for the removal of sulphate in brine stream
	Developing and patenting a manufacturing process for sodium carbonate from flue gas		




People

Our Foundation to Success

CCAL is a “Great Place to Work” certified Company, we have always acknowledged the valuable role played by our proficient workforce. Our employees are one of the most valuable asset for our organisation. Their hardwork and relentless support have enabled our organisation to reach new heights of success. Recognising the invaluable contribution of our employees, our Human Resources department is dedicated to attracting, developing and retaining a talented and engaged workforce.

Employee Engagement

We understand the importance of an engaged workforce that can propel the organisation to reach its strategic goals. Therefore, to foster a sense of community and team spirit, we maintain a monthly engagement calendar. Our grand CCAL day, celebrated annually, brings together employees from across the country to build camaraderie and strengthen connections.

Training and Development

To remain abreast with the latest market trends and facilitate both personal and professional development, we invest in learning and development programmes. These programmes are aimed at equipping our employees with the skills and knowledge to take on future leadership roles within the organisation.

Digital Transformation

We have implemented Performance Management System (PMS) and payroll module to ensure the employee performance are being tracked meticulously. Future plans include expanding our HR digital footprint to encompass recruitment, training and development.

Collaboration for Growth

To provide a well-rounded training experience, we partner with HR and Management consultants as well as educational institutions such as Great Lakes to offer training programmes for our middle and senior management.

Health, Safety and Wellbeing

At CCAL, the health and well-being of our employees is paramount. Thereby, we invest in various initiatives that promotes the overall well-being of our employees.

Safety First

We prioritise the health and safety of our employees by adhering to all legal safety and occupational health requirements. We conduct regular third-party audits to ensure we maintain the highest safety standards.

Hazard Reporting

Employees can report hazards verbally, through email or directly to their department head, safety officer or HR representative. The designated EHS personnel are accountable for resolving reported hazards.

Safety Awareness

Regular safety drills and emergency preparedness exercises are conducted in collaboration with the Puducherry government to ensure employee preparedness.

Promoting Well-being

We promote employee wellbeing through annual medical consultations, regular health camps at the unit level and partnerships with nearby hospitals.

Emergency Response Team (ERT)

A dedicated ERT team, trained in fire safety and life skills, serves as the first line of defence in emergency situations.

Maintaining Standards

Ongoing adherence to statutory and auditor-recommended safety standards remains a priority to ensure a safe work environment for all.

Talent Management and Acquisition

We leverage both internal recruitment teams and established consultant partnerships to source and attract top talent. We have been able to maintain a low attrition rate of 6% (in line with industry standards), we prioritise employee retention. However, a particular focus will be made on reducing the number of early-career (GET/MT) departures within the first three years.

Diversity and Inclusion

We are committed to providing equal employment opportunities. We ensure our workforce includes proper gender inclusivity. At CCAL, we are dedicated to making further strides towards inclusivity.

Safeguarding Women in the Workplace

A core value at CCAL is maintaining a respectful and inclusive work environment for all. Therefore, all our employees, especially our female employees receive proper benefits.

Reporting Discrimination

Employees can report any cases of discrimination to their department head or HR. The nature and severity of the complaint will determine the formation of a dedicated committee to address the grievance.

Stakeholder Engagement

Fostering strong bonds to facilitate organic growth

At Chemfab Alkalis Limited (CCAL), we believe in building strong partnerships with all our stakeholders. We view them as valuable partners in our long-term success.

Our Stakeholder Engagement process is a continuous cycle, overseen by our Sustainable Management Team.

In this process, we:

- Identify and understand the needs of all our stakeholders
- Communicate openly and regularly with them through various channels
- Address their concerns and find solutions
- Integrate their feedback into our decision-making

This collaborative approach allows us to:

- Operate in a way that benefits all stakeholders
- Create shared value for the long term
- Build trust and transparency in our relationships

We are committed to ongoing engagement with our stakeholders and believe it is essential for our continued success.

Stakeholders	Customers	Investors and Shareholders	Business Partners, Contractors and Suppliers	Regulators	Business Partners, Contractors and Suppliers	Business Partners, Contractors and Suppliers
Expectations	• Assured quality of products • Timely delivery • Constant support to enhance safety at operations • Reduction or elimination of accidents during gas handling	• Completion of projects as per the schedule • Achieve operational efficiency • Sustainability in operations • Increase in production capacities and diversification • Appreciation in share price • Effective governance	• Contract opportunity for supply of raw materials • Continued partnering activities	• Submission of required documents for approvals on environmental pollution, social compliance and plant capacity enhancements • Legal compliance in operations	• Competitive remuneration • Career and professional development • Personal development • Performance recognition	• Sustainable management of the environment • Optimising of natural resource use • Innovation to protect natural environments and biodiversity • Restoration of key natural resources impacted by operations • Opportunities for livelihoods
Mode of Engagement	• Customer surveys • Site inspection • Communication mediums • Customer interaction	• Interim assessments • Report submission for financial and physical progress • Quarterly progress report • Continuous monitoring • Quarterly financial reports • Shareholders feedback	• Partnering programs, contract and site meetings, seminars	• Environmental monitoring and impact assessment statements • Regulatory compliance reports	• Staff consultation and interaction • Departmental meetings and surveys • Annual performance appraisal • Skills training, people development, career guidance • Staff development program	• Protective measures and equipment • Risk assessments • Energy saving measures in operations • Workforce sourcing from local community
Strategy	Engaging Customers and the Supply Chain • Build long term relationship with customer and be the preferred Supplier.	• Investments in Education and Training, Environment, R&D/ Innovation • Integration of sustainable development goals (SDGs) with the business practices	• Supplier assessments • EHS training for contractors and suppliers	Adhering to all regulatory requirements	Learning and Developmental programs employee survey tool	• Innovation and Environmental Excellence benchmarking of sustainability performance • Community developmental programs

Environment

Committed to a better tomorrow

Our commitment towards fostering a greener tomorrow has always been at the core of our operations. We consider a holistic approach, tackling key material issues such as greenhouse gas emissions, water usage, resource conservation and biodiversity through a collaborative process with our stakeholders.

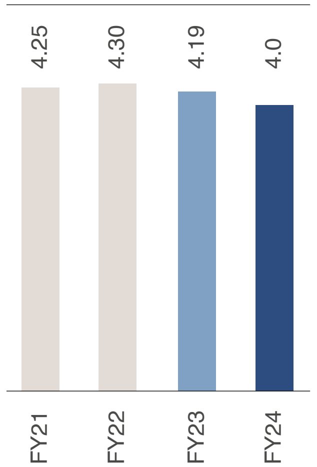
Our focus on renewable energy sources such as solar power aligns with the Puducherry State action plan and the Green Protocol. We are dedicated to aligning with the United Nations Sustainable Development Goals (UNSDGs) and international best practices, including the Principles for Green Chemistry, the Science Based Targets Initiative and the Task Force on Climate-related Financial Disclosures.

Water Management

We acknowledge robust water management to conserve our precious water resources.

Our aim is to eliminate groundwater from our industrial operations by 2026. This ambitious target is a testament to our commitment to incorporating eco-friendly practices. A key initiative is our state-of-the-art 2.0 MLD RO plant, which utilises recycled Secondary Treated Effluent Water (STEW) for industrial needs. Despite being a cost-intensive endeavour, we believe that this investment is essential for a sustainable future.

Specific water consumption
KL/MT of caustic



Leading the Way in Water Efficiency

Achieved a record low water consumption of 4.0 KL/MT of caustic soda in FY 2023-24.

This surpasses the Alkali Manufacturers Association of India (AMAI) guideline of 5.88 KL/MT for specific water consumption.

Significantly lower water usage compared to MOEF guidelines.

Wastewater Recycling

We have implemented a robust wastewater recycling system that offers a multitude of benefits.

Reduced reliance on freshwater sources

Recycled water acts as a dependable supplemental supply, reducing the strain on natural ecosystems.

Cost-effective solution

Compared to desalination or demineralisation, treating and reusing wastewater offers significant cost advantages.

Environmental compliance and sustainability

By minimising wastewater discharge and maximising water reuse, we comply with environmental regulations and contribute to a more sustainable future.

79,440.527
KL/Annum

Wastewater recycled

Wastewater Recycling Programs

DM plant regeneration wastewater

reused for salt dissolving and impurity removal.

Second-stage RO

recovers usable water from RO plant rejects.

Treated sewage water

sent to RO for reuse.

Lab effluent recycled

through ZLD RO system.

Caustic & Flaker condensate

polished for demineralised water.

Communities

Nurturing stronger communities

₹5,53,000

Providing Safe Drinking water
Puducherry and Tamil Nadu

₹5,17,000

Health Care
Puducherry

₹22,00,000

Education and Training
Puducherry and Tamil Nadu

₹2,62,000

Eco Friendly & Environment Sustainability
Puducherry and Tamil Nadu

₹25,98,000

Rural Development Project
Puducherry

₹11,34,000

Poverty, Malnutrition
Puducherry and Tamil Nadu

₹72,64,000

CSR spent

Governance

Upholding our ethics

Our clear sense of purpose, i.e, to achieve leadership through strong governance practices has always enabled us to navigate the dynamic business landscape easily. Our strong governance practices include operating efficiently, upholding ethical standards and demonstrating environmental responsibility. At CCAL, the passion to deliver enhanced value to our stakeholders remains the core of all our business operations.

Going beyond mere adhering to regulations, we follow the highest ethical standards, prioritising transparency and timely disclosure as well as proactively managing healthy stakeholder relationships. With a visionary leadership at the helm and an unwavering commitment towards social and environmental responsibility, we strive to create a Company built on the principles of integrity and sustainability.

Mr. Suresh Krishnamurthi Rao
Chairman, Non - Executive Director

Mr. C.S. Ramesh
Non-Executive Director

Mr. R. Mahendran
Non-Executive Director

Mr. Nitin S Cowlagi
Non-Executive Director

Mrs. Sujatha Jayarajan
Independent Director

Mr. A. Janakiraman
Independent Director

Mrs. Drushti Desai
Independent Director

Mr. T. Ramabadhran
Independent Director

Mr.V.M.Srinivasan
Chief Executive Officer

Mr.S. Prasath
Chief Financial Officer

Mr.B.Vignesh Ram
Company Secretary

CHEMFAB ALKALIS LIMITED

(Regd. Office: 'TEAM House', GST Road,
Vandalur, Chennai-600 048)

CIN: L24290TN2009PLC071563

NOTICE OF THE 15th ANNUAL GENERAL MEETING

Notice is hereby given that the Fifteenth Annual General Meeting of the Company will be held on **Friday 20th September 2024**, through Video Conferencing ("VC") Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. **ADOPTION OF FINANCIAL STATEMENTS:**

   To consider and if thought fit, to pass the with or without modification, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company i.e., Balance Sheet of the Company as at 31st March 2024 and the Statement of Profit and Loss A/c (incl. Comprehensive income), Statement of Cash Flow and Statement of Changes in Equity for the year ended on that date, together with the Reports of the Board of Directors ("the Board") and the Auditors thereon as presented to this Annual General Meeting, be and are hereby approved and adopted".

2. **RETIREMENT BY ROTATION:**

   To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** Mr. Nitin S Cowlagi (DIN: 06703283), Director, who retires by rotation and being eligible, offers himself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. **DIVIDEND:**

   To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** a Dividend at the rate of Rs. 1.25 per Equity Share (12.50%) be and is hereby declared, on the fully paid-up Equity Shares of Rs.10/- each in the Paid-up Capital of the Company, to those Members whose names appear in the Register of Members of the Company as on the date of the Book Closure."

SPECIAL BUSINESS:

4. **RATIFICATION OF COST AUDITOR'S REMUNERATION**

   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 read with Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment/ modification thereof), the decision to pay a professional fee of Rs. 1,90,000/- (Rupees One Lakh and Ninety Thousand only) to M/s. A. Madhavan, Mohan & Associates, the Cost Auditors of the Company for the year 2024-2025, as recommended by the Audit Committee and as approved by the Board of Directors, be and is hereby ratified".

5. **PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS OF THE COMPANY**

   To consider and if thought fit, to pass the following Resolution as an **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of sections 197, 198 of the Companies Act 2013 ("Act") and rules made thereunder, consent of the Company be and is hereby accorded for payment of Commission to Directors, including the payment of Commission to the Independent Directors. and the reimbursement of expenses for participation in the Board and Board's Committees' Meetings, out of the net profits of the Company within the ceiling of 11% of the net profits of the Company as prescribed under Section 197 (1) and such other applicable provisions, if any, of the Companies Act, 2013".

   "**RESOLVED FURTHER THAT** the commission be divisible among the Directors in such proportion as the Board of Directors may decide"

   "**RESOLVED FURTHER THAT** pursuant to Regulation 17(6) (ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereof the consent of the members of the company be and is hereby accorded for the payment of commission to a single non-executive director, if it exceeds fifty per cent of the total annual remuneration payable to all non-executive directors of the Company for the Financial Year 2023–24."

   "**RESOLVED FURTHER THAT** the Company Secretary of the Company or any one of the directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the foregoing resolutions."

6. **CONTINUATION OF APPOINTMENT OF Mr. R. MAHENDRAN (DIN: 07451058) AS NON- EXECUTIVE AND NON – INDEPENDENT DIRECTOR OF THE COMPANY**

   To consider and if thought fit, to pass the following Resolution as an **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of section 152 of the Companies Act, 2013 ("the Act") read with Regulation 17 (1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the SEBI

Listing Regulations") (including any statutory modifications or re-enactment (s) thereof for the time being in force, the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, consent of the Members be and is hereby accorded for continuation of appointment of Mr R. Mahendran (DIN: 07451058) as Director (designated as Non – Executive and Non – Independent Director) of the Company for a period of 5 (Five) consecutive years, and he shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Company Secretary of the Company or any one of the directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the foregoing resolutions."

By Order of the Board of Directors for
Chemfab Alkalis Limited

Sd/-
B. Vignesh Ram,
Company Secretary and Compliance Officer

Place: Chennai
Date: 08th August 2024

NOTES:

1. In view of the ongoing pandemic, the 15th (Fifteenth) AGM of the Company is being conducted through Video Conference ("VC") / Other Audio-Visual Means ("OAVM"). In accordance with the provisions of the Companies Act, 2013 ("Act"), read with the Rules made thereunder and General Circular No. 09/2023 dated 25th September 2023, and other circulars issued by the Ministry of Corporate Affairs ("MCA Circulars") read with Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 and other circular issued by SEBI from time to time ("SEBI Circulars") the companies are allowed to hold Annual General Meeting (AGM) through VC or OAVM up to 30th September 2024, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM. In terms of the Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, the venue of the 15th (Fifteenth) AGM shall be deemed to be the Registered Office of the Company situated at "TEAM House", GST Salai, Vandalur, Chennai – 600048. In accordance with Clause No. 1.2.4 of the Secretarial Standards – 2 the route map to reach the venue of the Meeting is to be attached along with this Notice of the meeting. Since the meeting is conducted through VC/OAVM the map is not attached to the notice of the meeting.

2. The MCA Circulars read with the Securities and Exchange Board of India ("SEBI") Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 ("SEBI Circular") and other circulars issued from time to time by the regulators, has dispensed with the requirement of sending the physical copies of the AGM Notice and Annual Report to the members. In compliance with the above circulars the Annual Report for the Financial Year 2023-2024 along with the Notice of the Annual General Meeting of the Company are being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depositories.

3. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization can be sent to the Company at ccalcosecy@ccal.in not before the 48 hours of the meeting. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members of body corporates can attend the AGM through VC/OAVM and cast their votes through e-voting.

4. The facility to appoint a proxy to attend and cast vote for the members is not available for this AGM. In the case of joint holders attending the Meeting, only such joint holder who is higher in the order of names in the Register of Members will be entitled to vote.

5. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses set out in the Notice is annexed hereto.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. Pursuant to the provisions of Sections 107 and 108, read with the Companies (Management and Administration) Rules, 2014 read with notification GSR 207(E) dated March 19 2015, and as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8,2020, Circular No.17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020, Circular No.20/2020 dated January, 13, 2021 ,Circular No.2/2022 dated May 5,2022 & Circular No. 10/2022 dated 28th December 2022 and Circular No. 09/2023 dated 25th September 2023 and in terms of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company is providing the option of remote and AGM E-Voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL). The Members can vote electronically either in advance during the e-voting period ("remote e-voting") or on the day of AGM. The Company has appointed Mr. S.A Inbavadivu, Advocate, as Scrutinizer.

8. The details as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect to brief resume of Directors proposed to be reappointed, nature of their expertise in specific functional areas, names of listed companies in which they hold directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se, are provided in the Annexure to the explanatory statement attached to this Notice.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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.,

   For shares held in electronic form: to their Depository Participants (DPs)

   a. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters for furnishing the required details.

   b. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https:// chemfabalkalis.com and on the website of the Company's Registrar and Transfer Agents, Company at https://chemfabalkalis.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.

c. As per Regulation 40 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company for assistance in this regard.

d. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

e. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://chemfabalkalis.com. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Company in case the shares are held in physical form.

f. In case of joint holders, 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 during the AGM.

10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and all the information/documents mentioned in this notice shall be available for inspection through electronic mode.

11. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during financial year 2023-2024 does not exceed ` Rs. 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. PAN is mandatory for members providing Form 15G/15H. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialized form) and the Company (if shares are held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to 13-09-2024.

Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or Specified Person as defined under section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.

Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF/JPG Format) by e-mail to ccalcosecy@ccal.in.

The aforesaid declarations and documents need to be submitted by the shareholders by 13-09-2024.

12. The members of the Company, whose names appear in the Register of Members / List of Beneficial Owners as on 13-09-2024 ("Cut-off date") and who are otherwise not barred to cast their vote, are entitled to vote electronically either through remote e-voting or e-voting during AGM, on the Resolutions set forth in this Notice. A person who is not a member on the Cut-off date should treat this notice for information purpose only.

13. The register of members and transfer books of the Company will remain closed from 14-09-2024 to 20-09-2024 both days inclusive, and the members whose name appear in the register of members as on 13-09-2024 (Record Date) shall be entitled for the payment of dividend.

14. Under section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. Accordingly, unclaimed dividend amounts up to final dividend 2015-2016 have been transferred to the said fund. The shareholders are advised to forward all un enchased dividend warrants from interim dividend 2016 -17 to the registered office of the Company for revalidation and encash the same before the respective due date of transfer to IEPF.

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.chemfabalkalis.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 General Circular 09/2023 dated 25th September 2023 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 17th September 2024 at 09:00 AM (IST) and ends on 19th September 2024 at 05:00 PM (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/ Record Date of 13th September 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Name of Director
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Name of Director
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
ndividual Shareholders (holding securities in demat mode) login through their	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the EVSN 240824002 on which you chose to vote.

(xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ccalcosecy@ccal.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **Seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at ccalcosecy@ccal.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **seven days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/ EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT RELATING TO THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO: 4 - RATIFICATION OF COST AUDITOR'S REMUNERATION

At the Board Meeting held on 22nd May 2024, after considering the recommendation of the Audit Committee, the Directors appointed M/s. Madhavan, Mohan & Associates, Cost Accountant, as the Cost Auditor of the Company for carrying out the Cost Audit of the Company for the Financial Year 2024-2025 on the remuneration of Rs 1,90,000/- (Rupees One Lakhs Ninety Thousand Only) including the reimbursement of the out-of-pocket expenses. Pursuant to the provisions of Section 148 read with the Companies (Audit and Auditors) Rules, 2014, the aforesaid remuneration approved by the Board of Directors is required to be ratified by the Shareholders.

The Board commends the passing of the resolution as set out in Item No.4 of the Notice for the approval of the members as a Ordinary Resolution.

None of the Directors or the Key Managerial Personnel is interested or concerned in the passing of the Resolution.

ITEM NO: 5 PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS OF THE COMPANY

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, etc. The role played by the Non-executive Directors in Company's governance and performance is very important for sustainable growth of the Company.

During the year, the Company conducted a performance valuation for benchmarking the commission payable to Non-Executives Directors. The valuation was done on the basis of overall performance, Directors individual assessment and with the recommendation of the members of the Nomination and Remuneration Committee and Board of Directors at their meeting held on 22nd May 2024, recommended the proposal to the members of the Company for payment of Commission to Non-executive Directors for the financial year 2023-2024 calculated in accordance with the provisions of the Companies Act 2013 and the rules framed thereunder. The payment of such commission shall be in addition to the sitting fees for attending the Board and Committee meeting.

The Board commends the passing of the resolution as set out in Item No.5 of the Notice for the approval of the members as a Special Resolution

Expect the Key Managerial Personnel of the Company and their relatives, all the Non-executive Directors along with their relatives are deemed to be concerned or interested, financially or otherwise, in the resolution set out in Item No.5 of the accompanying Notice.

ITEM NO: 6 CONTINUATION OF APPOINTMENT OF Mr. R. MAHENDRAN (DIN: 07451058) AS NON-EXECUTIVE AND NON – INDEPENDENT DIRECTOR OF THE COMPANY

The Members may note that pursuant to SEBI's amendment dated July 15, 2023, applicable with effect from April 1, 2024 read with Regulation 17(1D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the continuation of a Director serving on the Board of Directors of a listed entity shall be subject to the approval by the Members at a general meeting at least once in every five (5) years from the date of their appointment or reappointment, as the case may be. Further, the continuation of director serving on the Board of Directors of a listed entity as on March 31, 2024, without the approval of the Members for a period of last five (5) years or more shall be subject to the approval of Members in the first general meeting to be held after March 31, 2024.

Accordingly, Mr. R Mahendran was appointed as the Non-Executive Director of the Company w.e.f. 14th March 2016, his appointment was liable to retire by rotation. Therefore, Mr. R. Mahendran can continue as Director of the Company w.e.f. April 01, 2024 in this Annual General Meeting.

Considering the above, the Board recommends his continuation as Director by way of Special Resolution as set out in Item no 6 of this Notice. The details of Mr. R Mahendran as required under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as applicable, are provided in 'Annexure I' to the Notice. Save and except Mr. R Mahendran and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

This Statement may be regarded as disclosures under Secretarial Standard – 2 and Regulation 36 of the SEBI Listing Regulations, as and when applicable.

By Order of the Board of Directors for
Chemfab Alkalis Limited

Sd/-
B. Vignesh Ram,
Company Secretary and Compliance Officer

Place: Chennai
Date: 08th August 2024

Annexure

Details of the Director retiring by rotation and seeking re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 in conjunction with the Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are as under:

Name of the Director	Mr. Nitin S Cowlagi	Mr. R. Mahendran
Director Identification Number	06703283	07451058
Nationality	Indian	Indian
Date of Birth	13/09/1958	09/02/1960
Age	66	64
Terms and Condition of Re – Appointment	Non-Independent & Non – Executive Director	Non-Independent & Non – Executive Director
Date of First appointment to the Board	04th June 2020	14th March 2016
Shareholding in the Company as on 31st March, 2024	56,142	Nil
Expertise in Specific Function areas	Finance, Taxation, Auditing & Management	Management
List of Directorship held in other Companies	Titanium Equipment & Anode Manufacturing Company Private Limited	None
Relationship with other Directors	Not Applicable	Not Applicable
Number of Board meeting attended during the Financial Year 2023-24	Five	Five

Board of Directors' Report

Dear Shareholders,

Your Directors have the pleasure of presenting the 15th Annual Report of Chemfab Alkalis Limited along with the Audited Standalone and consolidated financial statements for the Financial Year Ended 31st March 2024.

The summarized financial results are as under:

Financial Summary:

Particulars	Consolidated (₹ In Lakhs)		Standalone (₹ In Lakhs)	
	Year ended. 31 March 2024	Year ended. 31 March 2023	Year ended. 31 March 2024	Year ended. 31 March 2023
Summary of Profit and Loss Statement:				
Total Revenue	32,729.68	33,136.46	32,728.78	33,136.46
Profit before Finance Cost and Depreciation	6,243.95	11,599.42	6,540.77	11,752.09
Less: Finance Cost	94.22	24.48	93.08	23.63
Profit before Depreciation	6,149.73	11,574.94	6,447.69	11,728.46
Less: Depreciation and amortization	2,235.08	2,293.12	2,185.01	2,288.17
Profit Before Exceptional Items	3,914.65	9,281.82	4,262.68	9,440.29
Exceptional Items	-	-337.96	-	-337.96
Profit before Tax	3,914.65	8,943.86	4,262.68	9,102.33
Less: Tax including Deferred Tax	1,282.34	2,485.53	1,263.96	2,480.60
Profit/(Loss) after Tax	2,632.31	6,458.33	2,998.72	6,621.73
Other Comprehensive Income/(Loss)	21.94	-64.27	21.94	-64.27
Total Comprehensive Income/(Loss)	2,654.25	6,394.06	3,020.66	6,557.46
Summary of Retained Earnings Movement:				
Balance brought forward from last year	-1,320.62	-7,535.95	-1,124.53	-7,503.26
Add: Profit/(Loss) after Tax	2,632.31	6,458.33	2,998.72	6,621.73
Add: Other Comprehensive Income	16.20	-66.29	16.20	-66.29
Less: Appropriations				
Final Dividend	177.41	176.71	177.41	176.71
Tax on Dividend	-	-	-	-
Balance Carried to Balance Sheet	1,150.48	-1,320.62	1,712.98	-1,124.53

Performance and State of Affairs of the Company:

The Overall performance of the Company, including the financial performance of the Company has been provided under the management section, forming part of this annual report.

Dividend:

Your directors recommended the payment of Dividend of Rs 1.25/- per share for the year ended March 31, 2024, absorbing a sum of ₹ 177.83 Lakhs considering shares outstanding as on 31 March 2024, subject to the approval of the Members at the ensuing Annual General Meeting.

Transfer of profit to reserves:

The Company has not proposed transferring any of its profits to reserves.

Material Changes during the reporting period:

No material changes have occurred, or any commitments made between the financial period ended 31st March 2024 and the date of this report, which would adversely affect the financial position of the company.

BOARD OF DIRECTORS AND ITS COMMITTEES

A. Composition of the Board of Directors

The Board of Directors of the Company comprises of a Non-Executive Chairman who is a promoter of the Company. Along with him on the Board there are Seven Non - Executive Directors, including four Independent Directors. The Company has two women Independent Directors. The composition of the Board of Directors is in compliance with Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 149 of the Companies Act, 2013.

The Company has received necessary declarations from the Independent Directors under section 149(7) of the Companies Act, 2013 stating that they have meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Mr. T Ramabadhran, Non - Executive - Independent Director of the Company, vacated the office on account of completion of his tenure of second term as the Independent Director of the Company. The Vacation of office was given effect only after the close of business hours of 31st March 2024.

All the four Independent Directors are registered with the data bank as per rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

The Registration details are as below:

Sl. No	Name of the Director	Registration number
01.	Mr. T. Ramabadhran	IDDB-DI-202002-007333
02.	Mr. A. Janakiraman	IDDB-DI-202002-007989
03.	Mrs. J. Sujatha Jayarajan	IDDB-DI-201912-001692
04.	Mrs. R. Drushti Desai	IDDB-DI-202002-015500

Board Composition:

The Board is well balanced with the composition of four Non- Independent Directors and four Independent Directors (including two Women Independent directors).

Thus, the composition of the Board is in line with the terms of Section 149 of the Companies Act 2013 and Regulations 17(1)(b) of the SEBI (LODR) Regulations, 2015.

B. Meetings

Category	Name of Directors
Non – Independent Directors	Mr. Suresh Krishnamurthi Rao Mr. C S Ramesh Mr. R Mahendran Mr. Nitin S Cowlagi
Independent Directors	Mr. A Janakiraman Mrs. Drushti Desai Mrs. Sujatha Jayarajan Mr. T Ramabadhran

The number of Board Meetings held during the year along with the dates of the meetings:

(Disclosure pursuant to 134 (3)(b) of the Companies Act, 2013).

During the Financial Year 2023-2024, the Board of Chemfab Alkalis Limited met Five times as under:

Sl. No	Dates of meetings of the Board	Quarter	No. of Directors on the Date of Meeting	Total No. of Directors attended
1.	03rd April 2023	First	8	8
2.	18th May 2023	First	8	8
3.	27th July 2023	Second	8	8
4.	26th October 2023	Third	8	8
5.	08th February 2024	Fourth	8	8

The meetings of the Board were held periodically, with an interval of not more than one hundred and twenty days between two consecutive meetings, as prescribed under Section 173(1) of the Act.

C. Re-appointment of Directors Retiring by Rotation

In terms of Section 152 of the Companies Act, 2013, Mr. Nitin S Cowlagi (DIN: 06703283) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee has recommended the re-appointment of Mr. Nitin S Cowlagi (DIN: 06703283) retiring by rotation.

D. Committees of the Board

The constitution and terms of reference of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee are also aligned with the requirements of Regulations 18 to 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

A detailed note on the Committees is given in the Corporate Governance Report forming part of the Annual Report.

E. Performance Evaluation

Section 134 of the Companies Act, 2013 states that formal evaluation needs to be made by the Board, of its performance and that of its committees and the individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 state that the performance evaluation of each Independent Director shall be done by the entire Board of Directors excluding the Director being evaluated.

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and SEBI (LODR) regulations, 2015, the Board has carried out an evaluation of its performance, the Directors individually as well as its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report forming part of the Annual Report.

F. Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Board of Directors hereby confirms, that -

(a) In the preparation of the Annual Accounts for the financial year ended 31st March 2024, the applicable Accounting Standards and Schedule III of the Act have been followed and there are no material departures.

(b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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 loss of the Company for the financial year 2023-2024.

(c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) They have prepared the annual accounts on a going-concern basis.

(e) They have laid down proper internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

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

G. Changes in Directors and Key Managerial Personnel

Mr. T Ramabadhran, Non - Executive - Independent Director of the Company, vacated the office on account of completion of his tenure of second term as the Independent Director of the Company. The Vacation of office was given effect only after the close of business hours of 31st March 2024.

There was no change in the Key Managerial Personnel.

H. Changes in Subsidiaries, Joint Ventures, and Associates

There were no changes in the Subsidiaries, Joint ventures, and Associates during the financial year 2023-2024.

I. Significant or Material Orders Passed by Regulators / Courts

There were no significant or material orders passed by any regulator/ court during the reporting period.

J. Declaration by Independent Directors

The Company has received necessary declarations from Mr. T. Ramabadhran, Mr. A. Janakiraman, Mrs. Sujatha Jayarajan, and Mrs. Drushti Desai independent directors, under Section 149 (7) of the Companies Act 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act 2013 and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and their Declarations have been taken on record.

K. Details in respect of Frauds

The Company's auditors' report does not have any statement on suspected fraud in the company's operations to explain as per Sec. 134(3) (ca) of the Companies Act 2013.

L. Fixed Deposits:

During the year under review, the Company did not raise funds, by way of fixed deposits, from the public.

M. Details of contracts or arrangements with related parties:

The details of contracts or arrangements entered into with related parties along with justification for entering into such contract or arrangement, referred to in sub-section (1) of section 188 in the prescribed form no. AOC 2 is given in Annexure C of this report.

N. Code of Conduct for prevention of Insider Trading:

The Company has a policy viz., "Code of Conduct for prevention of Insider Trading" and the same has been posted on its website www.chemfabalkalis.com. The Company also monitors insider trading activities through vigilant software in accordance with Regulation 5(3) of SEBI (LODR) (Amendment) Regulations 2020.

O. Development and implementation of a Risk Management Policy:

The main objective of Risk Management is risk reduction and avoidance, as also identification of the risks faced by the business and optimizing the risk management strategies. The Company has put in place a well-defined Risk Management framework. The Company has constituted a Risk Management Committee even though the constitution of the same does NOT apply to the Company since it is mandatory only for the top 1000 listed Companies as per the listing regulations. The Risk Management Committee assists the Board in drawing up, implementing, monitoring, and reviewing the Risk Management Plan. The Committee lays down the Risk Assessment and Minimization Procedures and it reviews the Procedures periodically to ensure that the Executive Management controls the risks through a properly defined framework.

The Company has also obtained certification for ISO 14001 and OHSAS 18001 systems to take care of critical operational areas. The Company has also implemented Process Safety Management (PSM). We are the first company in our industry to implement the same.

We are continuing with the publishing of a sustainability report, enhancing our commitment to sustainable development.

P. Technology absorption, Conservation of energy and Research and development:

The detailed note on the technical absorption and conversation of energy and research and development is given in the Management Section, which is forming part of the Annual Report.

Q. Cost Records

Your Company is maintaining cost records and reports pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

AUDIT RELATED MATTERS:

A. Statutory Auditors

M/s. Deloitte Haskins & Sells LLP (Firm Registration No 117366W /W-100018) were re-appointed as Statutory Auditors of the Company for a term of 4 (four) years, to hold office from the conclusion of the 13th Annual General Meeting held on 15th September 2022 till the conclusion of the 17th Annual General Meeting on such professional fees as may be fixed by the Board of Directors as recommended by the Audit Committee in consultation with them.

There are no qualifications or adverse remarks in the Statutory Audit Report which require any explanation from the Board of Directors.

B. Cost Auditor:

As per Sec. 148 (6) of Companies Act 2013 and rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, the applicability of Cost audit is based on the overall annual turnover of the company, from all its products and services during the immediately preceding financial year, being rupees one hundred crores or more. Under Rule 3 of the same Regulations, the maintenance of cost records applies to companies whose aggregate turnover of the individual product or products, or service or services is Rupees thirty-five crores or more.

In conformity with the said provisions of the Companies Act, 2013, the Company has appointed M/s. Madhavan, Mohan & Associates, Cost Auditors, as the Cost Auditor, for the audit of cost accounts for your Company for the year ending 31st March 2024. The remuneration to be paid to him is being ratified at this Annual General meeting.

There are no qualifications or adverse remarks in the Cost Audit Report which require any explanation from the Board of Directors.

C. Secretarial Audit Report:

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. M Damodaran & Associates LLP, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report in Form No.MR.3 for the financial year 2023-2024, is annexed herewith, as Annexure - H

A Certificate from a Company Secretary in practice that none of the directors on the board of the company have 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 is annexed herewith, as Annexure – J.

There were no adverse remarks/observations from the Statutory Auditor or the Secretarial Auditor of the Company that needs the response of the Board.

D. Internal Financial Controls:

Your Company has well-defined and adequate internal controls and procedures, commensurate with its size and the nature of its operations. This is further strengthened by the Internal Audit done concurrently. During the year, the Company got its internal controls over financial reporting and risk management process evaluated by independent consultants.

Besides, the Company has an Audit Committee, comprising Independent and Non-Executive Directors, which monitors systems, controls, financial management, and operations of the Company.

The Audit Committee at its meeting held on 18th May 2023, has evaluated the internal financial controls and risk management system.

E. Internal Auditor:

The Board appointed M/s. V. Shakar Aiyar, Chartered Accountants, as an internal auditor for the Financial Year 2024-2025 based on the recommendations of the Audit Committee.

BOARD COMMITTEE COMPOSITION

The Board has constituted the following committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee.

A. Audit Committee

Pursuant to regulation 18 of SEBI (LODR) Regulations 2015 and the provision of Section 177(8) read with Rule 6 of the Companies (Meeting of Board and its Powers) Rules 2014, the Company has duly constituted a qualified and independent Audit Committee. The Audit Committee of the Board consists of four “Independent Directors” and Two “Non – Independent Directors” as members having adequate financial and accounting knowledge. The composition, procedures, powers, and role/functions of the audit committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards Report.

During the period under review, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors in terms of Section 177(4) of the Act and in terms of Regulation 18 of the SEBI (LODR) Regulations, 2015. It also oversees the vigil mechanism and is obliged to take suitable action against the Directors or employees concerned, when necessary.

A detailed note on the Audit Committee is given in the Corporate Governance Report forming part of the Annual Report.

B. Nomination and Remuneration Committee:

According to Section 178 of the Companies Act, 2013 and in terms of Regulation 19 of SEBI (LODR) Regulations, 2015, the Company has set up a Nomination and Remuneration Committee which has formulated the criteria for determining the qualifications, positive attributes, and independence of a Director and ensures that:

1) The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors having the quality required to run the Company successfully.

2) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

3) Remuneration to Directors, key managerial personnel, and senior management involves a balance between fixed and variable pay, reflecting short-term and long-term performance, objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Policy of your Company is set out and available on your company website www.chemfabalkalis.com. A detailed note on the Nomination and Remuneration Committee is given in the Corporate Governance Report forming part of the Annual Report.

C. Stakeholders' Relationship Committee:

A detailed note on the Stake Holders' Relationship Committee is given in the Corporate Governance Report forming part of the Annual Report.

D. Risk Management Committee:

The Company has constituted a Risk Management Committee even though the constitution of Risk Management Committee does NOT apply to the Company since it is mandatory only for the top 1000 listed Companies as per the listing regulations. The Risk Management Committee assists the Board in drawing up, implementing, monitoring, and reviewing the Risk Management Plan. The Committee lays down Risk Assessment and Minimization Procedures and it reviews the Procedures periodically to ensure that the Executive Management controls the risks through the properly defined framework.

E. Corporate Social Responsibility (CSR) Committee:

The Board has constituted the Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013. The Company is committed to operating in a socially responsible manner in terms of protecting the environment and conserving water resources and energy. Details of the CSR Policy drawn up by the Company and the CSR expenditure and initiatives were taken during the year 2023-24 are given in Annexure – E to this Report.

OTHER MATTERS

A. Particulars of loans, guarantees, or investments u/s 186 of the Companies Act, 2013

During the year under review, the Company did not provide any loans, guarantees or investments u/s 186 of the Companies Act 2013.

During the Financial Year under review the Company has invested ₹ 6,300 Lakhs towards subscription of 6,30,00,000 shares of ₹ 10 each in the form of 0.01% Cumulative Convertible Preference Shares in Chemfab Alkalis Karaikal Limited, a Wholly Owned Subsidiary.

B. Remuneration details of Directors and Employees

The Company's policy on Directors' appointment and remuneration, including criteria for determining qualification, positive attributes and independence of a director and other matters provided under sub-section (3) of section 178, is posted on our company's website in the following link https://chemfabalkalis.com/investors/ and forms part of this Report pursuant to the first proviso of Sec. 178 of the Companies Act 2013.

C. Debentures

During the year under review, the Company has not issued any debentures. As of date, the Company does not have any outstanding debentures.

D. Bonus Shares

During the year under review, the Company has not issued any bonus shares.

E. Borrowings

The Company has outstanding borrowings including IND AS accounting adjustment entries and interest accrued of ₹ 1,832.29 Lakhs during the financial Year ended March 31, 2024.

F. Deposits

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review and as such, no amount on account of principal or interest on public deposits was outstanding as of the balance sheet date.

G. Transfer to Investor Education and Protection Fund

The details of the transfer of unclaimed dividends and the shares for seven consecutive years to the Investor Education and Protection Fund are given in the Corporate Governance Report forming part of the Annual Report, which is also available on the company's website.

H. Credit Ratings

CARE has re-affirmed its rating of "CARE A - Stable" for Long term Bank facilities; and "CARE A2+" for Short term Bank facilities.

I. Code of Corporate Governance

In compliance with the requirement of regulations 24 to 27 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, a detailed report on Corporate Governance is annexed to this report as Annexure – G along with a Certificate from M/s. M. Damodaran & Associates LLP, Practicing Company Secretaries. affirming compliance with the said Code which is appended as Annexure – I.

J. Code of conduct for Directors and Senior Management:

The Board of Directors had adopted a code of conduct for the Board Members and employees of the company. This Code helps the Company to maintain the standard of Business Ethics and ensure compliance with the legal requirements of the Company.

The Code is aimed at preventing any misconduct and promoting ethical conduct at the Board level and by employees. The Compliance Officer is responsible to ensure adherence to the Code by all concerned.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the workplace, in business practices, and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

K. Management Discussion and Analysis Report

In accordance with the requirement of the Listing Regulations, the Management Discussion and Analysis Report is presented in a separate section of the Annual Report, which is appended as Annexure - A.

L. Disclosure on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Sexual Harassment Policy in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Compliant Committee (ICC) has been set up to redress the complaints received in connection with sexual harassment in any form.

All employees (permanent, contractual, temporary, trainees) are covered under this policy.

a. Number of complaints filed during the financial year - NIL

b. Number of complaints disposed of during the financial year – NIL

c. Number of complaints pending as of the end of the financial year – NIL

M. Vigil Mechanism:

The Company has established a vigil mechanism, also called the Whistle Blower Policy, which has been adopted by the Board, applicable to Directors and employees, to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The confidentiality of Whistle Blower shall be maintained to the greatest extent possible. Details of the vigil mechanism are available on our Company's website.

N. Annual Return – MGT – 7

As per the provisions of section 134(3)(a) of the companies Act, 2013, the Annual Return of the Company is available on our website at www.chemfabalkalis.com/investors

O. Employees' Stock Option Scheme 2015

The Shareholders of the Amalgamated entity Chemfab Alkalis Limited had approved the Employees' Stock Option Scheme titled "CAESOS – 2015" through Postal Ballot on March 05, 2016. "CAESOS-2015" complies with SEBI (Share Based Employee Benefits) Regulations, 2014. The details are available on our website www.chemfabalkalis.com.

The purpose of the Scheme is:

i) to attract, retain and motivate talented and critical employees.

ii) to encourage employees to align individual performance with the Company's objectives, and

iii) to reward employee performance with ownership.

The details of CAESOS – 2015 form part of the Notes to Accounts of the Financial Statements in this Annual Report.

As per the approval given by the Shareholders of Chemfab Alkalis Limited, the Options granted to the employees of the amalgamated Company Chemfab Alkalis Limited also carry the eligibility of application of the Swap ratio of 10:7 (i.e., 10 shares of ₹ 10 each for every 7 shares of ₹ 5 each held) mentioned in the Scheme of Amalgamation of erstwhile Chemfab Alkalis Limited to the Company approved by the NCLT vide its Order dated 30.03.2017. Shares allotted during the reporting period under the employee stock option scheme are as provided below:

Particulars	No. of shares allotted
During the FY 2018 – 19	60,000
During the FY 2019 – 20	59,000
During the FY 2020 – 21	1,19,999
Total shares allotted under CAESOS – 2015	2,38,999

Price at which shares were issued: ₹ 52.43

Diluted EPS – ₹ 46.26/- (Standalone), Diluted EPS – ₹ 45.12/- (Consolidated)

Equity Shares with differential voting rights: NA; Sweat Equity Shares: NA

Details of voting rights not exercised: NA.

P. Employees' Stock Option Scheme 2020

At the 11th Annual General Meeting held on 29th July 2020, the Shareholders approved Employee Stock Option Scheme ('CAESOS -2020') covering 4,00,000 equity shares. There have been no material changes to the Scheme during the year under review. The relevant disclosures pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 is forming part of Annual report.

Your Company has received a certificate from the Secretarial Auditors of the Company that ESOP Schemes viz., CAESOS -2015 and CAESOS -2020 has been implemented in accordance with Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014 and the resolution(s) passed by the Members of the Company.

During the Financial Year 2023-2024 the Company has allotted 44,600 equity shares under Employee Stock Option Scheme ('CAESOS -2020').

Q. Green initiatives

Pursuant to the Ministry of Corporate Affairs (MCA) circulars dated April 08, 2020, April 13, 2020, and May 05, 2020, the Company is providing the facility of remote e-voting to its members in respect of the business to be transacted at the AGM. Electronic copies of the Annual Report 2023-2024 and Notice of the fifteenth 15th Annual General Meeting are sent to all the members whose email addresses are registered with the Company/Depository Participant(s). Further, the soft copy of the Annual Report (in pdf format) is also available on our website https://chemfabalkalis.com/investors/

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Listing Regulations, the Company is providing an e-voting facility to all members to enable them or their nominees to cast their votes electronically on all resolutions outlined in the notice. The instructions for e-voting are provided in the notice.

R. Statement on Secretarial Standards

The Company is adopting compliances of applicable secretarial standards and other secretarial standards to ensure good governance.

S. Human Resources

Employee relations continue to be cordial and harmonious at all levels and in all the divisions of the Company. The Board of Directors would like to express their sincere appreciation to all the employees for their continued hard work and dedication.

The number of Direct employees as of March 31, 2024, was 210. The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure - F to the Board's Report.

T. Details of application made or proceedings under IBC 2016 during the year:

The Company has not applied any application under Insolvency and Bankruptcy code,2016.

U. Details of one-time settlement and the valuation done while taking loan from Banks and Financial Institutions:

The company has not entered into a one-time settlement with any Banks & Financial Institutions during the Financial Year 2023-24.

Acknowledgment

The Directors thank the Shareholders, Customers, Dealers, Suppliers, Bankers, Financial Institutions and all other business associates for their continued support to the Company and the confidence reposed in its Management. The Directors also thank the Government authorities for their co-operation. The Directors wish to record their sincere appreciation of the significant contribution made by the CCAL mates at all levels to its successful operations

By Order of the Board of Directors
For **Chemfab Alkalis Limited**

Sd/-
Suresh Krishnamurthi Rao,
Chairman
DIN: 00127809

Place: Chennai
Date: 08th August 2024

ANNEXURE – A

Management Discussion and Analysis

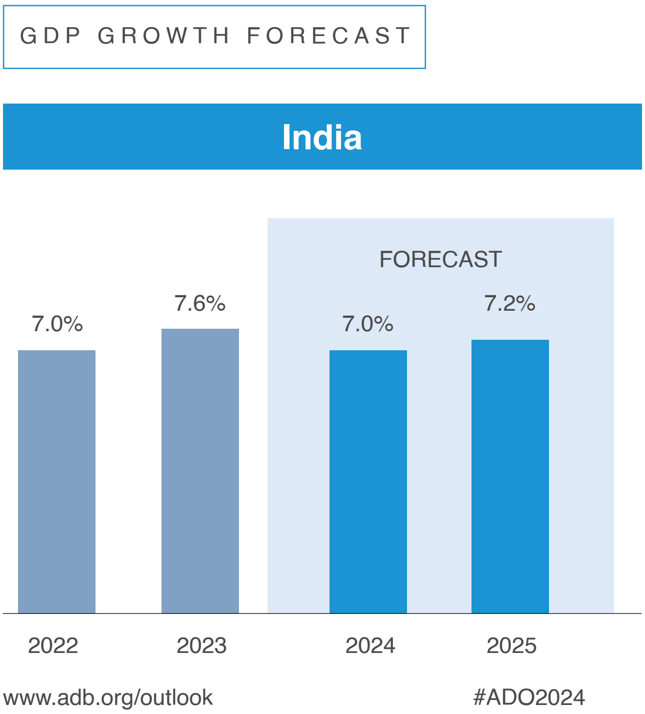
Indian Economy review

Despite facing challenges such as subdued external demand, persistent geopolitical tensions, and fluctuations in global financial markets, the Indian economy exhibited remarkable resilience during FY 2023-24. The Indian economy recorded real GDP growth above 7%, consecutively for the third year. According to the estimates of National Statistical Office (NSO), India's economy has expanded 7.8% in Q4, lifting the growth rate of FY2024 to 8.2%. This growth can be attributed to the Government's focus on increasing capital expenditure, a steady uptick in urban demand and a resurgence in rural spending.

The strength of urban demand was evidenced by a surge in passenger vehicle sales, increased transactions through credit and debit cards, domestic air travel surpassing pre-pandemic levels comfortably and a noteworthy rise in housing purchases. Additionally, the surge was further complemented by substantial growth in investment, particularly in Gross Fixed Capital Formation. With the Government's heightened focus on capital formation, it is expected to enhance infrastructure development.

On the rural front, upswing in tractor and two-three-wheeler sales, along with a surge in the volume of fast-moving consumer goods (FMCG), indicated a notable improvement in rural demand. This holistic momentum in both urban and rural sectors underscores India's economic resilience and potential for sustained growth in the forthcoming years.

Asian Development Outlook April 2024



Outlook

Looking ahead, the Indian economy is expected to maintain its positive growth trajectory, supported by the Government's continued emphasis on capital spending alongside fiscal discipline. Additionally, factors such as robust corporate finances, increasing capacity utilisation, double-digit credit expansion, a resilient financial sector and ongoing decline in inflation, are expected to drive growth.

On the backdrop of a robust Indian economy, the Indian chemical industry recorded a market size of approximate $215 Bn. It is expected that the market will reach $300 Bn by 2025. Rising disposable income, urbanisation, increasing demand from rural areas, are being considered the growth drivers for the market in the forthcoming years.

Industry Overview

Chlor-alkali Industry [1]

The Chlor-alkali market is projected to achieve a valuation of USD 120 billion by 2030, marking a substantial growth with a Compound annual Growth Rate (CAGR) of 5.7% between 2024 and 2030. The Chlor-alkali process, an industrial method involving the electrolysis of sodium chloride solution to yield chlorine and sodium hydroxide, supports this market. Notably, Chlor-alkali chemicals serve as crucial raw materials across various sectors including water purification, fertilisers, detergents and pharmaceuticals. The burgeoning demand from these end-use industries emerges as a primary catalyst propelling market expansion.

In CY 2024, a surge in caustic soda prices across Latin America and Asia is anticipated, driven by notable improvements in the downstream market. This can be further worsened by the implementation of price hikes by Asian market players. occuLooking forward, the cost of caustic soda flakes is subject to fluctuations, primarily dependent on the downstream market demand. This volatility may lead to an overall positive shift in caustic soda prices in the coming weeks.

Oriented PVC Pipes (PVC-O PIPES) [2]

Oriented PVC pipes [3]

The Polyvinyl Chloride (PVC) pipes market in India, valued at USD 5.42 billion in FY 2023, is anticipated to witness significant growth with revenue of nearly USD 8.05 billion by 2030. This growth is projected to be driven by a Compound Annual Growth Rate (CAGR) of 5.81% from 2024 to 2030.

PVC pipes, characterised by their white plastic appearance, serve as essential component in plumbing and drainage systems. Positioned as a preferred alternative to metal piping,

[1] https://www.industryarc.com/Research/Chlor-alkali-Market-Research-500301

[2] https://www.chemanalyst.com/NewsAndDeals/NewsDetails/caustic-soda-market-to-sustain-a-positive-outlook-for-april-2024-27271

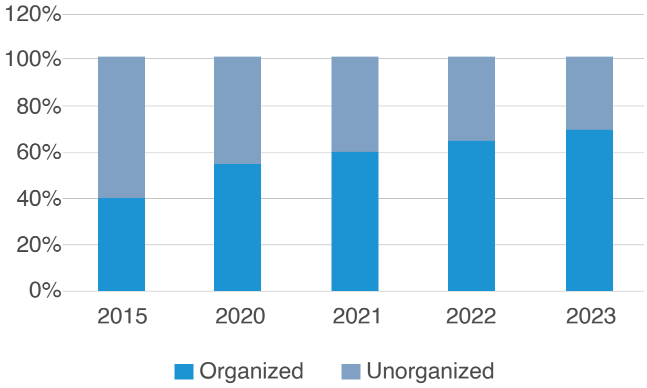
[3] https://www.maximizemarketresearch.com/market-report/india-pvc-pipes-market/21311/

these pipes are renowned for their durability, longevity, ease of installation and cost-effectiveness.

Despite an annual production volume of nearly 40 million metric tonnes, PVC's application is predominantly limited to small and medium water networks with pressure up to 16 bar. This constraint arises from PVC's inherent brittleness and limited impact resistance. However, the PVC pipes market is poised for acceleration, fuelled by significant challenges encountered by regional and unorganised players, such as sourcing raw materials and managing working capital amidst escalating PVC resin costs.

Amidst these challenges, major stakeholders in the PVC pipes market in India stand to benefit from the industry's transition towards organised segments. This transition promises more efficiency, sustainability, and competitiveness within the market.

Growth Momentum: Organized Players Lead in India's PVC Pipes Market



Company Overview

Chemfab Alkalis Limited (CCAL) stands as a pioneer in India's chemical industry, marked by the establishment of the nation's first membrane cell plant for Chlor-alkali production. CCAL has consistently led the charge in introducing and implementing innovative technologies thus maintaining its position at the industry's forefront. Through substantial investments to improve the process and enhance the quality, CCAL has remained technologically advanced since its inception.

Founded by Dr. Rao in 1985, CCAL boasts a plethora of achievements and has earned global recognition for its innovative endeavours in the Chlor-alkali sector. Notably, the adoption of membrane technology at the Kalapet facility has catalysed sector-wide reforms, mandating the adoption of this technology in all the new and expanding Chlor-alkali plants across India.

CCAL has spearheaded innovations aimed at enhancing both environmental sustainability and societal well-being. Through collaborative efforts with local communities and a team of talented individuals, CCAL takes pride in its pioneering contributions to technology and society alike, shaping a brighter future for all.

Plants and Offerings

Periya Kalapet

Located at Gnanananda, Periya Kalapet, Puducherry, the Chlor-alkali Division of CCAL specialises in the manufacturing of Chlor-alkali chemicals. Since its establishment in 1985, CCAL has been at the forefront of implementing cutting-edge and eco-friendly technologies at its plant, achieving several milestones in the process.

In 1985, CCAL became the first plant in India to introduce and successfully implement ion exchange membrane cell technology for Chlor-alkali production. Additionally, in 2014, it became the first plant in India to transition to BiTAC® electrolysers, marking yet another milestone in technological advancement.

The health, environmental and safety measures along with their sustainability initiatives undertaken at the Kalapet plant have surpassed industry standards in India. CCAL holds the distinction of being the first plant in the country to fully implement all 14 elements of Process Safety Management as per Occupational Safety and Health Administration (OSHA) guidelines. Moreover, it was also the first plant in India to receive certification under ISO 14001 and occupational health and safety assessment series (OHSAS) 18001 management systems.

Furthermore, CCAL's quality assurance department is accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL), with its scope covering all of their products. The caustic soda produced by CCAL is certified by the Bureau of Indian Standards (BIS), reaffirming the company's commitment to product excellence and compliance with regulatory standards.

Salt Division-1

Located in Tamil Nadu, approximately 30 kilometres from CCAL Puducherry, Salt Division-1 expands across two salt fields: Kanthadu in the Villupuram District and Chunampet in the Kanchipuram District. The Kanthadu segment encompasses 1,223 acres, while Chunampet covers 450 acres.

Positioned in India's southernmost state along the coast, this area is ideally suited for salt production. Salt Division-1 assumed its operations in 1992. Its primary objective is to produce industry grade salt for utilisation at CCAL, situated in Kalapet, Puducherry.

PVC-O pipe plant

The Oriented PVC (PVC-O) pipe with homogenous Spigot represents a cutting-edge polymer product designed for high-pressure water conveyance in pumping mains. These pipes have been recently introduced to the Indian market. PVC-O is essentially a plastic material with metallic properties and it offers an alternative to traditional metal pipes.

Committed to technological advancement, CCAL established a state-of-the-art facility dedicated to the production of high quality PVC-O pipes. Operating as a zero-discharge plant, this facility ensures minimal impact on the environment, reflecting CCAL's promise of sustainability.

The new PVC-O plant is situated in Sri City, Tada, which is an ideal location for this venture as it is an integrated business township. While currently operating with one line, the plant holds potential for expansion to accommodate up to six lines. The initial line, currently has a production capacity of 3,000 Metric Tonnes per Annum (MTA).

Moreover, the manufacturing process of PVC-O pipes adheres to the standards mentioned in Indian stabdard (IS) 16647 – 2017, ensuring compliance with established quality benchmarks.

Opportunities and Challenges

Opportunities

Chemical

[4]April 2024 witnessed an uptick in caustic soda prices across Latin America and Asia, propelled by an improvement in downstream market trend. Adding to this, Asian market players have initiated price hikes. Consequently, interest in flake caustic soda within the market has dwindled. Looking forward, the price trajectory of caustic soda flakes is anticipated to remain susceptible to fluctuations, primarily dictated by downstream market demand. This volatility may result in a moderate positive shift in Caustic Soda prices in the coming weeks.

PVC

[5]The outlook for the global PVC (Poly Vinyl Chloride) pipe market appears favorable, presenting opportunities across the residential, industrial, and commercial construction sectors. Projections indicate that the global PVC pipe market is poised to achieve a valuation of approximately $78.6 billion by 2030, with a forecasted Compound Annual Growth Rate (CAGR) of 5% from 2024 to 2030.

Challenges

Chemical

[6]The energy-intensive nature of caustic soda production has been significantly impacted by the recent surge in energy prices, stemming from the Russia-Ukraine conflict. This escalation has led to a reduction in production levels and constraints on supply. As energy prices continue to soar, the costs associated with plastic production have risen, consequently dampening demand for chlorine and subsequently affecting the availability of caustic soda, a pivotal component in the chlorine manufacturing process.

Historically, caustic soda supplies have been largely derived from byproducts of plastics and polymers utilised in industries such as automotive and construction. However, with the persistent rise in energy prices, the production of plastics has become increasingly costly. This, coupled with escalating inflation and economic slowdown, has led to diminished demand for new housing and automobiles, exacerbating the impact on caustic soda availability.

PVC

[7]Meeting rigorous regulatory standards and certifications pertaining to quality, safety, and environmental impact can present notable challenges for manufacturers of uPVC pipes. These challenges often necessitate substantial investments in research and development, as well as diligent efforts to maintain consistent product quality.

Financial Analysis

During the year, the realisation for the Chemical Division increased substantially which resulted in a increase in sales turnover and profitability of the company. However, the off take of pipes in the PVCO segment remained dull leading to decreased operational capacity. Further, the PVC resin prices remaining high during the major part of the FY and the high prices of Industrial Grade Salt, impacted the margins [to be updated]

Ratios

S. No.	Ratio Analysis	FY 23-24	FY 22-23	Variance	Variance %	Remarks
(i)	Debtors Turnover Ratio (Times) (Revenue from operations / Average Trade Receivables)	15.24	15.35	-0.11	-1%	No Major Variance
(ii)	Inventory Turnover Ratio (Times) (Revenue from operations / Average Inventories)	20.22	23.03	-2.81	-12%	No Major Variance
(iii)	Interest Coverage Ratio (Times) (EBIT / Finance Cost)	46.80	400.50	-353.70	-88%	There is a decrease in ratio due to increase in finance cost and decrease in EBIT
(iv)	Current Ratio (Times) (Current Assets/ Current Liabilities)	1.03	2.74	-1.71	-62%	Decreased mainly due to decrease in current investments under the head current assets
(v)	Debt Equity Ratio (Times) (Current + non-current borrowing and lease liability / total equity)	0.05	0.01	0.04	400%	There is an increase in debt equity ratio on account of increase in borrowings in the current year

[4] https://www.chemanalyst.com/NewsAndDeals/NewsDetails/caustic-soda-market-to-sustain-a-positive-outlook-for-april-2024-27271

[5] https://finance.yahoo.com/news/pvc-pipe-market-trends-opportunities-231500127.html

[6] https://www.gep.com/blog/mind/why-caustic-soda-can-be-the-next-major-shortage-in-the-chemical-industry#:~:text=Also%2C%20tightening%20production%20rates%20along,increases%20in%20winter%20electricity%20costs.

[7]https://www.tmtplus.co.in/global-upvc-pipe-market-analysis-growth-drivers-and-challenges/#:~:text=Compliance%20with%20stringent%20regulatory%20standards,and%20ensuring%20consistent%20product%20quality.

S. No.	Ratio Analysis	FY 23-24	FY 22-23	Variance	Variance %	Remarks
(vi)	Operating Profit Margin (%) (Profit before exceptional items - Other Income / Revenue from Operations)	10.65%	26.88%	-0.16	-60%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(vii)	Net Profit Margin (Profit for the year / Revenue from Operations)	9.16%	19.98%	-0.11	-54%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products

The above ratio comparison is based on standalone financial statements.

Risks and concerns

For the Chlor-Alkali business dependence on grid power continues to be a risk. Though the Puducherry power scenario remains reasonably stable, the possibility of the increase in the cost of power is a concern in the long run. On the other hand, for the PVCO Pipes business, delay in implementation of the govt projects is a potential risk. [to be updated if there are any other risks came to light for the year under review]

Internal control system

The Company has well-defined and adequate internal controls and procedures, commensurate with its size and the nature of its operations. This is further strengthened by the Internal Audit done concurrently. Besides, the Company has an Audit Committee, comprising Non-Executive Directors, to monitor its financial systems, controls, management, and operations. The Company has obtained certification for ISO 14001 and OHSAS 18001 systems to take care of critical operational areas. We also engage the services of professional Consultants to continuously analyse and upgrade our operations. The Company has also implemented Process Safety Management (PSM). Also, Sustainability Reporting has been carried out enhancing our commitment to sustainable development.

Disclaimer

The statements made in this Report on Management Discussion and Analysis, describing the Company's views may be forward looking statements within the meaning of the applicable security regulations and laws. These statements are based on certain expectations on demand, imports, availability, and cost of power, etc. and any change in Government laws and the economic situation in the country would have its impact on the Company's operations. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in the future for reasons beyond its control.

ANNEXURE – B

FORM NO. AOC.1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES (PURSUANT TO THE 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 subsidiary to be presented with amounts in Rs. In Lakhs.)

Name of the Subsidiary	Chemfab Alkalis Karaikal Limited
The reporting period for the subsidiary concerned, if different from the holding company’s reporting period	2023-2024
Reporting Currency and Exchange rate as of the last date of the relevant financial year in the case of foreign subsidiaries	NA
Equity Share capital	532.00
Other Equity	(562.51)
Total Assets	10,743.60
Total Liabilities	10,774.11
Investment	85.72
Turnover	0.90
Profit before taxation	(348.03)
Provision for taxation	18.38
Profit after taxation	(366.41)
Proposed Dividend	-
% of shareholding	100%

Note: Your Company had incorporated, a wholly-owned subsidiary namely ‘Chemfab Alkalis Karaikal Limited’ on 19.12.2019 to manufacture all types of chemicals, chemical compounds, and chemical products including, but not limited to alkali, acids, Acids, Bases, Solvents, Alcohols, Gases, Ethers, Aliphatics, Aromatics, Aldehydes Ketones, Amines, Alkaloids, caustic soda, Potassium Chlorate, Sodium Chlorate, Perchlorate, other chemicals and their by-products or derivatives in all forms and kinds.

During the Financial Year under review on 15th June 2023, the Company the Company has registered an undeveloped land comprising of 65 acres (2,63,055 sqm) located at extreme Southwest corner of the layout at Industrial Growth Centre, Polagam, Karaikal on a premium lease basis for 30 years initially and extendable up to a maximum period of 99 years, for setting up of a unit for the manufacture of “Caustic Soda Lye and Chlorine derivatives”.

Part “B”: Associates and Joint Ventures

There are no associates and JVs to your company during the reporting period.

Sd/-
Suresh Krishnamurthi Rao,
Chairman
DIN: 00127809
Place: Chennai
Date : 08th August 2024

ANNEXURE – C

AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements, or transactions entered during the year ended March 31, 2024, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

There were no material contracts or arrangements, or transactions entered during the year ended March 31, 2024.

Sd/-
Suresh Krishnamurthi Rao,
Chairman
DIN: 00127809
Place: Chennai
Date : 08th August 2024

ANNEXURE – D

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A. Conservation of Energy

Particulars	Details
(i) The steps taken or impact on conservation of energy	VFD operations, Lighting LED Conversion, Energy Efficient AC's replacement, and other operational controls has resulted in savings of 12.79 Lakhs of Units during FY 23-24.
(ii) The steps taken by the company for utilising alternate sources of energy	1. 220KWp Roof Top Solar at CCAL Pondy has resulted in Generation of 291504 Units. 2. 225KWp Roof Top Solar at CCAL Sricity has resulted in Generation of 253730 Units. 3. Solar power procurement through LTOA has been carried out through PED grid for 17956548 Units.
(iii) The capital investment on energy conservation equipments	Capital investment on Energy conservation initiatives was Rs.8.77 Lakhs during FY 23-24.

B. Technology Absorption

Particulars	Details
(i) The efforts made towards technology absorption	Invested in a machine in Making 3.3-3.4 Kgs bricks for commercial application.
(ii) The benefits derived like product improvement, cost reduction, product development, or import substitution	Brine Quality improvement meeting international standards. Expected improvement longer membrane life and improved anode life.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a) the details of technology imported b) the year of import. c) whether the technology been fully absorbed. d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not applicable

C. Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	Amount
Foreign exchange earnings	Rs. 92.26 Lakhs
Foreign Exchange outgo	Rs. 5356.52 Lakhs

Sd/-
Suresh Krishnamurthi Rao,
Chairman
DIN: 00127809
Place: Chennai
Date : 08th August 2024

ANNEXURE – E

REPORT ON CSR ACTIVITIES FOR THE FY 2023 - 24

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. A brief outline on CSR Policy of the Company:

A brief outline of the company's CSR Policy, including an overview of projects or programs proposed to be undertaken and a reference to the Web-link to the CSR Policy and Projects or Programs.

The Company will take up community and socially focused activities, with Particular emphasis on the following activities, hereinafter referred to as "CSR activities"

I. Promoting preventive and general health care, sanitation including contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation and provision of safe drinking water.

II. Promoting education by providing financial assistance to deserving educational institutions, meritorious students, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently-abled, promoting livelihood enhancement projects and road safety projects with special emphasis on driver training programmes.

III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, daycare centers, and such other facilities for senior citizens.

IV. Ensuring environmental sustainability, ecological balance, protection of Flora and Fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining the quality of soil, air, and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of the Ganga.

VII. Contributing to rural development projects; and

VIII. Such other activities and projects are covered in Schedule VII to the Companies Act, 2013 and notifications made by the Ministry from time to time.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr.C.S.Ramesh	Chairman and Non –Independent Director	1	1
2	Mr.T.Ramabadhran	Member –Non Executive Director	1	1
3	Mr.A.Janakiraman	Member –Non Executive Director	1	1
4	Mrs.Sujatha Jeyarajan	Member –Non Executive Director	1	1
5	Mr. R. Mahendran	Member –Non Executive Director	1	1
6	Mr.Nitin Cowlagi	Member –Non Executive Director	1	1

3. Web link where the Composition of the CSR committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the company.

- CSR Policy Link: https://chemfabalkalis.com/wp content/uploads/2019/04/policies-Policy-for-Corporate-Social-Responsibility.pdf
- Composition of CSR Committee Link: https://chemfabalkalis.com/wp-content/uploads/2019/04/policies-Policy-for-Corporate-Social-Responsibility.pdf
- CSR Project Link: https://chemfabalkalis.com/wp-content/uploads/2019/04/policies-Policy-for-Corporate-Social-Responsibility.pdf

4. Details of the 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).

Not applicable.

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

22,59,903

6. Average net profit of the company as per section 135(5).

- Rs. 460227500

7. (a) Two percent of average net profit of the company as per section 135(5) Rs. 92,04,550

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

(c) Amount required to be set off for the financial year if any: 22,59,903

(d) Total CSR obligation for the financial year (7a+7b- 7c). Rs. 72,63,780

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

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 72,63,780	-	-	-	-	-

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

Sl. 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 Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				state	District						Name	CSR Registration number
NIL												

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

Sl. No.	Name of the Project	The 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 Rs.).	Mode of implementation Direct (Yes/No).	Mode of implementation Through implementing agency.	
				state	District			Name	CSR Registration number
1	Rural Development Projects	Schedule VII (X)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	25,98,360	Yes	-	-
2	HealthCare	Schedule VII (i)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	15,576	Yes	-	-
3	HealthCare	Schedule VII (i)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	5,01,000	No	LOTUS FOUNDATION	CSR00021575
4	Ensuring Environment Sustainability	Schedule VII (iv)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	2,62,045	Yes	-	-

Sl. No.	Name of the Project	The 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 Rs.).	Mode of implementation Direct (Yes/No).	Mode of implementation Through implementing agency.	
				state	District			Name	CSR Registration number
5	SAFE DRINKING WATER	Schedule VII (i)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	5,53,000	Yes	-	-
6	Education and Training	Schedule VII (ii)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	1,00,000	Yes	-	-
7	Education and Training	Schedule VII (ii)	Yes	Puducherry	Puducherry	16,00,000	No	ATCHAYA AGRO EDUCATIONAL DEVELOPMENT & CHARITABLE TRUST	CSR00050594
8	Education and Training	Schedule VII (ii)	Yes	TamilNadu	TamilNadu	5,00,000	No	GIVING MATTERS FOUNDATION	CSR00021576
9	Eradicating Hunger, Poverty and Malnutrition	Schedule VII (i)	Yes	Puducherry/ Tamilnadu	Puducherry/ Tamilnadu	11,33,800	No	ANNAPRA DOKSHANA CHARITABLE TRUST	CSR00021576
	TOTAL					**72,63,780**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 72,63,780

(g) Excess amount for set-off, if any Rs. 47,27,791

Sl. No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	92,04,550
(ii)	Total amount spent for the Financial Year	72,63,780
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(19,40,770)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	22,59,903
(v)	The amount available for set off in succeeding financial years	3,19,133

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 Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if ny.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
				NIL			

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

10. In case of creation or acquisition of the capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(Asset-wise details).

Sl. No.	(a) Date of creation of asset	(b) amount of CSR spend (Rs.)	(c) details of beneficiary	(d) details of capital assets
		NIL		

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

Sd/-

C. S Ramesh
(Chairman of CSR Committee)
DIN : 00019178

Place: Chennai
Date : 22nd May 2024

ANNEXURE – F

REMUNERATION DETAILS

DISCLOSURE PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

The Information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as below:

(i) the ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year

Amount Rs. in Lakhs

Sl. No.	Name of Director	Remuneration FY 2023-24	Median Remuneration of Employees FY 2023-24	Ratio
1	Mr. Suresh Krishnamurthi Rao	530.00	5.88	90.14
2	Mr. C. S. Ramesh	11.62	5.88	1.98
3	Mrs. Drushti Desai	12.00	5.88	2.04
4	Mr. Janakiraman A	11.78	5.88	2.00
5	Mr. Mahendran R	11.08	5.88	1.88
6	Mrs. Sujatha Jayarajan	11.48	5.88	1.95
7	Mr. T. Ramabadhran	12.07	5.88	2.05
8	Mr. Nitin S Cowlagi	11.47	5.88	1.95

(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year.

Sl. No.	Name of Director	Remuneration FY 2023-24	Remuneration FY 2022-23	% Increase/ (Decrease)
1	Mr. Suresh Krishnamurthi Rao	530.00	371.00	42.86%
2	Mr. C.S. Ramesh	11.62	9.63	20.66%
3	Mrs. Drushti Desai	12.00	9.08	32.16%
4	Mr. Janakiraman A	11.78	8.88	32.66%
5	Mr. Mahendran R	11.08	8.55	29.59%
6	Mrs. Sujatha Jayarajan	11.48	8.95	28.27%
7	Mr. T. Ramabadhran	12.07	9.63	25.34%
8	Mr. Nitin S Cowlagi	11.47	8.18	40.22%
9	Mr. V.M Srinivasan, CEO	200.79	191.81	4.68%
10	Mr. Prasath S, CFO	53.57	46.03	16.38%
11.	Mr. B Vignesh Ram	17.24	15.74	9.53%

(iii) the percentage increase in the median remuneration of employees in the financial year

Particulars	FY 2023-24	FY 2022-23	% Increase/ (Decrease)
Employees Salary	2,195.74	1,853.54	18.46%
Managerial Remuneration	611.50	433.90	40.93%

(iv) Number of permanent employees on the rolls of company – 210

(viii) average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof, pointing out if there are any exceptional circumstances for increase in the managerial remuneration.

Particulars	FY 2023-24	FY 2022-23	% Increase/ (Decrease)
Employees Salary	2,195.74	1,853.54	18.46%
Managerial Remuneration	611.50	433.90	40.93%

(xii) affirmation that the remuneration is as per the remuneration policy of the Company.

(item (v) (vi) (vii) (ix) (x) (xi) Omitted by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 Dated 30th June, 2016.

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Employee Name	Designation & Nature of Employment	Qualification and Experience (in years)	Age	Date of Joining & Previous Employment details	Remuneration (Rs. In lakhs)	Percentage of equity shares held	whether the employee is a relative of any director or manager of the company
Mr. V.M. Srinivasan	CEO (Permanent Employee)	B.Sc, MBA Experience – 30 Years	58	26/04/2017 Previous Employment – CEO, the erstwhile amalgamated Company Chemfab Alkalis Limited and Floking Pipes	200.79	1.3275%	No

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN

Statement pursuant to Section 134 of the Companies Act 2013, read with rule 5(2) and 5(3) of the Companies Act (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules 2016 Statement as per rule 5(2) of the above-said rule.

REMUNERATION:

As prescribed under Section 197(12) of the Companies Act, 2013 ("Act") and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details are given in Annexure G. In terms of provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing names of the employees, age, designation, drawing remuneration, nature of employment, qualification, experience, date of commencement of employment, last employment, and other particulars in terms of the said Rules is available for inspection at the Registered Office of the Company during working hours and any member who is interested in obtaining these particulars may write to the Company Secretary of the Company via email: ccalcosecy@ccal.in

ANNEXURE – G

REPORT ON CORPORATE GOVERNANCE

FOR THE YEAR ENDED MARCH 31, 2024

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The term 'Governance' refers to the way in which something is governed and the function of governing, and the term 'Corporate Governance' refers to how companies are governed and to what purpose. It is concerned with practices and procedures for trying to ensure that a company runs in such a way that it achieves its mission and goals. It includes maximizing the wealth of the shareholders subject to various guidelines and constraints.

In other words, the term 'Corporate Governance' stands for a commitment to values and ethical business conduct. It is information to outsiders showing how an organization is managed. This includes its corporate structure, its culture, policies, and the way it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial performance, ownership, and material developments in respect of the Company are integral parts of Corporate Governance. Adoption of good Corporate Governance practices helps to develop a good image of the organization, attracts the best talents, and keeps the stakeholders satisfied.

Your Company has been practicing the principles of good Corporate Governance over the years and has been upholding fair and ethical business and corporate practices and transparency in its dealings, emphasizing scrupulous regulatory compliances.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company believes that sound Corporate Governance is critical to enhance and retain investors' trust.

Accordingly, your Company seeks to achieve its goals with integrity and fairness. The Company's philosophy is based on Accountability, Ethical conduct, Compliance with statutes, Interest of all stakeholders, Transparency, and Timely disclosure. The objective is to institutionalize Corporate Governance practices that go beyond adherence to the regulatory framework.

The Company is in full compliance with the requirements under Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company is committed to adhering to the norms of Corporate Governance consistently for meeting all its obligations towards the stakeholders.

2. BOARD OF DIRECTORS

The Company's Board consists of Eight Directors, all of whom are Non-Executive Directors.

Sl. No	Name of Directors	Category	Date of appointment
1	Mr. Suresh Krishnamurthi Rao	Promoter, Non - Independent Director	26.04.2017
2	Mr. C.S. Ramesh	Non – Independent Director	26.04.2017
3	Mr. R. Mahendran	Non - Independent Director	14.03.2016
4	Mr.Nitin S Cowlagi	Non – Independent Director	04.06.2020
5	Mr. A. Janakiraman	Independent Director	26.04.2017
6	Mrs. Drushti Desai	Independent Director	26.04.2017
7	Mrs. Sujatha Jayarajan	Independent Director	26.04.2017
8	Mr. T. Ramabadhran	Independent Director	27.06.2019

Mr. T Ramabadhran, Non - Executive - Independent Director of the Company, vacated the office on account of completion of his tenure of second term as the Independent Director of the Company. The Vacation of office was given effect only after the close of business hours of 31st March 2024.

The Company is Board-managed, and it has no Managing Director, Whole-Time Director, or Manager. The day-to-day affairs are managed by the Chief Executive Officer (CEO) of the Company, under the direct supervision of the Board.

The Overall performance of the Company, including the financial performance of the Company has been provided under the management section, forming part of this annual report.

The Key Managerial Personnel of the Company

Name of the Personnel	Designation
V.M. Srinivasan	Chief Executive Officer
S. Prasath	Chief Financial Officer
B. Vignesh Ram	Company Secretary

The composition of the Board, the categorization of Directors, the number of Board meetings held during the Financial Year, 2023-24, attendance at the Board meetings and the last Annual General Meeting, and the number of Directorships and Memberships/ Chairmanships in other public companies held by the Directors as on 31st March 2024 are given below:

A. I) INFORMATION ON BOARD OF DIRECTORS AND ATTENDANCE

Sl No	Name of Directors (Mr./Mrs.)	Category of Directorship	No. of Equity Shares held	No. of Board Meetings		No. of Other Director -ship *	No. of other Committee		Attendance of last AGM
				Held	Attended		Member	Chairman	
1	Suresh Krishnamurthi Rao	Non - Independent	14,24,423	5	5	2	0	0	NO
2	C. S. Ramesh	Non - Independent	58	5	5	1	0	0	YES
3	R. Mahendran	Non - Independent	0	5	5	0	0	0	YES
4	Nitin S Cowlagi	Non - Independent	56,142	5	5	1	0	0	YES
5	Sujatha Jayarajan	Independent	0	5	5	2	2	0	YES
6	Drushti Desai	Independent	0	5	5	5	4	0	YES
7	A. Janakiraman	Independent	0	5	5	0	0	0	YES
8	T. Ramabadhran	Independent	142	5	5	2	0	0	YES

* The Directorships and membership in Committee held by the Directors as mentioned above do not include Chemfab Alkalis Limited, and Alternate Directorships and Directorships of Foreign Companies.

Please refer to http://www.chemfabalkalis.com/pdf-2015/Indpdt-Directors-Famlrzn-Prog.pdf for familiarization program imparted to Independent Directors.

Appointment of Independent Directors

The Independent Directors meeting held on 25th February 2024 reviewed the performance of Non – Independent Directors and the Board as a whole and the performance of the Chairperson – considering the view of other Non – Independent Director(s) and assessed the quality, quantity, and timeliness of the flow of information between the company management and the Board. www.chemfabalkalis.com/investors.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI Listing Regulations and they are independent of the Management.

Details of Meeting of Independent Directors are as follows:

The Independent Directors met on 25th February 2024 and reviewed the performance of non – independent Directors and the Board of directors as a whole. They reviewed the performance of the Chairperson – considering of view of other Non – Independent Directors and assessed the quality, quantity, and timeliness of the flow of information between the company management and the Board.

Sl. No	Name of the Director	Number of Meeting	Attended
01.	T. Ramabadhran	1	1
02.	A. Janakiraman	1	1
03.	Sujatha Jayarajan	1	1
04.	Drushti Desai	1	1

A. II) INFORMATION ON BOARD OF DIRECTORS ON OTHER LISTED COMPANIES

Sl. No	Name of the Director	No. of the Directorship in other listed Companies	Name of the listed entities in which he/she is director	Category of Directorship
01.	Suresh Krishnamurthi Rao	-	-	-
02.	C. S. Ramesh	-	-	-
03.	R. Mahendran	-	-	-

Sl. No	Name of the Director	No. of the Directorship in other listed Companies	Name of the listed entities in which he/she is director	Category of Directorship
04.	Nitin S Cowlagi	-	-	-
05.	Sujatha Jayarajan	1	1. Thejo Engineering Limited	1. Independent Director
06.	Drushti Desai	3	1. Kewal Kiran Clothing Limited 2. Narmada Gelatines Limited 3. Amal Limited	1. Independent Director 2. Director
07.	A. Janakiraman	-	-	-
08.	T. Ramabadhran	-	-	-

B. THE NUMBER OF BOARD MEETINGS HELD DURING THE YEAR ALONG WITH THE DATE OF THE MEETINGS:

During the Financial Year 2023-24, five meetings of the Board of Directors were held as under:

Sl. No	Date of Meeting
1.	03rd April 2023
2.	18th May 2023
3.	27th July 2023
4.	26th October 2023
5.	08th February 2024

C. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

There are no inter-se relationships between Directors.

D. NUMBER OF SHARES HELD BY NON – EXECUTIVE DIRECTORS

Sl. No	Name of the Director	Number of Shares holding by the NED
01.	Suresh Krishnamurthi Rao	14,24,423
02.	C. S. Ramesh	58
03.	R. Mahendran	0
04	Nitin S Cowlagi	56,142
05.	Sujatha Jayarajan	0
06.	Drushti Desai	0
07.	A. Janakiraman	0
08.	T. Ramabadhran	142

E. A CHART OR A MATRIX SETTING OUT THE SKILLS/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS

Effective Governance includes establishing robust director competency frameworks that can be used by Boards to identify director skill gaps and ensure that the skills of the current directors are being properly utilized.

Building the right Board requires an understanding of director competencies, which involves consideration of the directors' experience, skills, attributes, and capabilities. Director competencies encompass two distinct areas:

(i) Technical competencies and

(ii) Behavioral competencies.

Technical competencies are a director's technical skills and experiences such as accounting or legal skills, industry knowledge, experience in strategic planning and corporate governance.

Behavioral competencies are a director's capabilities and personal attributes and include, for example, linkages to the "ownership"; an ability to positively influence people and situations; an ability to assimilate and synthesize complex information; time availability; honesty and integrity; and high ethical standards.

Thus, the Board of Directors of your Company has identified the following list of core skills/expertise/competencies required for each Director(s) in the context of its business(es) and sector(s) for it to function effectively and assessed those available with the Board.

(1) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets, and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and investments.

(2) Monitoring the effectiveness of governance practices and making changes as needed.

(3) Selecting, compensating, monitoring, and, when necessary, replacing key managerial personnel and overseeing succession planning.

(4) Aligning key managerial personnel and remuneration of the Board of directors with the longer-term interests of the company and its shareholders.

(5) Ensuring a transparent nomination process to the Board of directors ensuring diversity of thought, experience, knowledge, perspective, and gender in the Board of directors.

(6) Monitoring and managing potential conflicts of interest between the management, members of the Board of directors, and shareholders, including misuse of corporate assets and abuse in related party transactions.

(7) Ensuring the integrity of the company's accounting and financial reporting systems, including independent audit, and those appropriate systems of control are in place viz., systems for risk management, financial and operational control, and compliance with the law and relevant standards.

(8) Overseeing the process of disclosure and communications.

(9) Monitoring and reviewing Board of director's evaluation framework.

The following matrix table details the skills/expertise/competencies identified by the Board of Directors.

Sl. No	Name of the Director	1	2	3	4	5	6	7	8	9
1	Suresh Krishnamurthi Rao	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	C.S. Ramesh	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	R. Mahendran	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Nitin S Cowlagi	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	T. Ramabadhran	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	A. Janakiraman	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Sujatha Jayarajan	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Drushti Desai	✓	✓	✓	✓	✓	✓	✓	✓	✓

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company was constituted in compliance with provisions of Section 177 of the Companies Act, 2013 ("the Act") and compliance with Regulation 18 of SEBI (LODR) Regulations, 2015.

Out of the total six Members of the Audit Committee, four are Independent Directors and all the members have relevant finance exposure. The Committee is chaired by an Independent Director.

Sl. No	Name of the Member	Description
1	Mrs. Drushti Desai	Chairperson, Independent Director
2	Mr. A. Janakiraman	Member, Independent Director
3	Mr. T. Ramabadhran	Member, Independent Director
4.	Mrs. Sujatha Jayarajan	Member, Independent Director
5.	Mr. C.S. Ramesh	Member, Non-Independent Director
6	Mr. Nitin S Cowlagi	Member, Non-Independent Director

The Statutory Auditors, Internal Auditors, Chief Executive Officer, Chief Financial Officer, and Company Secretary attend the meetings of the Audit Committee regularly by invitation. The terms of reference and scope of the Committee include:

(i) To recommend the appointment/removal of Auditors, fixing of audit fees, and approval of payments;

(ii) To review and monitor the Auditor's independence, performance, and effectiveness of audit process, to examine the financial statements and auditor's report thereon, scrutiny of inter-corporate loans and investments;

(iii) To approve or make any subsequent modification of transactions of the Company with related parties;

(iv) To value the undertakings or assets of the Company, wherever it is necessary;

(v) To evaluate the internal financial controls and risk management systems;

(vi) To monitor the end-use of funds raised through public offers and related matters.

The Audit Committee also abides by the terms of reference as specified under Part C of Schedule II of the SEBI (LODR) Regulations, 2015 including amendment of SEBI (LODR) Regulation 2018. The Audit Committee of the Company met four times during the year under review as indicated below:

Sl. No	Name of the Member
1.	18th May 2023
2.	27th July 2023
3.	26th October 2023
4.	08th February 2024

During the Financial Year 2023-24, the Composition and attendance of the Members at the meetings of the Audit Committee are as follows: -

Name of the Member	Status	Director Category	No. of meetings attended
Mrs. Drushti Desai	Chairperson	Independent Director	4
Mr. T. Ramabadhran	Member	Independent Director	4
Mrs. Sujatha Jayarajan	Member	Independent Director	4
Mr. A. Janakiraman	Member	Independent Director	4
Mr. C.S. Ramesh	Member	Non -Independent Director	4
Mr. Nitin S Cowlagi	Member	Non -Independent Director	4

The Minutes of the meetings of the Audit Committee meetings are discussed and noted by the Board of Directors at their meetings.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors of the Company were reconstituted in compliance with provisions of Section 178 of the Companies Act, 2013 (“the Act”) and terms of Regulation 19 of SEBI (LODR) Regulations, 2015.

The terms of reference of the Committee include:

1. Formulation of the criteria for determining the 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;
2. Formulation of the criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
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 their appointment and removal.
5. Whether to extend or continue the term of appointment of an independent director, based on the report of the evaluation of the performance of the independent directors.

The Nomination and Remuneration Committee also abides by the terms of reference as specified under Part D of Schedule II of the SEBI (LODR) Regulations, 2015.

S. No	Name of the Member	Directors Category
1	Mrs. Drushti Desai	Chairperson, Independent Director
2	Mr. T. Ramabadhran	Member, Independent Director
3	Mr. A. Janakiraman	Member, Independent Director
4	Mr. C.S. Ramesh	Member, Non-Independent Director

During the Financial Year 2023-24, the Nomination and Remuneration Committee of the Company met four times as indicated below:

Sl. No.	Date of Meeting
1	18th May 2023
2.	27th July 2023
3.	26th October 2023
4.	08th February 2024

The attendance of the members is as follows:

Name of the Member	Status	Directors Category	No. of meetings attended
Mrs. Drushti Desai	Chairperson	Independent Director	4
Mr. A. Janakiraman	Member	Independent Director	4
Mr. T. Ramabadhran	Member	Independent Director	4
Mr. C.S. Ramesh	Member	Non - Independent Director	4

The Remuneration Policy of your Company is available on the website of the company in the link www.chemfabalkalis.com. There are no pecuniary relationships or transactions between the Company and the Non – Executive Directors except Mr. Suresh Krishnamurthi Rao, who is a promoter.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

Details of the sitting fees paid to the Non-Executive Directors and Commission paid to them with the approval of the shareholders during the year are given below:

Sl. No	Name of the Director	Sitting Fees	Commission	Total (Rs. In Lakhs)
01.	Mr. Suresh Krishnamurthi Rao	-	530.00	530.00
02.	Mr. C. S. Ramesh	1.62	10.00	11.62
03.	Mr. R. Mahendran	1.08	10.00	11.08
04	Ms. Sujatha Jayarajan	1.48	10.00	11.48
05.	Ms. Drushti Desai	2.00	10.00	12.00
06.	Mr. A. Janakiraman	1.78	10.00	11.78
07.	Mr. T. Ramabadhran	2.07	10.00	12.07
08.	Mr. Nitin S. Cowlagi	1.47	10.00	11.47

DISCLOSURE OF REMUNERATION

A	All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension, etc	NIL
B	Details of a fixed component and performance-linked incentives along with the performance Criteria	NIL
C	Service contracts, notice period, severance fees.	NIL
D	Stock Option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable	NIL

Performance evaluation criteria for Independent Directors: Performance of Independent Directors are assessed, based on their Attendance, preparedness, and active participation in the discussions at the Meetings, valuable suggestions provided by them for improvement of business decisions and Statutory Compliances, visit the Factory, attending Seminars and in-house programs on familiarization, etc.,

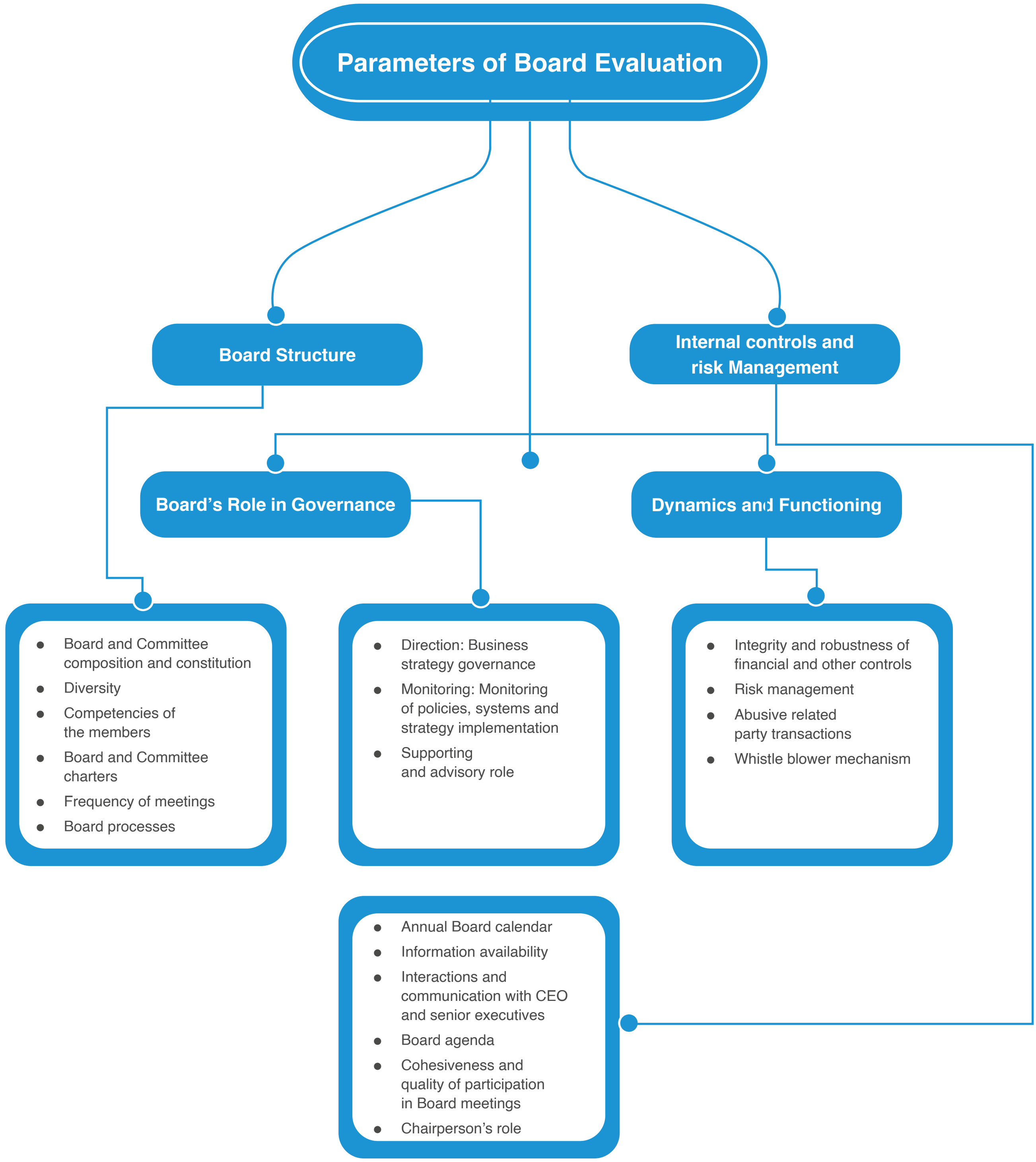
Criteria for making payments to Non-Executive Directors: Payments are made based on the performance and contributions of the Non-Executive Directors as per the details provided under the Nomination & Remuneration Policy of the Company.

Overall Board Evaluation

The Board evaluation is a process of evaluating the entire Board on its performance and it also provides an independent assessment of the strengths and capabilities of the Board, its committees, and directors.

Thus, an evaluation will:

- assess the balance of skills within the Board.
- identify attributes required for new appointments.
- review practices and procedures to improve efficiency and effectiveness.
- review practices and procedures of the Board's decision-making processes and recognize the Board's outputs and achievements.



Your company had evaluated the Board of Directors in the following major areas:

1. Evaluation of the Board as a Whole
2. Evaluation of the Committees
3. Evaluation of Individual Directors/Self -Assessment
- Independent Directors
- Non-executive Directors
4. Evaluation of the Chairperson

The Nomination and Remuneration Committee of the Board evaluated the Directors by a method of collecting data through questionnaires distributed to the Directors on 26th October 2023.

The following five–based ranking scale was used against each question and the directors were asked to rate each parameter.

Poor	Needs improvement	Meets Expectation	Exceed Expectation	Outstanding
1	2	3	4	5

The questionnaire broadly covered the following areas:

Evaluation of the Board as a Whole	Evaluation of the Board Committees	Evaluation of Individual Directors/ Self-Assessment	Non-Executive Director And Independent Director	Evaluation of the Chairperson
• Structure of the Board and the quality • Board Meetings and Procedures • Board Development • Board Strategy and Risk Management • Governance and Compliance • Board and Management Relations • Succession Planning • Stakeholder value and responsibility	• Functions and Duties • Managing Relationship • Committee Meeting and Procedures	• Knowledgeable • Diligence & Participation • Leadership Team	• Participation at the Board/ committee meeting • Managing Relationship • Knowledge and skill • Personal attribute	• Managing Relationship • Leadership

The committee obtained responses from the individual directors, collated them, and reported the same to the Chairperson to analyze the results. The outcome of the evaluation was discussed at the meeting of the Independent Directors held on 25th February 2024.

This method of the evaluation helped the Board to understand the effectiveness of the Board, individual director's contribution in strategic decision making, participation in Board and Committee meetings, communication and interpersonal skills of the directors, ethical issues and dilemmas faced by the director, and relationship of the director with the senior management.

The Board also evaluated the performance of the following committees.

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Nomination and Remuneration Committee and
4. Stakeholders Relationship Committee

Thus, your company has in system in place for the formal evaluation by the Board of its performance and that of its committees and individual directors.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee takes care of the relations with the Stakeholders of the Company. It looks into and redresses the Shareholders' complaints relating to delay in transfer of shares and non-receipt of annual report/dividend warrants, oversees the performance of the Registrars & Transfer Agents, and recommends measures for overall improvements in the quality of investor services and investor relations.

The Stakeholders' Relationship Committee abides by the terms of reference as specified under Part D of Schedule II of the SEBI (LODR) Regulations, 2015

As of 31st March 2024, there were no Shareholders' complaints pending redressal.

During the Financial Year 2023-24, the Committee met Four times

Sl. No.	Date of Meeting
1.	18th May 2023
2.	27th July 2023
3.	26th October 2023
4.	08th February 2024

The attendances of the members are as follows:

Name of the Member	Status	Directors' Category	No. of meetings attended
Mrs. Drushti Desai	Chairperson	Independent Director	4
Mr. C.S. Ramesh	Member	Non - Independent Director	4
Mr. T. Ramabadhran	Member	Independent Director	4
Mr. Suresh Krishnamurthi Rao	Member	Non - Independent Director	4

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

S. No	Name of the Member	Designation
1.	Mr. C.S. Ramesh	Chairman, Non-Independent Director
2.	Mr. R. Mahendran	Member, Non-Independent Director
3.	Mr. Nitin S Cowlagi	Member, Non-Independent Director
4.	Mr. A. Janakiraman	Member, Independent Director
5.	Mrs. Sujatha Jayarajan	Member, Independent Director
6.	Mr. T. Ramabadhran	Member, Independent Director

During the Financial Year 2023-2024, the Committee met only once on 18th May 2023.

The attendance of the members is as follows:

S. No	Name of the Member	Status	Directors' Category	No. of meetings attended
1	Mr. C.S. Ramesh	Chairman	Non- Independent Director	1
2	Mr. R. Mahendran	Member	Non – Independent Director	1
3	Mr.A. Janakiraman	Member	Independent Director	1
4	Mrs. Sujatha Jayarajan	Member	Independent Director	1
5	Mr. T. Ramabadhran	Member	Independent Director	1
6	Mr.Nitin S Cowlagi	Member	Non – Independent Director	1

7. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted a Risk Management Committee on 26.04.2017 pursuant to the amalgamation of erstwhile Chemfab Alkalis Limited, though the constitution of such Committee applies only to the top 1000 listed companies in terms of market capitalization.

The Composition of the Members of the Risk Management Committee is as follows:

Sl. No.	Name of the Member	Status	Directors' Category
1	Mr. A. Janakiraman	Chairman	Independent Director
2	Mr. C S Ramesh	Member	Independent Director
3	Mrs. Drushti Desai	Member	Independent Director
4	Mr. R. Mahendran	Member	Non - Independent Director
5	Mr. V M Srinivasan	Member	Chief Executive Officer

8. ANNUAL GENERAL MEETINGS:

i. The details of the last three Annual General Meetings of the Company held are given below:

Year	Location	Date	Time	No. of Special Resolution Passed
2020-2021	Through VC/OVAM	04th August 2021	10.00 A.M	One
2021-2022	Through VC/OVAM	15th September 2022	10:00 A.M	One
2022-2023	Through VC/OVAM	29th August 2023	10:00 A.M	Two

EXTRAORDINARY GENERAL MEETING:

During the year there was no Extra Ordinary General meeting.

MEANS OF COMMUNICATION

Quarterly Results	Publish in the Stock Exchanges website, as well as Newspaper having wide circulation and Company's website
Newspapers wherein results normally published	1. Business Standard 2. Makkal Kural
Website, where displayed	www.chemfabalkalis.com
Presentations made to institutional investors or the analysts	The Company has not made any presentation to investors or analysis during the financial year ended 31st March 2024

9. GENERAL SHAREHOLDERS INFORMATION:

REGISTERED OFFICE	Team House, GST Salai Vandalur, Chennai – 600 048 Phone: +91 44 22750323 / 66799595 Fax: +91 44 66799561 Email: ccalcosecy@ccal.in website: www.chemfabalkalis.com
ANNUAL GENERAL MEETING, DATE OF BOOK CLOSURE & DIVIDEND PAYMENT DATE	E- Annual General Meeting has been fixed on – 20th September 2024. Book Closure starts from 14th September 2024 to 20th September 2024 (both days inclusive). The dividend will be paid within 7 days from the date of the E- Annual General Meeting.
FINANCIAL CALENDAR (TENTATIVE) Covering the period from 01st April 2024 to 31st March 2025	1st QTR Results – 14th August 2024 2nd QTR Results – 14th November 2024 3rd QTR Results – 14th February 2025 4th QTR (Annual Results) – 30th May 2025

LISTING EQUITY SHARES ON THE STOCK EXCHANGES:

STOCK EXCHANGE WHERE SHARES ARE LISTED	SCRIP CODE / No.'s
DEMAT ISIN IN NSDL AND CDSL FOR EQUITY SHARES	INE783X01023
BSE LTD (BSE)	541269 / Shares
NATIONAL STOCK EXCHANGE OF INDIA LIMITED(NSE)	CHEMFAB / Shares
REGISTRAR AND SHARE TRANSFER AGENT	Cameo Corporate Services Ltd, Subramanian Building, 1 Club House Road, Chennai - 600 002. Phone No.044 2846 0390 / 2846 0395 Fax: 044 2846 0129 Email: cameo@cameoindia.com Website: www.cameoonline.net
Whether the securities were suspended from trading during the Year 2023-24	The Equity shares of the Company were not suspended at any point of the time during the year 23-24 and also till the date of the report

MARKET PRICE DATA

Month	BSE		NSE		BSE Sensex		NSE –Nifty 50	
	High Price (Rs.)	Low Price (Rs.)	High Price (Rs.)	Low Price (Rs.)	High Price (Rs.)	Low Price (Rs.)	High Price (Rs.)	Low Price (Rs.)
April 2023	300.85	230	301.95	224.85	61209.46	58793.08	18089.15	17885.3
May 2023	342.5	264.35	342.20	265.15	63036.12	61002.17	18641.2	18581.25
June 2023	353.5	306.2	353.00	307.00	64768.58	62359.14	19201.7	19024.6
July 2023	398.4	304.4	398.30	304.40	67619.17	64836.16	19991.85	19758.4
August 2023	401	318.8	402.80	318.30	66658.12	64723.63	19795.6	19704.6
September 2023	408.7	358.85	409.85	357.30	67927.23	64818.37	20222.45	20129.7
October 2023	398.4	336.05	399.00	337.45	66592.16	63092.98	19849.75	19775.65
November 2023	378.65	349.95	381.45	348.30	67069.89	63550.46	20158.7	20015.85
December 2023	411.65	350.55	412.00	353.60	72484.34	67149.07	21801.45	21678
January 2024	442.45	372.9	448.00	370.25	73427.59	70001.6	22124.15	21969.8
February 2024	607.9	387	607.10	385.60	73413.93	70809.84	22297.5	22186.1
March 2024	734.2	520.95	734.70	521.25	74245.17	71674.42	22526.6	22430

Performance In Comparison with BSE Sensex and with NSE Nifty

Chart 1: Performance of CHEMFAB share price in comparison with BSE Sensex

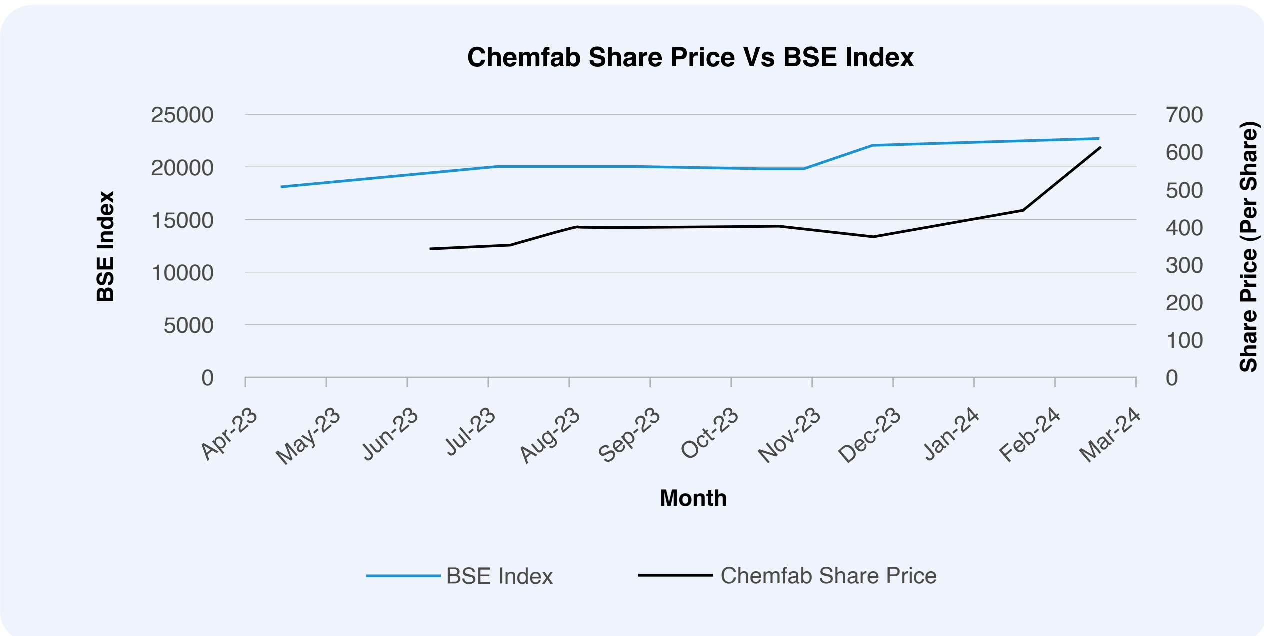
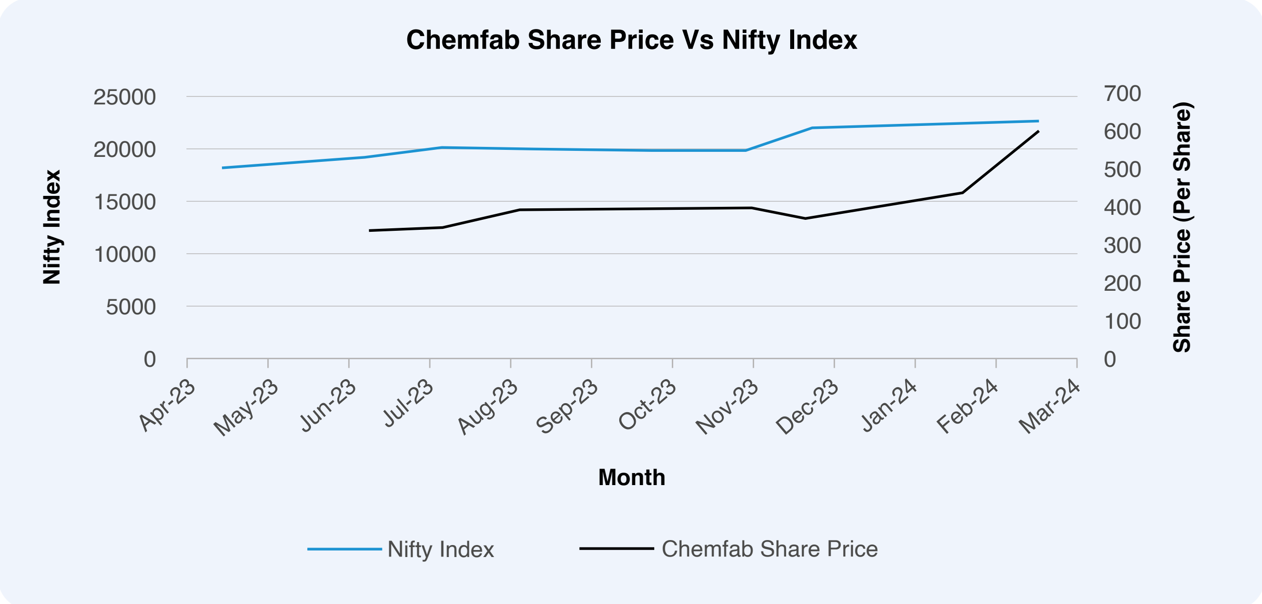


Chart 2: Performance of CHEMFAB share Price in comparison with NSE Nifty



DISTRIBUTION OF SHAREHOLDING - DISTRIBUTION OF HOLDINGS - AS ON 31.3.2024

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	11734	91.0954	918935	9189350	6.4592
5001 - 10000	660	5.1238	480216	4802160	3.3754
10001 - 20000	266	2.065	383190	3831900	2.6934
20001 - 30000	77	0.5977	197439	1974390	1.3878
30001 - 40000	29	0.2251	99677	996770	0.7006
40001 - 50000	41	0.3182	185811	1858110	1.306
50001 - 100000	35	0.2717	246541	2465410	1.7329
100001 - And Above	39	0.3027	11714793	117147930	82.3442
Total :	**12881**	**100**	**14226602**	**142266020**	**100**

SHARE TRANSFER SYSTEM

A Committee of the Board has authorized the Company Secretary for approval of Share Transfer/ transmission in the physical form and the same is reported to the Committee at its Meeting held every quarter.

10. DETAILS OF UNCLAIMED SHARES

The erstwhile Listed Company Chemfab Alkalis Limited which was amalgamated with the Company had sent the reminders to vide letters to all the Shareholders whose Share Certificates were returned undelivered. The Company transferred the Shares comprised in the Share Certificates, which were remaining undelivered into one Folio in the name of Chemfab Alkalis Limited Unclaimed Suspense Account.

Further, the Company opened an account viz., Chemfab Alkalis Limited Unclaimed Suspense Account (Demat account) and dematerialized the shares to that account. The details of unclaimed shares are given below:

(a) the aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year 2023-24 shareholders having 8923 Equity Shares

(b) the number of shareholders who approached the listed entity for transfer of shares from suspense account during the year – Nil.

(c) number of shareholders to whom shares were transferred from suspense account during the year - Nil

(d) the aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 2023-24 shareholders having 4784 Equity Shares

The voting rights on these Unclaimed shares shall remain frozen till the rightful owners of such shares claim the shares.

11. DETAILS OF UNCLAIMED DIVIDEND AND THE SHARES TRANSFERRED TO IEPF

Pursuant to the provisions of Sec. 124(5) of the Companies Act 2013, the unclaimed dividends pertaining to the dividend paid for the financial year 2015-16, which remains as unpaid or unclaimed for seven years from the date of such transfer in "Unpaid-Unclaimed Dividend Account" will be credited to the Fund established under sub-section (1) of section 125 (i.e., Investor Education and Protection Fund).

Further, in pursuant to provisions of Sec.124 (6) of the Companies Act 2013, 4784 shares in respect of which dividend has not been paid or claimed for seven consecutive years, will also be transferred to Investor Education and Protection Fund.

DEMATERIALISATION OF SHARES:

The Company has appointed M/s Cameo Corporate Services Ltd., as the Registrars of the Company for establishing connectivity with NSDL and CDSL to facilitate dematerialization of the shares held by the Members.

As of 31.03.2024, 97.84% of Equity Shares have been dematerialized.

OUTSTANDING GDR/ADR WARRANTS OR CONVERTIBLE BONDS

The Company has not issued any of the securities mentioned above.

PLANT LOCATION

CHLOR ALKALI PLANT	Gnanananda Place', Kalapet, Puducherry 605 014
PVC-O PLANT	650, Chigurupalem Road, Sri City, Andhra Pradesh 517 646
SALT FIELD	1.Kanthadu Village, Marakanam Post, Villupuram District, Tamil Nadu 2.Mariyur Salai, Sayalkudi, Ramnad District, Tamil Nadu
SODIUM CHLORATE PLANT	Plot No.558 & 559, APIIC Growth Centre, Gundlapalli (Village) Maddipadu (Mandal), Prakasam (District), Andhra Pradesh 523 211

CREDIT RATING DISCLOSURES

CARE	2023-2024	2022-2023
Long term Bank Facilities	CARE A – Stable	CARE A - Stable
Short term Bank Facilities	CARE A2+	CARE A2+

12. OTHER DISCLOSURES:

a. **Related party transactions** during the year have been disclosed as required under IND AS 24. The transactions are not prejudicial to the interests of the Company.

Please refer to the Weblink

https://chemfabalkalis.com/wp-content/ uploads/2019/04/policies-Policy-for-Materiality-of-Related-Parties-Transaction.pdf of the Company.

b. **No strictures/penalties** have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities on any matter related to the capital market during the last three years.

c. **Quarterly Compliance report:**

The Company has submitted its Corporate Governance report as the prescribed format to the BSE Ltd and National Stock Exchange within 15 days from the end of each quarter.

d. **Sexual Harassment Policy**

The Company has in place a Sexual Harassment Policy in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Compliant Committee (ICC) has been set up to redress the complaints received in connection with sexual harassment in any form.

All employees (permanent, contractual, temporary, trainees) are covered under this policy.

a. Number of complaints filed during the financial year - NIL

b. Number of complaints disposed of during the financial year – NIL

c. Number of complaints pending as of the end of the financial year – NIL

e. **Details of non – compliance of the company, penalties, and stricture imposed on the listed entity by the stock exchange(s) of SEBI or any statutory authority, or any matter related to capital markets, during the last three years.**

There is any such incidence occurred to the company were the penalties, stricter non – compliance imposed to the company by SEBI or any statutory authority.

f. **The Company has established a vigil mechanism,** also called the Whistle Blower Policy which is adopted for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct or Ethics Policy. It provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee till now.

g. Accounting Treatment

In the preparation of the financial statements, IND AS and corresponding principles and policies were followed. The Company has followed the applicable mandatory Indian Accounting Standards prescribed under the Companies Act, 2013 in the preparation of the Annual Standalone and Consolidated Financial Statements.

h. Board Disclosures - Risk Management

The main objective of Risk Management is risk reduction and avoidance as also to help the Company identify the risks faced by the business and optimize the risk management strategies. The Company has a defined risk management framework.

i. Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board of Directors and the Senior Management Personnel of the Company. The said Code of Conduct is available in the below Weblink https://chemfabalkalis.com/wp-content/uploads/2019/04/policies-Code-of-Conduct-for-Directors-and-Senior-Management.pdf

The Company is Board-managed and there is no Managing/Whole-time Director/Manager. The Board of Directors has authorized the CEO, to make a declaration on compliance with the Code of Conduct by all the Board Members and the Senior Management Personnel.

A Compliance Report on the Code of Conduct given by the CEO, authorized on this behalf by the Board, is given at the end of this Report.

The Company has adopted the discretionary requirements as per Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by adopting some of the requirements viz., separate posts of Chairperson and CEO and reporting of Internal Auditor directly to the Audit Committee under part - E of Schedule II.

The Company has not adopted non-mandatory requirements as per the Regulations of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

j. Disclosure of material transactions to the Board by the Senior Management

The senior management personnel gives disclosure on annual basis to the Board for all material financial and commercial transactions, where they have personal interests that may have a potential conflict with the interest of the Company at large. As per the disclosures received, no such transactions have taken place during the financial year 2023 – 2024.

k. Recommendation of the Committee

There are no such incidents or events where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the reporting financial year.

l. Details of Auditor's Remuneration

	Particulars	Standalone Rs. in lakhs	Consolidated Rs. in lakhs
1.	Statutory Audit Fees	19.50	24.50
2.	Limited Review Fees	4.50	4.50
3.	Other Certificates	-	-
4.	Out of Pocket Expenses	0.72	0.80
	Total	**24.72**	**29.80**

m. Subsidiary details

Your Company had incorporated, a wholly-owned subsidiary namely 'Chemfab Alkalis Karaikal Limited' on 19.12.2019 to manufacture all types of chemicals, chemical compounds, and chemical products including, but not limited to alkali, acids, Acids, Bases, Solvents, Alcohols, Gases, Ethers, Aliphatics, Aromatics, Aldehydes Ketones, Amines, Alkaloids, caustic soda, Potassium Chlorate, Sodium Chlorate, Perchlorate, other chemicals and their by-products or derivatives in all forms and kinds.

Further, in accordance with the SEBI (LODR) Regulation 2015, the said subsidiary is not falling under the definition of "material subsidiary".

n. Details of Compliance with Mandatory Requirement and adoption of the Non-Mandatory Requirement

The Company has complied with all the applicable mandatory requirements of Listing Regulations.

Non-Mandatory Requirement:

The Company has adopted the following non-mandatory requirements of Part-E of Schedule II of SEBI (LODR) Regulation 2015.

i) **Modified opinions in Audit Report**

The Company is in the regime of unmodified opinions on the financial statements and that the auditors of the Company have issued Audit report.

ii) **Reporting of Internal Auditor**

The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings held every quarter

o. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

During the financial year ended March 31, 2024, the Company had not raised funds through preferential allotment or qualified institutions placement.

p. **Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested**

During the year under review, Company has not given in any loans to any firms or companies in which the Directors are interested.

q. **A certificate from a Company Secretary in practice that none of the directors on the board of the company have 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**

The Certificate issued by M/s. M. Damodaran & Associates LLP, Practicing Company Secretaries forms part of this report.

r. **Compliances with Corporate Governance Framework**

The Company has complied with the mandatory requirements stipulate under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations.

The Company has submitted the compliance report in the prescribed format to the stock exchanges for all the quarters including the quarter ended March 31, 2024.

The Company has obtained a certificate from a Practicing Company Secretary on compliance of conditions of Corporate Governance as stipulated in Listing Regulations is enclosed as Annexure–C to this report.

s. **Commodity price risk & foreign exchange risk and hedging activities.**

As per SEBI Circular dated November 2018 read with clause 9(n) & 9(g) of Part C to Schedule V of the Listing Regulation, disclosure regarding exposure of the Company to various commodities for the financial year ended on March 31, 2024, is as under:

a. Total Exposure of the Company to commodities :NIL

b. Exposure of the Company to various commodities: NIL

c. Commodity risks faced by the listed entity during the year: NIL

13. CEO/CFO CERTIFICATION

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company have certified to the Board on financial and other matters in accordance with Regulation 17(8) read with Part-B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ADDRESS FOR CORRESPONDENCE

B Vignesh Ram
Company Secretary and Compliance Officer
Chemfab Alkalis Limited
Team House, GST Salai, Vandalur,
Chennai – 600 048 Phone: +91-44-22750323
Email: ccalcosecy@ccal.in
website: www.chemfabalkalis.com

Mr. S Prasath
Chief Financial Officer
Chemfab Alkalis Limited
'Gnananada Place'
Puducherry – 605014
Email: prasath@ccal.in
website: www.chemfabalkalis.com

For and on behalf of the Board of Directors of

CHEMFAB ALKALIS LIMITED
Suresh Krishnamurthi Rao,
Chairman
DIN: 00127809

Date: 08th August 2024
Place: Chennai

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

I hereby confirm that:

The company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March 2024.

Date: 08th August 2024
Place: Chennai

V.M. Srinivasan
Chief Executive Officer

ANNEXURE – H

Form MR 3

Secretarial Audit Report

for the financial year ended March 31, 2024

(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 and Regulation 24A (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015])

To
The Members,
CHEMFAB ALKALIS LIMITED
(CIN: L24290TN2009PLC071563)
Team House, GST Salai, Vandalur,
Chennai – 600 048.

I, Kalaiyarasi Janakiraman, Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHEMFAB ALKALIS LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2024** according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) 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;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); including amendment/ re-enactment made thereto;

   a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

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

   f) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015:

(vi) The Management has identified and confirmed compliances with certain laws as specifically applicable to the Company as per **Annexure- A** which forms part of this report.

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

i. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited; and

ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) – for General Meeting issued by the Institute of Company Secretaries of India.

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

I further report that the Board of Directors of the Company is constituted with Non-executive Directors and Independent Directors and there were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule the Board & Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

I further report that the Company is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to Structured Digital Database.

I further report that during the period under audit, there were no other specific events/actions, having a major bearing on the Company's affairs, took place in pursuance of the above referred laws, rules, regulations and standards.

For M DAMODARAN & ASSOCIATES LLP

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861
COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN : A029861F000608758

Place: Chennai
Date: 24/06/2024

(This report is to be read with my letter of even date which is annexed as **annexure B** and forms an integral part of this report)

Annexure - A

The Management has identified and confirmed compliances with following laws as specifically applicable to the Company during the Audit period 2023-24:

1. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
2. Batteries (Management and Handling) Rules, 2001
3. Bio-Medical Waste Management Rules, 2016
4. Code Of Ethics for Doctors and Nurses
5. Contract Labour (Regulation & Abolition) Act, 1970
6. Copyright Act, 1957
7. Electricity Act 2003
8. Employees' Compensation Act, 1923
9. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
10. Employers State Insurance Act,1948
11. Environment Protection Act, 1986
12. Equal Remuneration Act, 1976
13. Food Safety and Standards Act, 2006 and Rules 2011 along with regulations.
14. Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016
15. Industrial Disputes Act, 1947
16. Inter-State Migrant Workers (Regulation of Employment and Conditions of Services) Act, 1979
17. Fire Force Act, 1964
18. Minimum Wages Act, 1948
19. Payment of Bonus Act, 1965
20. Payment of Gratuity Act, 1972
21. Payment of Wages Act, 1936
22. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
23. Shops and Commercial Establishment Acts, and
24. The Environment (Protection) Act, 1986
25. The Explosives Act, 1884
26. The Indian Boilers Act, 1923
27. The Minimum Wages Act, 1948
28. Trademarks Act, 1999
29. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
30. Water (Prevention & Control of Pollution) Cess Act, 1977
31. Legal Metrology Act, 2009
32. Factories Act, 1948
33. Puducherry Ground Water (control & Regulations) Act 2002
34. The Manufacture, Storage and Import of Hazardous Chemicals Rules 1989 (MSIHC)
35. The Puducherry Municipality Act 1973
36. The Puducherry Town and Country Planning Act, 1969
37. The Puducherry (Public) Health Act, 1973
38. Andhra Fire service Act 1999
39. Andhra Municipality Act 1965
40. Tamil Nadu Municipal Act 1920
41. Tamil Nādu Ground water (Development and Management) Act 2003.

For M DAMODARAN & ASSOCIATES LLP

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861
COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN : A029861F000608758

Place: Chennai
Date: 24/06/2024

'Annexure B'

To
The Members,
CHEMFAB ALKALIS LIMITED
(CIN: L24290TN2009PLC071563)
Team House, GST Salai, Vandalur,
Chennai – 600 048.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit conducted by me.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M DAMODARAN & ASSOCIATES LLP

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861
COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN : A029861F000608758

Place: Chennai
Date: 24/06/2024

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 **CHEMFAB ALKALIS LIMITED,**
(CIN-L24290TN2009PLC071563)
Team House, GST Salai, Vandalur
Chennai,Tamil Nadu – 600 048.

I, Kalaiyarasi Janakiraman, Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CHEMFAB ALKALIS LIMITED** having (CIN- L24290TN2009PLC071563) and having registered office at Team House, GST Salai, Vandalur, Chennai 600 048 Tamil Nadu (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Cittur Sundar Rao Ramesh	00019178	26/04/2017
2.	Mr. Suresh Krishnamurthi Rao	00127809	26/04/2017
3.	Mrs. Drushti Rahul Desai	00294249	26/04/2017
4.	Mrs. Sujatha Jayarajan	00633989	26/04/2017
5.	Mr. Tyagarajan Ramabadhran	00701503	27/06/2019
6.	Mr. Ananthanarayanan Janakiraman	01831854	26/04/2017
7.	Mr. Nitin Cowlagi Seshgiri	06703283	04/06/2020
8.	Mr. Mahendran	07451058	14/03/2016

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

For M DAMODARAN & ASSOCIATES LLP

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861
COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: A029861F000608736

Place: Chennai
Date: 24.06.2024

ANNEXURE – J

Compliance Certificate on Corporate Governance

To,
The Members of **CHEMFAB ALKALIS LIMITED,**
Chennai.

I, Kalaiyarasi Janakiraman, Partner of M Damodaran & Associates LLP have examined the compliance of the conditions of Corporate Governance by **CHEMFAB ALKALIS LIMITED**, Chennai for the year ended on 31st March, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The compliance of the conditions of corporate governance is the responsibility of the management. My examination was limited to a review of 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.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the company has complied with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2024.

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

For M DAMODARAN & ASSOCIATES LLP

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861
COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: A029861F000608692

Place: Chennai
Date: 24.06.2024

ANNEXURE – K

COMPLIANCE CERTIFICATE

For the Financial Year ended 31st March, 2024

[Pursuant to Regulation 13 of the Securities and Exchange Board of India
(Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Chemfab Alkalis Limited
Chennai.

I, Kalaiyarasi Janakiraman, Partner of M Damodaran & Associates LLP, Secretarial Auditor of M/s. **Chemfab Alkalis Limited (CIN - L24290TN2009PLC071563)** ("the Company") having its Registered Office at Team House, GST Salai, Vandalur, Chennai – 600 048 have been requested by the Company to issue the certificate under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations") for the year ended 31st March, 2024.

Management Responsibility:

It is the responsibility of the Management of the Company to implement Chemfab Alkalis Employees' Stock Option Scheme 2015 and Chemfab Alkalis Employees' Stock Option Scheme 2020 (hereinafter referred to as the "Schemes") including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented the Schemes;

i. in accordance with the Regulations and the Special Resolution as passed by the members at the General Meeting of the Company held on 4th September, 2017 for Chemfab Alkalis Employees' Stock Option Scheme 2015.

ii. in accordance with the Regulations and the Special Resolution as passed by the members at the General Meeting of the Company held on 29th July, 2020 for Chemfab Alkalis Employees' Stock Option Scheme 2020.

For the purpose of verifying the compliance of the Regulations, the following documents / information were placed before me for examination:

1. The Schemes;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors on ESOP matters;
4. Shareholders resolutions passed at the General Meetings;
5. Minutes of the meetings of the Nomination and Remuneration Committee;
6. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
7. Such other information and documents which I considered necessary for the purpose of issuing this certificate.

Certification:

In my opinion and to the best of my knowledge and according to the verifications as considered necessary and explanations furnished to me by the Company and its Officers, I certify that the Company has implemented the Schemes in accordance with the applicable provisions of the Regulations and in accordance with the resolutions passed by the Members of the Company at the General Meetings.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. My responsibility is to issue certificate based upon my examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

For M DAMODARAN & ASSOCIATES LLP

KALAIYARASI JANAKIRAMAN
Partner
Membership No.: 29861
COP. No.: 19385
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN : A029861F000804162

Place: Chennai
Date: 23/07/2024

Standalone
Financial Statements

Independent Auditor's Report

To The Members of **Chemfab Alkalis Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **CHEMFAB ALKALIS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material 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, ("Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Impairment assessment of Identified Cash Generating Unit (CGU) relating to Property, Plant and Equipment (PP&E)** The Company has performed an assessment of its CGU and have identified each of its group of salt fields as separate CGUs. As at 31 March 2024, there were impairment indicators for one of the CGU which had a carrying value of Rs. 2,255.22 lakhs, considering the unfavourable weather conditions and other operational impediments leading to a poor performance of the said CGU. Management has determined the recoverable amount based on market approach by using an external valuer. We considered this to be a key audit matter due to the significance of the carrying value of the said CGU and the judgments adopted in assessing the recoverable amount. Refer Note 1.25 for accounting policies.	We performed the following principal audit procedures in relation to management's assessment of impairment of identified CGU: a. Evaluated the design and implementation and tested the operating effectiveness of the internal controls relating to managements identification of CGU, assessment of impairment indicators and determination of the recoverable amount. b. Obtained an understanding of the work of the management's expert and evaluated competence, capability and objectivity. c. Involved internal valuation experts to assist in evaluating the appropriateness of the method used for valuation of the identified CGU and for validating the assumptions used for determining the recoverable value. d. Evaluated disclosures made in the standalone financial statements and the related compliance with the requirements of the applicable accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the annexures to the Board Report and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's report including the annexures to the Board Report and Corporate Governance is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Management Discussion and Analysis, Board's report including the annexures to the Board Report and Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS/ 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements 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. As required by Section 143(3) of the Act, based on our audit 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 except for not complying with the requirement of audit trail as stated in (i)(vi) below.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/are as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   h) 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.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 38 to the standalone financial statements).

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 51 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("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, other than as disclosed in the note 51 to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 50 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. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

a) In respect of an accounting software used for maintaining payroll master and for processing payroll, which is operated by a third party software service provider, and in absence of SOC 1, Type 2 Report, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating and the log was maintained.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P Usha Parvathy
Partner
Membership No. 207704
UDIN: 24207704BKFUID2563

Place: Chennai
Date: 22 May 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **CHEMFAB ALKALIS LIMITED** ("the Company") as at March 31, 2024 in conjunction with our audit of Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to statement financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P Usha Parvathy
Partner
Membership No. 207704
UDIN: 24207704BKFUID2563

Place: Chennai
Date: 22 May 2024

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress and right of use of assets.

(i) (a) B. The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) The Company has a program of verification of property, plant and equipment, capital work in progress and right of use of assets so as to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification and were physically verified during the year by the Management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(i) (c) According to the information and explanations given to us and based on the examination of the registered sale deeds provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment, capital work-in progress and right of use of assets, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use of asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement. Immovable properties of land and buildings whose title deeds have been pledged as security for loans etc. are held in the name of the Company based on the confirmations directly received by us from lenders.

(i) (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods in transit were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in- transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(ii) (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

Particulars	Advances in nature of loans (Rs. in Lakhs)
A. Aggregate amount granted / provided during the year:	
Others - Vendor advances	-
B. Balance outstanding as at balance sheet date in respect of above cases:	
Others - Vendor advances	399.36

(iii) (b) The investments made and the terms and conditions of the grant of all the above-mentioned advances in the nature of loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(iii) (c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest. (Refer reporting under clause (iii)(f) below)

(iii) (d) According to information and explanations given to us and based on the audit procedures performed, in respect of advances in the nature of loans provided by the Company, in the absence of a schedule of repayment as referred to in (iii)(c) above, we are unable to comment if there is any overdue amount remaining outstanding as at the balance sheet date.

(iii) (e) In the absence of a schedule of repayment as referred to in (iii)(c) above, we are unable to comment if the advances in the nature of loans granted by the Company have fallen due during the year.

(iii) (f) The Company has granted advances in the nature of loans without specifying any terms or period of repayment, details of which are given below:

Particulars	All Parties	Promoters	Related Parties
Aggregate of advances in nature of loans			
- **Repayable on demand (A)**	-	-	-
- **Agreement does not specify any terms or period of repayment (B)**	399.36	-	-
Total (A+B)	399.36	-	-
Percentage of loans/advances in nature of loans to the total loans	100%	-	-

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. There are no unclaimed deposits outstanding anytime during the year. Hence reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) Undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income tax, cess and other material statutory dues applicable to the have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(vii) (b) Details of statutory dues referred to in sub-clause (a) which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of Dues (Including interest)	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. In lakhs)	Amount Unpaid (Rs. In lakhs)
The Finance Act, 1994	Service Tax	Commissioner (Appeals), Chennai	January 2005 to March 2013	9.41	7.44
The Central Excise Act, 1944	Excise Duty	Commissioner (Appeals), Chennai	April 2006 to June 2012	2.22	2.22
The Customs Act, 1962	Customs Duty	Commissioner (Appeals), Trichy	FY 2013-2014	88.87	88.87
Income Tax Act, 1961	Income tax	The High court of Madras	FY 2002-03	131.29	109.05
The Central Goods and Services Tax Act, 2017	Goods and Service Tax	Commissioner Appeals	July 2017 to March 2020	7.45	7.45

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

(ix) (d) The Company has not raised any funds on short term basis and hence, reporting under clause (ix)(d) of the Order is not applicable.

(ix) (e) We report that the Company has neither taken any funds from any entity or person during the year nor it had any unutilised funds as at the beginning of the year of the funds raised through issue of shares or borrowings in the previous year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(ix) (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(x) (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xiv) (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(xvi) (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the CARO 2020 Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P Usha Parvathy
Partner
Membership No. 207704
UDIN: 24207704BKFUID2563

Place: Chennai
Date: 22 May 2024

Standalone Balance Sheet

as at 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
(1) Non - Current Assets			
(a) Property, Plant and Equipment	2	17,463.21	18,417.35
(b) Right of Use Assets	3	642.54	689.02
(c) Capital Work-In-Progress	4	5,719.72	1,369.11
(d) Other Intangible Assets	2	5.55	4.25
(e) Financial Assets			
(i) Investments			
- Subsidiary	5	10,532.00	4,232.00
- Other Investments	6	12.28	6.55
(ii) Other Financial Assets	7	323.81	138.48
(f) Tax Assets (Net)	8	75.84	15.27
(g) Deferred Tax Assets (Net)	9	2,600.79	3,123.29
(h) Other Non - Current Assets	10	3,780.44	921.51
Total Non - Current Assets		**41,156.18**	**28,916.83**
(2) Current Assets			
(a) Inventories	11	1,543.07	1,693.99
(b) Financial Assets			
(i) Other Investments	12	449.95	6,796.34
(ii) Trade Receivables	13	2,122.03	2,173.21
(iii) Cash and Cash Equivalents	14A	214.64	93.13
(iv) Bank Balances other than (iii) above	14B	2,163.29	268.60
(v) Other Financial Assets	15	149.14	76.60
(c) Other Current Assets	16	1,506.98	791.62
		8,149.10	**11,893.49**
Asset Held for Sale	17	515.70	515.70
Total Current Assets		**8,664.80**	**12,409.19**
TOTAL ASSETS		**49,820.98**	**41,326.02**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	18	1,422.66	1,418.20
(b) Other Equity	19	37,866.33	34,913.34
Total Equity		**39,288.99**	**36,331.54**
(2) Liabilities			
Non- current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	1,638.50	-
(ii) Lease Liabilities		145.16	180.56
(iii) Other Financial Liabilities	21	70.29	70.51
(b) Provisions	22	157.28	117.52
(c) Other Non - Current Liabilities	23	105.00	105.00
Total Non- current Liabilities		**2,116.23**	**473.59**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	181.50	0.63
(ii) Lease Liabilities		35.40	37.31
(iii) Trade Payables	25		
- Total Outstanding dues of micro enterprises and small enterprises		41.39	23.57
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,659.60	2,738.86
(iv) Other Financial Liabilities	26	3,976.06	573.07
(b) Provisions	27	262.18	263.46
(c) Current Tax Liabilities (Net)	28	148.12	255.14
(d) Other Current Liabilities	29	1,111.51	628.85
Total Current Liabilities		**8,415.76**	**4,520.89**
Total Liabilities		**10,531.99**	**4,994.48**
TOTAL EQUITY AND LIABILITIES		**49,820.98**	**41,326.02**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Statement of Standalone Profit and Loss

for the year ended 31 March 2024

(Amount Rs. In Lakhs)

	Particulars	Note No.	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
I	Revenue from Operations	30	32,728.78	33,136.46
II	Other Income	31	778.37	532.35
III	**Total Income (I+II)**		**33,507.15**	**33,668.81**
IV	**Expenses**			
	Cost of Materials Consumed	32A	7,304.70	4,841.56
	Purchases of Stock - in - Trade	32B	2,213.79	2,485.70
	Changes in Inventories of Finished Goods and Work-in-Progress	33	266.21	(359.11)
	Other Direct Manufacturing Expenses	34	11,198.90	9,883.12
	Employee Benefits Expense	35	2,195.74	1,853.54
	Finance Costs	36	93.08	23.63
	Depreciation and Amortisation Expense	2 & 3	2,185.01	2,288.17
	Other Expenses	37	3,787.04	3,211.91
	Total Expenses (IV)		**29,244.47**	**24,228.52**
V	**Profit before Exceptional Items (III - IV)**		**4,262.68**	**9,440.29**
VI	**Exceptional Items**	34(i)	-	(337.96)
V	**Profit before tax (III - IV)**		**4,262.68**	**9,102.33**
VI	**Tax expense**	9		
	- Current Tax		748.11	1,602.96
	- Deferred Tax	9B	515.85	877.64
			1,263.96	**2,480.60**
VII	**Profit for the Year (V - VI)**		**2,998.72**	**6,621.73**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss:			
	- Remeasurement of net defined benefit liability		22.85	(93.52)
	- Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI		5.74	2.02
	- Income tax relating to items that will not be reclassified to profit or loss	9	(6.65)	27.23
	Total Other Comprehensive Income/(Loss)		**21.94**	**(64.27)**
IX	**Total Comprehensive Income for the Year (VII + VIII)**		**3,020.66**	**6,557.46**
X	**Earnings per Equity Share (Face Value of Rs 10 each)**	40		
	- Basic		21.10	46.76
	- Diluted		20.90	46.29

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Standalone Cash Flow Statement

for the year ended 31 March 2024

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
A. Cash flow from Operating Activities		
Profit / (Loss) for the year	**2,998.72**	**6,621.73**
Adjustment for:		
Income Tax Expense	1,263.96	2,480.60
Depreciation of property, plant and equipment	2,185.01	2,288.17
Gain on redemption of investments	(283.57)	(213.91)
Equity settled share-based payment expense	37.51	60.68
Interest Income on fixed deposits with banks	(145.40)	(23.74)
Interest Income on Income Tax Refund	-	(2.76)
Finance Costs	93.08	23.63
Gain on disposal of property, plant and equipment	(26.55)	(21.53)
Bad Receivables written off	0.72	1.26
Provision for impairment on assets held for sale	-	23.78
Provision for Expected credit loss (Net)	(22.42)	32.49
Liabilities no longer required written back	(155.12)	(3.38)
Unrealised Exchange Variation (Net)	(4.77)	1.65
Operating cash flows before movements in working capital	**5,941.17**	**11,268.67**
(Increase) / Decrease in Trade Receivables	73.67	(61.92)
(Increase) / Decrease in Other Non Current and Current Financial assets and Non current and Current assets	(681.66)	356.14
(Increase) / Decrease in Inventories	150.92	(510.07)
Increase / (Decrease) in Trade Payables Other Current liabilities and Non-Current Liabilities and Provisions	640.21	74.09
Changes in Working Capital and Other changes	**183.14**	**(141.76)**
Cash generated by operations	**6,124.31**	**11,126.91**
Income Taxes (Paid) / Refund and Interest Income Received	(915.69)	(1,441.54)
Net cash from Operating Activities (A)	**5,208.62**	**9,685.37**
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipment	(5,032.67)	(3,078.74)
Proceeds from Sale of Property, Plant and Equipment and Assets Held for Sale	41.59	496.11
Net movement in Bank balances not considered as Cash and cash equivalents	(2,073.23)	267.85
Dividend Received from Non-current and Current Investments	-	-
Interest Income	316.53	245.10
Investment in Preference Shares of Subsidiary Company	(6,300.00)	(3,117.00)
Net Cash from / (used in) Investing Activities (B)	**(13,047.78)**	**(5,186.68)**
C. Cash flow from Financing Activities		
Dividend Paid, including movement from unpaid dividend account	(177.24)	(177.34)
Issue of Equity Shares	33.36	46.96
Money received towards allotment of equity shares	41.09	10.27
Payment of lease liabilities	(21.51)	(40.42)
Proceeds from Term Loan taken	1,850.00	-
Finance Cost on Lease Liabilities	(15.80)	(16.33)
Repayment of Term Loan made during the year	(30.00)	-
Short term Borrowings (repaid)/taken (net)	(0.63)	(690.24)
Finance Costs paid on Borrowings	(64.99)	(17.73)
Net Cash from/(used in) Financing Activities (C)	**1,614.28**	**(884.83)**
D. Net (Decrease) / Increase in Cash and Cash Equivalents (A) + (B) + (C)	**(6,224.88)**	**3,613.86**
E. Cash and Cash Equivalents (Opening)	**6,889.47**	**3,275.61**
F. Cash and Cash Equivalents (Closing)	**664.59**	**6,889.47**

Standalone Cash Flow Statement

for the year ended 31 March 2024

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Notes:		
(i) Reconciliation of Cash and cash equivalents		
Cash and Cash Equivalents as per Balance Sheet	214.64	93.13
Add: Current investments considered as part of Cash and cash equivalents (as defined in INDAS 7 Cash Flow Statements)	449.95	6,796.34
Cash and cash equivalents at the end of the Year	**664.59**	**6,889.47**

(ii) Changes in liabilities arising from financing activities

(Amount Rs. In Lakhs)

Particulars	As at 01 April 2023	Cash Flows	Others	As at 31 March 2024
Current Borrowings (Note 24)	0.63	180.87	-	181.50
Non Current Borrowings (Note 20)	-	1,638.50	-	1,638.50
Lease Liabilities	217.87	(21.51)	(15.80)	180.56
Accrued Interest (Note 26)	-	-	12.29	12.29

(Amount Rs. In Lakhs)

Particulars	As at 01 April 2022	Cash Flows	Others	As at 31 March 2023
Current Borrowings (Note 24)	685.10	(690.24)	5.77	0.63
Non Current Borrowings (Note 20)	-	-	-	-
Lease Liabilities	179.56	(40.42)	78.73	217.87
Accrued Interest (Note 26)	10.43	(10.43)	-	-

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Statement of Standalone Changes in Equity

for the year ended 31 March 2024

A. Equity Share Capital

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the Year	1,418.20	1,413.38
Changes in equity share capital during the year		
Issue of equity shares under share option plan (Refer Note 47)	4.46	4.82
Closing Balance	**1,422.66**	**1,418.20**

B. Other Equity

(Amount Rs. In Lakhs)

Particulars	Share Application Money Pending Allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Share Based Payment Reserve	Retained Earnings	Equity Instruments Fair value through Other Comprehensive Income	Total Other Equity
Balance at 1 April 2022	**0.20**	**15.67**	**960.00**	**34,848.67**	**94.01**	**(7,503.26)**	**4.20**	**28,419.49**
Profit / (Loss) for the year	-	-	-	-	-	6,621.73	-	6,621.73
Recognition of Employee stock based compensation	-	-	-	-	60.68	-	-	60.68
Share Application Money Received	57.23	-	-	-	-	-	-	57.23
Shares Allotted	(47.16)	-	-	-	(31.91)	-	-	(79.07)
Securities Premium on issue of Equity Shares	-	-	-	74.25	-	-	-	74.25
Payment of Dividend on equity shares	-	-	-	-	-	(176.71)	-	(176.71)
Equity Instruments through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	2.02	2.02
Remeasurement of Defined Benefit Plans (net of taxes)	-	-	-	-	-	(66.29)	-	(66.29)
Balance at 31 March 2023	**10.27**	**15.67**	**960.00**	**34,922.92**	**122.78**	**(1,124.53)**	**6.22**	**34,913.34**

Statement of Standalone Changes in Equity

for the year ended 31 March 2024

B. Other Equity (Contd..)

(Amount Rs. In Lakhs)

Particulars	Share Application Money Pending Allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Share Based Payment Reserve	Retained Earnings	Equity Instruments Fair value through Other Comprehensive Income	Total Other Equity
Profit / (Loss) for the year	-	-	-	-	-	2,998.72	-	2,998.72
Recognition of Employee stock based compensation	-	-	-	-	37.51	-	-	37.51
Share Application Money Received	76.70	-	-	-	-	-	-	76.70
Shares Allotted	(45.88)	-	-	-	(31.27)	-	-	(77.15)
Securities Premium on issue of Equity Shares	-	-	-	72.69	-	-	-	72.69
Payment of Dividend on equity shares	-	-	-	-	-	(177.41)	-	(177.41)
Equity Instruments through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	5.74	5.74
Remeasurement of Defined Benefit Plans (net of taxes)	-	-	-	-	-	16.20	-	16.20
Balance at 31 March 2024	**41.09**	**15.67**	**960.00**	**34,995.61**	**129.02**	**1,712.98**	**11.96**	**37,866.34**

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer
Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

1 General Information

Chemfab Alkalis Limited (hereinafter referred to as ""the Company"") was incorporated on 06 May 2009 and is in the business of manufacturing of basic inorganic chemicals. The name of the Company was changed from Teamec Chlorates Limited to Chemfab Alkalis Limited on July 21, 2017, vide revised certificate of incorporation issued by the Registrar of Companies pursuant to the scheme of amalgamation ('scheme') approved by the National Company Law Tribunal (NCLT) Chennai vide its order dated 30 March 2017. Erstwhile Chemfab Alkalis Limited a listed entity, had merged with the Company pursuant to the scheme and consequently the Company's equity shares have been listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 25 April 2018.

Material Accounting Policies

Impact of the initial application of new and amended Ind ASs that are effective for the current year:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

1.1 Basis Of Accounting

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.

These Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Basis of preparation of financial statements

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

1.3 Use of Estimates:

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Revisions to accounting estimates are recoginized prospectively in the year in which the estimate is revised and / or in future years, as applicable.

1.4 Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.5 Revenue recognition

(I) Sale of Goods/Services:

The Company derives revenues primarily from sale of manufactuing of inorganic chemicals viz Caustic Soda Lye, Chlorine, Hydrogen, Hydrochloric acid, Sodium Hypo and Sodium Chlorate and also from PVC-O pipes. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

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Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Accordingly, the revenue is recognised on point in time basis.

a) Sale of products:

Revenues and costs relating to sale of products are recognized as the related goods are delivered, and titles have passed, at which time all the following conditions are satisfied-:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company ; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

b) Income from service activities is accounted for on rendering the service in accordance with the contractual terms and when there is no uncertainty in receiving the same.

(II) Other Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted when the right to receive is established.

1.6 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition and is net of taxes where applicable. The methods of determination of cost of various categories of inventory are as follows:

- Raw Materials, Fuel and Stores and Spares – on weighted average basis.
- Finished goods and Work in Progress at lower of Cost, which includes appropriate production overheads and Net Realizable Value, the cost being determined on weighted average basis.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, where ever necessary, based on the technical assessment and such allowances are adjusted against the closing inventory value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

1.7 Cash and Cash Equivalent (For the purpose of Cash Flow Statement)

Cash comprises of cash on hand and demand deposits with banks. Cash Equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

1.8 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.9 Property, Plant and Equipment (PPE) and Depreciation on Property Plant and Equipment

Property, Plant and Equipment (PPE's) are recorded at cost less accumulated depreciation and accumulated impairment loss (if any). The Company capitalizes all costs relating to acquisition and installation of Property, Plant and Equipment. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, Plant and Equipment up to the date the Propery, Plant and Equipment is ready for its intended use.

Cost of spares relating to specific item of Property, Plant and Equipment is capitalized. Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalized,

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where there is a certainty of deriving future economic benefits from the use of such assets.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

Depreciation:

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Continuous Process Plant, in whose case the life of the assets has been assessed as 18 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is also accelerated on Property,Plant & Equipment, based on their condition, usability etc. as per the technical estimates of the Management, where necessary.

Intangible Assets:

Intangible fixed assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses(If any). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern.

Research and Development:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

1.10 Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

1.11 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is

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ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis."

1.12 Foreign Currency Transactions

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non monetary assets and liabilities which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevalent at the date of the transaction. Foreign currency monetary assets and liabilities are reported using the exchange rate prevalent at the date of the balance sheet.

Treatment of Exchange Differences:

Foreign exchange gains and losses resulting from the settlement/restatement of monetary assets and liabilities of the Company are recognised as income or expense in the statement of profit and loss.

1.13 Employee Benefits

Retirement benefit costs and termination benefits:

i) Defined Benefit Plans:

Employee defined benefit plans include gratuity.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability)

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

ii) Defined Contribution Plans

Employee defined contribution plans include Provident Fund, Employee state insurance and Super Annuation Fund.

Provident Fund and Employee State Insurance :

All employees of the Company receive benefits from Provident Fund and Employee’s State Insurance (where applicable), which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equalling to a specified percentage of employee’s basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and

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Employee's State Insurance (where appplicable) scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

Super Annuation Fund:

The Company makes contribution to a scheme administered by the insurer to discharge its liabilities towards super annuation to the eligible employees. The Company has no other liability other than its annual contribution."

1.14 Employee Share Based Payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.15 Taxation

Income taxes comprise Current and deferred tax. Income tax expense/credit is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity, respectively.

Current Tax and Prior Period Tax:

Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. 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 liability simultaneously."

Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognized on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases of such assets and liabilities. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as tax credit and recognised as deferred tax asset when there is reasonable certainty that the Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1.16 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CEO of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. 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 CODM in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

1.17 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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 on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured 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 the 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.

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1.18 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.19 Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity."

1.20 Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

1.21 Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.22 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except in respect of Trade receivables that do not have a significant financial component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit and loss.

1.23 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other

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comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Company may make the following irrevocable election / designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).All other financial assets are subsequently measured at fair value."

(i) Amortised cost and effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the ‘Other income’ line item.

(ii) Debt instruments classified as at FVTOCI:

The debt instruments are initially measured at fair value plus transaction costs.

Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated in a separate component of equity. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

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(iii) Equity instruments designated as at FVTOCI:

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading:

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in a separate component of equity. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with Ind AS 109, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Other income' line item in profit or loss.

The Company designates all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking;

(iv) Financial assets at fair value through profit or loss (FVTPL):

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other income' line item. "

Foreign exchange gains and losses:

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item ;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other income' line item. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in a separate component of equity;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item as part of the fair value gain or loss; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in a separate component of equity.

Impairment of financial assets:

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

De-recognition of financial assets:

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is not reclassified to profit or loss, but is transferred to retained earnings."

1.24 Financial liabilities and equity instruments

Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading or (ii) it is designated as at FVTPL.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;"

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘other income’ line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognised in other comprehensive income are recognised in retained earnings. Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading or designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the ‘other income’ line item in profit or loss for financial liabilities.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within ‘other income’.

1.25 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment

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for the year ended 31 March 2024

loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.26 Investment in subsidiary

Investment in subsidiary is measured at cost. Dividend income from subsidiaries is recognised when its right to receive the dividend is established.

1.27 Dividend

Final dividends 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 Board of Directors of the Company. The Company declares and pays dividends in Indian rupees and are subject to applicable taxes.

1.28 Asset held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

1.29 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in Financial Statements is included in the following notes:

(i) Useful lives of Property, Plant and Equipment.

(ii) Carrying values of Property, Plant and Equipment

(iii) Employee Benefits

(iv) Employee Share Based Payments

(v) Taxation

(vi) Asset held for sale

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

2. Property Plant and Equipment and Other Intangible Assets

I - Current year ended 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Gross Block				Accumulated Depreciation / Amortisation/Impairment				Net Block
	As at 01 April 2023	Additions during the year	Deletions/ Adjustment during the year	As at 31 March 2024	As at 01 April 2023	For the year	Deletions during the year	As at 31 March 2024	As at 31 March 2024
A. Property Plant and Equipment									
Land - Freehold (Refer note 20)	2,162.07	-	-	2,162.07	-	-	-	-	2,162.07
Buildings (Refer note 20)	2,336.99	90.50	-	2,427.49	595.94	88.43	-	684.37	1,743.12
Plant and Equipment (Refer note 20)	23,033.00	939.07	335.53	23,636.54	8,695.74	1,986.55	323.83	10,358.46	13,278.08
Furniture and Fixtures	74.07	16.29	3.10	87.26	36.11	6.51	0.11	42.51	44.75
Vehicles	102.31	119.41	0.60	221.12	48.83	22.70	0.25	71.28	149.84
Office Equipments	190.30	31.22	2.82	218.70	104.77	31.40	2.82	133.35	85.35
TOTAL (A)	**27,898.74**	**1,196.49**	**342.05**	**28,753.18**	**9,481.39**	**2,135.59**	**327.01**	**11,289.97**	**17,463.21**
B. Other Intangible Assets									
Computer Software	174.98	4.24	-	179.22	170.73	2.94	-	173.67	5.55
TOTAL (B)	**174.98**	**4.24**	**-**	**179.22**	**170.73**	**2.94**	**-**	**173.67**	**5.55**
TOTAL (A + B)	**28,073.72**	**1,200.73**	**342.05**	**28,932.40**	**9,652.12**	**2,138.53**	**327.01**	**11,463.64**	**17,468.76**

II - Previous year ended 31 March 2023

(Amount Rs. In Lakhs)

Particulars	Gross Block				Accumulated Depreciation / Amortisation/Impairment				Net Block
	As at 01 April 2022	Additions during the year	Deletions/ Adjustment during the year	As at 31 March 2023	As at 01 April 2022	For the year	Deletions during the year	As at 31 March 2023	As at 31 March 2023
A. Property Plant and Equipment									
Land - Freehold	2,162.07	-	-	2,162.07	-	-	-	-	2,162.07
Buildings	2,183.34	153.65	-	2,336.99	507.91	88.03	-	595.94	1,741.05
Plant and Equipment	22,041.77	1,713.67	722.44	23,033.00	7,320.66	2,097.49	722.41	8,695.74	14,337.26
Furniture and Fixtures	63.97	10.17	0.07	74.07	30.46	5.72	0.07	36.11	37.96
Vehicles	102.24	0.07	-	102.31	35.79	13.04	-	48.83	53.48
Office Equipments	201.55	40.78	52.03	190.30	128.44	28.36	52.03	104.77	85.53
TOTAL (A)	**26,754.94**	**1,918.34**	**774.54**	**27,898.74**	**8,023.26**	**2,232.64**	**774.51**	**9,481.39**	**18,417.35**
B. Other Intangible Assets									
Computer Software	173.16	1.82	-	174.98	163.82	6.91	-	170.73	4.25
TOTAL (B)	**173.16**	**1.82**	**-**	**174.98**	**163.82**	**6.91**	**-**	**170.73**	**4.25**
TOTAL (A + B)	**26,928.10**	**1,920.16**	**774.54**	**28,073.72**	**8,187.08**	**2,239.55**	**774.51**	**9,652.12**	**18,421.60**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

3 Leases

Right of Use Assets :

(Amount Rs. In Lakhs)

Particulars	Land	Equipment
Cost		
As at 01 April 2022	594.39	148.52
Add: Additions	36.33	42.40
Less: Deletion	(33.71)	(35.16)
As at 31 March 2023	**597.01**	**155.76**
Add: Additions	-	-
Less: Deletion	-	-
As at 31 March 2024	**597.01**	**155.76**
Accumulated Amortisation		
As at 01 April 2022	53.05	30.95
Add: Charge for the Year	30.60	18.02
Less: Deletion	(33.71)	(35.16)
As at 31 March 2023	**49.94**	**13.81**
Add: Charge for the Year	28.33	18.15
Less: Deletion	-	-
As at 31 March 2024	**78.27**	**31.96**
Carrying Amount		
As at 31 March 2023	**547.07**	**141.95**
As at 31 March 2024	**518.74**	**123.80**

The Company has considered the OCC interest rate at the time of adoption of lease for the purpose of determination of discount rate for leases. The Company has leases for Land and certain equipment. The leases have remaining lease terms of 1 year upto 25 years with option to terminate or extend the lease.

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Amounts recognised in Statement of Profit and Loss were as follows:		
Amortisation Expense on right-of-use assets	46.48	48.62
Interest Expense on lease Liabilities	15.80	16.33
Expense relating to short-term lease	15.78	4.41
Supplemental cash flow information related to leases was as follows:		
Total cash outflow for leases	(21.51)	(40.42)
Additions to right of use assets	-	78.73
Maturities of Lease Liabilities were as follows		
Undiscounted Lease Payments to be made	272.01	325.12
Not later than 1 year	48.33	53.10
Later than 1 year and not later than 5 years	85.29	118.13
Later than 5 years	138.39	153.89

4 Capital Work-In-Progress

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Work-In-Progress		
Total	**5,719.72**	**1,369.11**

Notes Forming Part of the Standalone Financial Statements
for the year ended 31 March 2024

4 Capital Work-In-Progress (Contd..)

a) CWIP Ageing Schedule

As at 31 March 2024

(Amount Rs. In Lakhs)

CWIP Ageing schedule	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	4,709.16	718.50	285.34	6.72	5,719.72
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

(Amount Rs. In Lakhs)

CWIP Ageing schedule	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	1,091.71	270.30	0.93	6.17	1,369.11
Projects temporarily suspended	-	-	-	-	-

b) CWIP whose completion is overdue or exceed its cost

As at 31 March 2024

(Amount Rs. In Lakhs)

CWIP Completion Schedule	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	871.03	-	-	-	871.03
Projects temporarily suspended	-	-	-	-	-
Total	**871.03**	**-**	**-**	**-**	**871.03**

As at 31 March 2023

(Amount Rs. In Lakhs)

CWIP Completion Schedule	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

5 Investments - Non Current (Refer Note 39)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted - Fully paid-up		
Investment in Equity Shares of wholly-owned subsidiary, at Cost		
53,20,000 Equity Shares of Rs.10/- each of Chemfab Alkalis Karaikal Limited	532.00	532.00
Investment in Preference Shares of wholly-owned subsidiary, at Cost		
10,00,00,000 (PY 3,70,00,000) 0.01% Convertible Preference Shares of Rs. 10/- each of Chemfab Alkalis Karaikal Limited	10,000.00	3,700.00
Share application money pending allotment for Nil (PY Nil) 0.01% Convertible Preference Shares of Chemfab Alkalis Karaikal Limited	-	-
Total	**10,532.00**	**4,232.00**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

6 Other Investments - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investment carried at fair value through Other Comprehensive Income		
Quoted Investments (fully paid)		
Investment in Equity Instruments of Other entities		
281 (P.Y. 281) Equity Shares of Rs.10/- each of Summit Securities Limited	3.43	1.52
500 (P.Y. 500) Equity Shares of Rs.10/- each of De Nora India Limited	8.12	4.26
300 (P.Y. 300) Equity Shares of Rs.10/- each of TGV SRAAC Limited	0.24	0.29
450 (P.Y. 450) Equity Shares of Rs.5/- each of Kanoria Chemicals Limited	0.49	0.48
Total	**12.28**	**6.55**
Aggregate Book value of Quoted Investment	**12.28**	**6.55**
Aggregate Market value of Quoted Investment	**12.28**	**6.55**
Financial Assets carried at Fair value through Other Comprehensive Income (FVTOCI)	12.28	6.55

7 Other Financial Assets - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with others	99.75	92.96
Balances held as margin money (Refer Note 7.1 below and note 14B(i))	224.06	45.52
Total (Gross)	**323.81**	**138.48**
Less: Provision for Expected Credit Loss	-	-
Total (Net)	**323.81**	**138.48**

7.1 Represents balances with banks that are restricted from being exchanged or used to settle a liability for more than 12 months from the Balance Sheet date.

8 Tax Assets (Net) - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Income Tax paid / TDS Receivable (Net of provision for tax of Rs. 2,986.50 Lakhs (PY Rs. 2,986.50 Lakhs))	75.84	15.27
Total	**75.84**	**15.27**

9 Current Taxes and Deferred Taxes

A.1 Income Tax recognised in Statement of Profit and Loss

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
(i) Current Tax:		
- in respect of current year	748.11	1,602.96
Total (A)	**748.11**	**1,602.96**
(ii) Deferred Tax:		
- in respect of current year	515.85	877.64
Total (B)	**515.85**	**877.64**
Total income tax expense recognised in Statement of Profit and Loss (A+B)	**1,263.97**	**2,480.60**

Notes Forming Part of the Standalone Financial Statements
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9 Current Taxes and Deferred Taxes (Contd..)

A.2 Income tax recognised in other Comprehensive income

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Deferred tax related to items recognised in other comprehensive income during the year:		
- Remeasurement of defined benefit obligations & Others	(6.65)	27.23
Total	**(6.65)**	**27.23**
Classification of income tax recognised in other comprehensive income		
- Income taxes related to items that will not be reclassified to profit or loss	(6.65)	27.23
Total	**(6.65)**	**27.23**

A.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Profit before tax	4,262.68	9,102.33
Income Tax using the Company's domestic Tax rate	1,241.29	2,650.60
Tax Effect of :		
- Effect of expenses that are non-deductible in determining taxable profit	26.80	15.07
- Deductible allowances	-	-
- Changes in recognised temporary differences	0.63	(199.37)
- Changes on account of change in tax laws (Refer note C below)	-	-
- Others	(4.75)	14.30
Income Tax expense recognised in Statement of Profit or Loss	**1,263.97**	**2,480.60**

The tax rate used for the year ended March 31, 2024 and March 31, 2023 reconciliations above is the corporate tax rate of 29.12% payable by corporate entities in India on taxable profits under Indian Income Tax Laws. The above amount excludes tax expense / (reversal) relating to prior years.

B1 Movement in Deferred Tax Balances

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2023	Recognised in profit and loss account	Recognised in OCI	As at March 31, 2024
Tax effect of items constituting (deferred tax liabilities)/deferred tax assets				
Property, Plant and Equipment and Other Intangible Assets (Refer note D below)	(2,659.81)	(50.38)	-	(2,609.43)
Financial assets at amortised cost	212.58	(12.06)	-	224.64
Employee Benefits	55.58	(4.81)	-	60.39
Provisions for Expenses, impairment and Doubtful trade receivables	896.27	3.19	-	893.08
Remeasurement of defined benefit obligations	28.02	(37.35)	(6.65)	58.72
Carryforward of Tax Loss	-	-	-	-
Others	0.62	0.60	-	0.02
	(1,466.74)	**(100.81)**	**(6.65)**	**(1,372.58)**
MAT	4,590.03	(616.66)	-	3,973.37
Net Tax Asset /(Liabilities)	**3,123.29**	**515.85**	**(6.65)**	**2,600.79**

Notes Forming Part of the Standalone Financial Statements
for the year ended 31 March 2024

9 Current Taxes and Deferred Taxes (Contd..)

B2 Movement in Deferred Tax Balances

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2022	Recognised in profit and loss account	Recognised in OCI	As at March 31, 2023
Tax effect of items constituting (deferred tax liabilities)/deferred tax assets				
Property, Plant and Equipment and Other Intangible Assets	(2,687.47)	(27.66)	-	(2,659.81)
Financial assets at amortised cost	205.42	(7.16)	-	212.58
Employee Benefits	91.10	35.52	-	55.58
Provisions for Expenses, impairment and Doubtful trade receivables	877.96	(18.31)	-	896.27
Remeasurement of defined benefit obligations	(1.35)	(2.14)	27.23	28.02
Carryforward of Tax Loss	1,772.74	1,772.74	-	-
Others	(14.37)	(14.99)	-	0.62
	244.03	**1,738.00**	**27.23**	**(1,466.74)**
MAT	3,729.67	860.36	-	4,590.03
Net Tax Asset /(Liabilities)	**3,973.70**	**877.64**	**27.23**	**3,123.29**

C The Company has carried out necessary adjustments to the deferred tax balances as at 31 March 2024 based on applicable tax laws.

D Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. The provision for taxation for the current year has been determined by the Management based on the tax positon to be considered for tax filing and its assessment of the probability of acceptance of the same by the taxation authorities.

10 Other Non-Current Assets

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Advances	3,776.09	916.56
Balance with Government Authorities	3.98	3.98
Prepaid Rent	0.37	0.97
Advances to Vendors	-	-
Total	**3,780.44**	**921.51**

11 Inventories (at lower of cost and net realisable value)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Raw Materials (including Goods in Transit amounting to Rs. 3.20 Lakhs (PY - Rs. 5.08 Lakhs))	495.42	433.73
(b) Work in Progress	184.23	87.31
(c) Finished Goods (other than those acquired for trading)	452.50	815.63
(d) Fuel (including Goods in Transit amounting to Rs. 26.71 Lakhs (PY - Rs. Nil))	31.61	17.81
(e) Stores and Spares (including Goods in Transit amounting to Rs. 19.44 Lakhs (PY - Rs. 9.75 Lakhs))	286.02	193.19
(f) Traded Goods (including Goods in Transit amounting to Rs. Nil (PY - Rs. 14.71 Lakhs))	93.29	146.32
Total	**1,543.07**	**1,693.99**

Notes:

1 The cost of inventories recognised as an expenses during the year	10,795.34	7,557.75
2 The cost of inventories recognised as an expense in respect of write downs of inventory to net realisable value.	40.38	37.60
3 The method of valuation of inventories has been stated in Note 1.6		

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

12 Other Investments - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments carried at Fair Value through Profit & Loss		
Investments in Mutual Funds (quoted)		
LIC Liquid Fund - 6,785.056 units of Rs. 4385.1601 each (P.Y. 162801.516 units of Rs. 4087.6439 each)	297.54	6,654.75
LIC BPSU Fund - 4,51,438.425 units of Rs.33.7610 each (P.Y. 451438.425 units of Rs.31.3638 each)	152.41	141.59
Total	**449.95**	**6,796.34**
Aggregate Book value of Investment	**449.95**	**6,796.34**
Aggregate Market value of Investment	**449.95**	**6,796.34**

13 Trade Receivables

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Considered good, Secured (Refer Note 13.01)	780.79	594.87
(b) Considered good, Unsecured	1,341.24	1,578.34
(c) Receivables which have significant increase in credit risk	204.63	227.05
	2,326.66	**2,400.26**
Less: Provision for Expected Credit Loss (Refer Note 13.05)	(204.63)	(227.05)
Total	**2,122.03**	**2,173.21**

Notes:

13.01 Secured Trade Receivables are secured by way of irrevocable Letter of Credits and Bank Guarantees

13.02 Trade Receivables includes receivables outstanding from customers constituing individually 5% or more of the total trade receivables as at 31 March 2024 of Rs. 1,445.30 lakhs (PY : Rs. 1,659.87 lakhs)

13.03 The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. Trade receivables are non-interest bearing and are generally on terms in range of - from advance payment to upto 90 days credit.

13.04 Trade Receivables ageing schedule - Outstanding for following periods from due date of payment

As at 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not Due	Total
(i) Undisputed Trade Receivables - considered good	480.67	-	-	-	-	1,641.36	2,122.03
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	101.86	-	59.00	18.39	5.40	19.98	204.63
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	582.53	**-**	**59.00**	**18.39**	**5.40**	**1,661.34**	**2,326.66**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

13 Trade Receivables (Contd..)

As at 31 March 2023

(Amount Rs. In Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not Due	Total
(i) Undisputed Trade Receivables - considered good	710.22	4.39	-	-	-	1,458.60	2,173.21
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	149.64	25.82	20.72	8.63	7.34	14.90	227.05
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	859.86	**30.21**	**20.72**	**8.63**	**7.34**	**1,473.50**	**2,400.26**

13.05 Movement in Expected credit loss

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year	227.05	194.56
Movement in expected credit loss allowance on trade receivables	(22.42)	32.49
Balance at the end of the year	**204.63**	**227.05**

14A Cash and Cash Equivalents

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with Banks - Current Accounts	213.94	51.74
Cash on hand	0.70	1.37
Others - Fixed Deposits maturing within 3 months	-	40.02
Total	**214.64**	**93.13**

14B Bank balances other than Cash and Cash Equivalents

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
In Earmarked accounts		
- Margin Money Accounts for bank guarantees and letters of credit (Refer Note below)	2,148.35	253.83
- Unpaid Dividend Accounts (Refer Note 26 (i))	14.94	14.77
Total	**2,163.29**	**268.60**

Note:

(i) Out of the above Margin money, Rs. 221.80 Lakhs (grouped under Non Current) (PY Rs. 250.92 Lakhs) is restricted from being exchanged or used to settle a liability

Notes Forming Part of the Standalone Financial Statements
for the year ended 31 March 2024

15 Other Financial Assets - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits	20.18	23.76
Advance to employees	11.43	1.21
Interest accrued on Deposits	117.53	5.09
Receivables against sale of raw materials	-	46.54
Total	**149.14**	**76.60**

16 Other Current Assets

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to Vendors	799.14	403.44
Balance with Government Authorities	536.47	191.23
Prepaid expenses	171.37	196.21
Other Receivables	-	0.74
Total	**1,506.98**	**791.62**

17 Asset Held for Sale

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(Also refer accounting policy in note 1.28 and 1.29)		
Property Plant and Equipment	515.70	515.70
Total	**515.70**	**515.70**

Note: The Company is active on the sale of the remaining assets (land, building and other assets). The Company has assessed and concluded that no further adjustments are required to the carrying value of assets held for sale.

18 Share Capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount Rs. In lakhs	Number of shares	Amount Rs. In lakhs
(a) Authorised Share Capital				
Equity shares of Rs. 10 each (with voting rights)	2,85,00,000	2,850.00	2,85,00,000	2,850.00
11% Redeemable Cumulative Preference shares of Rs. 100 each	2,64,000	264.00	2,64,000	264.00
12% Redeemable Cumulative Preference shares of Rs. 100 each	8,00,000	800.00	8,00,000	800.00
		3,914.00		**3,914.00**
(b) Issued, Subscribed and Paid up [refer (a) to (e) below]				
Equity shares of Rs. 10 each (with voting rights) fully paid up	1,42,26,602	1,422.66	1,41,82,002	1,418.20
Total		**1,422.66**		**1,418.20**

(a) Reconciliation of the number of equity shares issued and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Equity Share Capital			
	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount Rs. In lakhs	Number of shares	Amount Rs. In lakhs
Issued, Subscribed and Paid up equity shares				
Shares and Share Capital outstanding at the beginning of the year	1,41,82,002	1,418.20	1,41,33,802	1,413.38
Add: Shares and Share Capital issued during the year (Refer Note 47)	44,600	4.46	48,200	4.82
Shares and Share Capital outstanding at the end of the year	**1,42,26,602**	**1,422.66**	**1,41,82,002**	**1,418.20**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

18 Share Capital (Contd..)

(b) Rights, preferences and restrictions attached to the equity shareholders

The Company has one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per equity share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) The details of equity shareholders holding more than 5 % of the aggregate equity Shares:

Particulars	Equity Share Capital			
	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% held	Number of shares	% held
Dr. Rao Holdings Pte Ltd	67,61,068	47.52%	67,61,068	47.67%
Titanium Equipment and Anode Manufacturing Company Private Limited	10,72,182	7.54%	10,72,182	7.56%
K.M. Padma	11,10,712	7.81%	11,10,712	7.83%
Suresh Krishnamurthi Rao	14,24,423	10.01%	14,24,423	10.04%

(d) Number of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash: - NA

(e) Refer Note 47 for details regarding employee stock option scheme.

(f) Shares held by Promoter at the end of the year

Promoter Name	No. of shares		% of total shares		% Change during the Year
	Current year	Previous year	Current year	Previous year	
Suresh Krishnamurthi Rao	14,24,423	14,24,423	10.01%	10.04%	-0.04%
Padma KM	11,10,712	11,10,712	7.81%	7.83%	-0.02%
Ramachandran N	192	192	0.00%	0.00%	0.00%
Titanium Equipment and Anode Manufacturing Company Private Limited	10,72,182	10,72,182	7.54%	7.56%	-0.02%
Dr. Rao Holdings Pte Ltd	67,61,068	67,61,068	47.52%	47.67%	-0.16%

(g) Pursuant to section 126(2) of the Companies Act 2013, the Company had transferred 4,308 (PY Nil) number of Equity Shares to Investor Education and Protection Fund during the year ended 31 March 2024.

19 Other Equity

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Share Application Money Pending Allotment (Refer Note 1 below)		
Opening Balance	10.27	0.20
Share Application Money Received	76.70	57.23
Less: Shares Allotted during the year	(45.88)	(47.16)
Closing balance	**41.09**	**10.27**
(b) Capital Reserve (Refer Note 2 below)	**15.67**	**15.67**
(c) Capital Redemption Reserve (Refer Note 3 below)		
Opening Balance	960.00	960.00
Add: On account of Redemption of Preference Shares	-	-
Closing balance	**960.00**	**960.00**
(d) Securities Premium Reserve (Refer Note 4 below)		
Opening Balance	34,922.92	34,848.67
Add: Securities Premium on issue of Equity Shares	72.69	74.25
Closing balance	**34,995.61**	**34,922.92**

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19 Other Equity (Contd..)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(e) Share Based Payment Reserve (Refer Note 5 below)		
Opening Balance	122.78	94.01
Add: Employee compensation expense for the year	37.51	60.68
Less: Transfer to Securities Premium for the shares allotted during the year	(31.27)	(31.91)
Closing balance	**129.02**	**122.78**
(f) Retained Earnings (Refer Note 6 below)		
Opening Balance	(1,124.53)	(7,503.26)
Add: Profit/(Loss) for the year	2,998.72	6,621.73
Add: Other Comprehensive income for the year (Remeasurement of the defined benefit plans, net of taxes)	16.20	(66.29)
	1,890.39	**(947.82)**
Less: Appropriations		
- Dividend on Equity Shares	(177.41)	(176.71)
Closing Balance	**1,712.98**	**(1,124.53)**
(g) Other Comprehensive Income (Refer Note 7 below)		
Opening Balance	6.22	4.20
Add/(Less): Current Year	5.74	2.02
Closing Balance	**11.96**	**6.22**
Total	**37,866.33**	**34,913.34**

Notes

1. This represents Share Application Money received from employees under the ESOP scheme titled "CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]. Also Refer Note 47
2. Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor company and profit on reissue of shares.
3. Capital redemption reserve has been created pursuant to Section 55 of the Companies Act, 2013 on account of redemption of preference shares out of the profits of the Company.
4. Securities premium reserve represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Companies Act, 2013
5. Shares based payment reserve relates to the share options granted by the company to its employees under its share option plan. Refer Note 47 for further details.
6. Retained earnings refer to net earnings not paid out as dividends, but retained by the company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.
7. Other comprehensive income represents the cumulative gain and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of taxes.

20 Borrowings

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Secured - at amortised cost		
- Term Loan from Bank (Refer Note (i) and (ii) below)	1,638.50	-
	1,638.50	**-**

Note:

Details in respect of Borrowings are as under :-

(i) Term Loan carrying an interest rate of 8.34% p.a average was availed from HDFC Bank Limited. The borrowings are secured by way of Equitable Mortgage over

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20 Borrowings (Contd..)

(a) leasehold land (taken under 99 years lease by the Company) comprising of 5 acres located in Domestic Tarrif Zone (DTZ) situated in Irugulam Village, Satyavedu Mandal, Chittor District, Andhra Pradesh - Exclusive Charge.

(b) fixed assets (Building, Plant and Machineries, created out of the term loan of Rs. 1,800 lakhs out of which Rs. 1,770 Lakhs is outstanding - Exclusive Charge.

(c) fixed assets (Plant and Machineries / civil structures), created out of the term loan of Rs. 3,150 lakhs out of which Rs. 50 Lakhs is drawn and outstanding - Exclusive Charge.

(ii) Repayment Summary

Term Loan of Rs. 1,770 lakhs as at 31 March 2024:

Repayable in 6 monthly instalments of Rs. 5 lakhs each, 71 monthly instalments of Rs. 24 lakhs each and 1 monthly instalment of Rs. 36 lakhs respectively. Repayment of this tranche of term loan began from October 2023

Term Loan of Rs. 50 lakhs as at 31 March 2024:

Repayable in 20 quarterly instalments of Rs. 2.50 lakhs each beginning from Sept 2024

Out of the above term loans, Rs. 181.50 lakhs have been classified as current maturities of long-term debt (secured) under Borrowings - Current.

There were no delays in repayments made by the Company towards the borrowings from banks during the current year and previous year.

(iii) quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

21 Other Financial Liabilities - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade/security deposits received	70.29	70.51
	70.29	**70.51**

22 Provisions - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Gratuity (Refer Note 41)	110.25	117.52
Provision for compensated absences	47.03	-
	157.28	**117.52**

23 Other Non - Current Liabilities

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from Customers	105.00	105.00
	105.00	**105.00**

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for the year ended 31 March 2024

24 Borrowings - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
From Banks		
- Cash Credit - Secured (Note (i) and (ii) below)	-	0.63
- Current maturities of long-term debt	181.50	-
	181.50	**0.63**

Note:

Details in respect of Current Borrowings are as under :-

(i) Cash Credit facilities are secured by way of first charge over the entire current assets of the Company and mortgage over land and building comprising of 9.70 acres belonging to the company situated at East Coast road, Gnanananda Place, Kalapet, Pondicherry.. The cash credits are repayable on demand.

(ii) The Fund Based and Non fund based Cash Credit facilities are sanctioned by HDFC Bank upto Rs. 2,500 Lakhs (PY 1,000 Lakhs) and by Axis Bank upto Rs. 2,500 Lakhs (PY Rs. 2,500 Lakhs) and Standard Chartered Bank upto Rs 200 Lakhs (PY. Nil)

(iii) quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

(iv) Also refer Note 20

25 Trade Payables - Current (Refer Note 39 and 42)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Total Outstanding dues of micro enterprises and small enterprises	41.39	23.57
Total Outstanding dues of creditors other than micro enterprises and small enterprises	2,659.60	2,738.86
	2,700.99	**2,762.43**

Trade payables are non-interest bearing and are normally settled on upto 90 days terms as per terms of the contract.

As at 31 March 2024

(Amount Rs. In Lakhs)

The age of the Trade Payables is as under:	Outstanding for the following periods from the due date of payment					
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Not Due**	**Total**
(i) MSME	20.31	-	-	-	20.71	41.02
(ii) Others	369.11	20.82	6.86	3.39	276.56	676.74
(iii) Disputed dues - MSME	-	0.26	0.11	-	-	0.37
(iv) Disputed dues - Others	-	-	-	-	-	-
	389.42	**21.08**	**6.97**	**3.39**	**297.27**	**718.13**

The above is excluding unbilled dues of Rs. 1,982.86 Lakhs

As at 31 March 2023

(Amount Rs. In Lakhs)

The age of the Trade Payables is as under:	Outstanding for the following periods from the due date of payment					
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Not Due**	**Total**
(i) MSME	19.78	-	-	-	3.74	23.52
(ii) Others	495.67	41.38	1.59	1.80	369.45	909.89
(iii) Disputed dues - MSME	-	0.05	-	-	-	0.05
(iv) Disputed dues - Others	-	-	-	-	-	-
	515.45	**41.43**	**1.59**	**1.80**	**373.19**	**933.46**

The above is excluding unbilled dues of Rs. 1,828.97 Lakhs

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

26 Other Financial Liabilities - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Creditors for Capital Goods	3,948.83	558.30
Unpaid Dividends (Refer Note (i) and (ii) below)	14.94	14.77
Interest accrued but not due	12.29	-
	3,976.06	**573.07**

Note:

(i) Amounts remitted to Investor Education and Protection Fund during the year	1.78	1.67
(ii) The Company had transferred the underlying shares, relevant to the amounts transferred, to the Investor Education and Protection Fund during the previous year.	-	-

27 Provisions - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for compensated absences	124.07	156.01
Provision for Warranty (Refer Note 1.20 and Note below)	46.72	35.24
Provision for Gratuity (Refer Note 41)	91.39	72.21
	262.18	**263.46**
Note :		
The Company carries a provision for warranty, the details of which are as under :		
Opening Balance	**35.24**	**28.62**
Provision made during the year	11.48	6.62
Amounts Utilised / Paid during the year		
Closing Balance	**46.72**	**35.24**

28 Current tax liabilities (Net)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Tax (Net of Income Tax paid / TDS of Rs. 3033.97 lakhs)	148.12	255.14
(As at 31 March 2023 of Rs. 2,178.85 lakhs)		
	148.12	**255.14**

29 Other Current Liabilities

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory liabilities	323.86	302.68
Advance from Customers	787.65	326.17
	1,111.51	**628.85**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

30 Revenue from operations

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
a Sales of Products (Refer note below)	32,707.55	33,112.26
b Other operating revenues		
- Testing charges	21.23	24.20
Total	**32,728.78**	**33,136.46**

Note:

Revenue for sale of products is net of rebates/incentives/discounts for the year ended 31 March 2024 amounting to Rs. 99.76 Lakhs (previous year Rs. 100.31 Lakhs).

30.1 Disaggregation of the revenue Information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Revenue by Geography		
India	32,651.69	33,057.10
Outside India	77.09	79.36
Total revenue from contracts with customers	**32,728.78**	**33,136.46**
Revenue by offerings		
Manufactured goods		
Chemicals & Related Products / Services		
- Caustic Soda Lye	14,511.03	23,247.46
- Caustic Soda Flakes	2,992.36	2,068.34
- Chlorine	349.86	292.93
- Hydrogen	1,095.10	1,064.98
- Others	1,179.89	1,259.01
PVCO-Pipes		
- PVC-O Pipes	9,939.65	2,367.81
- Others	159.06	77.52
Traded Goods		
Chemicals & Related Products / Services		
- Caustic Soda Lye	-	1,338.14
PVCO-Pipes		
- PVC-O Pipes	2,269.42	1,396.07
- Resin	202.93	-
- Others	8.25	-
Other Operating Income		
Chemicals & Related Products / Services		
- Testing Charges	21.23	24.20
Total revenue from contracts with customers	**32,728.78**	**33,136.46**
Timing of recognition		
Goods & Services transferred at a point in time	32,728.78	33,136.46
Total revenue from contracts with customers	**32,728.78**	**33,136.46**

30.2 Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer. Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

30 Revenue from operations (Contd..)

30.3 Transaction price allocated to the remaining performance obligations

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Contract Balances		
Gross Trade Receivables	2,326.66	2,400.26
Advance received from customers	892.65	431.17

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

30.4 Information about major customers

The Company is a manufacturer of caustic soda lye, flakes, liquid chlorine, hydrogen gas, pvco pipes and other products.

Revenues arising from direct sales above includes revenues of approximately Rs. 4,073.56 lakhs which arose from sales to the company's single large customer (Previous Year Rs. 4,117.89 Lakhs). No other single customers contributed 10% or more to the Company's revenue during the current year.

31 Other Income

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
(a) Interest Income:		
- Interest on fixed deposits with banks	145.40	23.74
- Interest income on Income Tax refund	-	2.76
- Other Interest income	60.18	35.66
(b) Other Non Operating Income:		
- Other Financial Assets (at Fair Value through Profit & Loss) (Refer note (i) below)	237.21	272.37
- Profit on Sale of Property, Plant & Equipment (Net)	26.55	21.53
- Liabilities no longer required written back (Also refer note 39)	155.12	3.38
- Miscellaneous Income	153.91	172.91
Total	**778.37**	**532.35**

(i) Note :

The amount represents a net gain on investments in Mutual Funds (Refer Note 12) comprising of an net change in fair value of Rs. (46.36) Lakhs net of reversals on account of realised gain on redemptions (PY Rs. 58.46 Lakhs) and gain on redemption of investments of Rs. 283.57 Lakhs received during the year (PY Rs. 213.91 Lakhs).

32A Cost of Materials Consumed

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Opening Stock	433.73	358.09
Add: Purchases	7,405.46	5,087.13
	7,839.19	**5,445.22**
Less: Sale of Raw Materials	39.07	169.93
Less: Closing Stock	495.42	433.73
Cost of Materials consumed	**7,304.70**	**4,841.56**
Materials Consumed Comprises of:		
Salt	2,932.21	3,048.96
PVC Resin	3,636.71	1,457.80
Others (Refer Note (i) below)	735.78	334.80
Total	**7,304.70**	**4,841.56**

Note:

(i) Others include raw materials none of which individually accounts for more than 10 % of the total consumption.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

32B Purchase of Stock in Trade

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
- Caustic Soda Lye	-	1,299.89
- PVCO-Pipes	2,009.36	1,185.81
- PVC Resin	196.87	-
- Others	7.56	-
	2,213.79	**2,485.70**

33 Changes in Inventories of Finished Goods and Work in Progress

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Opening Stock		
Finished goods	815.63	422.47
Work-in-Progress	87.31	121.36
	902.94	**543.83**
Closing Stock		
Finished goods	452.50	815.63
Work-in-Progress	184.23	87.31
	636.73	**902.94**
Net (Increase)/decrease	**266.21**	**(359.11)**

34 Other Direct Manufacturing Expenses

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Power and Fuel (Also refer note below)	10,782.90	9,530.83
Labour Charges	416.00	352.29
Total	**11,198.90**	**9,883.12**

(i) **Note :** During the previous year, company received tariff order of Andhra Pradesh Electricity Regulatory Commission. As per order Andhra Pradesh Central Power Distribution Corporation Limited (APCPDCL) has been directed to recover true up charges for power units consumed for the period FY 2014-15 to FY 2018-19 at the rate of Rs. 0.22 per unit in 36 instalments commencing from 01.08.2022. Accordingly the company had provided for the total amount chargeable and disclosed Rs. 337.96 Lakhs under Exceptional Items in the previous year.

35 Employee Benefits Expense

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Salaries and Wages	1,792.19	1,480.39
Contribution to Provident and other Funds (Refer Note 41)	243.54	189.58
Expense on employee stock based compensation (Refer Note 47)	37.51	60.68
Staff Welfare Expenses	122.50	122.89
Total	**2,195.74**	**1,853.54**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

36 Finance Cost

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Interest on Borrowings	77.28	7.30
Interest on Lease Liability (Refer Note 3)	15.80	16.33
Total	**93.08**	**23.63**

37 Other Expenses

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Stores and Spare parts consumed	1,010.64	589.60
Rent	15.78	4.41
Repairs and Maintenance - Plant and Equipment	318.82	195.78
- Buildings	42.23	43.52
Insurance	214.11	191.11
Rates and Taxes	50.71	103.26
Travelling Expenses	218.84	223.11
Auditor's Remuneration (net of GST input credit)		
- Statutory Audit	19.50	19.50
- Limited Review	4.50	4.50
- Out of Pocket Expenses	0.72	0.75
Commission to Directors (Refer Note 39)	465.00	600.00
Sitting Fees (Refer Note 39)	11.50	13.88
Expenditure on Corporate Social Responsibility (Refer Note 43)	92.05	51.21
Legal and Professional Fees	139.68	134.24
Freight (Net)	735.44	422.86
Advertisement	9.44	12.46
Exchange variation (Net)	(10.40)	(6.71)
Bad receivables / Other Deposits written off	0.72	1.26
Provision for Impairment on Assets Held for sale (Refer Note 17)	-	23.78
Provision for Expected credit Loss on Trade Receivables	(22.42)	32.49
Bank Charges	43.53	27.24
Miscellaneous Expenses	426.65	523.66
Total	**3,787.04**	**3,211.91**

Note:

(i) Miscellaneous Expenses includes:		
- Donations	-	1.07

38

Particulars	Amount Rs. In lakhs	
	As at 31 March 2024	As at 31 March 2023
a. Commitments		
(i) Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advances) in respect of purchase of :		
- Property Plant and Equipment	923.18	3,767.20
b. Contingent liabilities in respect of		
(i) Claims against the Company not Acknowledged as debt	110.60	110.60
(ii) Corporate Guarantee/Letters of Comfort (Refer note (i) below)	20,000.00	-
(iii) Sales tax, Excise, Service Tax, Customs Duty and other demands against which the Company has filed appeals and for which no provision is considered required as the Company is hopeful of successful outcome in the appeals. (Refer note (ii) below)	150.14	135.08

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

38 (Contd..)

Note (i): Details of corporate guarantee / comfort letters issued on behalf of related parties are as follows:

(Amount Rs. In Lakhs)

Particulars	Beneficiary	As at 31 March 2024	As at 31 March 2023
Chemfab Alkalis Karaikal Limited	State Bank of India	20,000.00	-

The purpose of the above corporate guarantee issued was towards securing financing facilities to the above mentioned related parties.

Note (ii):

Sl No.	Name of the Statute	Nature of Dues (Including Interest)	Disputed Amount (Net of Provision) Rs. In lakhs	Period (F.Y)	Forum where dispute is pending
1	The Finance Act, 1994	Service Tax	7.44	June 2005 to	Commissioner (Appeals), Chennai
			(7.09)	January 2008	
2	The Central Excise Act, 1944	Excise Duty	2.22	October 2011 to	Commissioner of Central Excise, Puducherry
			(2.10)	June 2012	
3	The Customs Act, 1962	Customs Duty	88.88	F.Y. 2013-14	CESTAT
			(82.06)		
4	The Income Act, 1961	Income Tax	44.15	F.Y. 2002-03	The High Court of Madras
			(36.38)		
5	The Central Goods and Service Tax Act, 2017 The State Goods and Service Tax Act, 2017	GST	7.45	July 2017 to March 2020	Commissioner Appeals
			(7.45)		

Notes:

(i) The amounts shown above represent best possible estimate carried on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various case proceedings which have been initiated by the Company or the claimants, as the case may be, and therefore cannot be predicted accurately.

(ii) Figures in bracket indicate previous year figures.

39 Related party disclosures

a) List of Related parties and description of relationship

(i) Individuals exercising Significant influence	Mr. Suresh Krishnamurthi Rao - Chairman
(ii) Relatives of above	Mrs. K.M. Padma (Mother of Mr. Suresh Krishnamurthi Rao)
(iii) Entities exercising significant influence over the Company	Dr Rao Holdings Pte Ltd
(iv) Entities in which persons listed in (i) and (ii) above exercise significant influence	Titanium Equipment and Anode Manufacturing Company Private Limited (TEAM)
(v) Wholly owned Subsidiary	Chemfab Alkalis Karaikal Limited
(vi) Key Management Personnel (KMP)	Mr. V.M. Srinivasan - Chief Executive Officer
	Mr. S Prasath - Chief Financial Officer
	Mr. Nitin Cowlagi Seshgiri - Non Executive Director
	Mr. C.S.Ramesh - Non Executive Director
	Mrs. Drushti Desai - Non Executive Director
	Mr. Janakiraman A - Non Executive Director
	Mr. Mahendran R - Non Executive Director
	Mrs. Sujatha Jayarajan - Non Executive Director
	Mr. T.Ramabadran - Non Executive Director
(vii) Other related party	Chemfab Alkalis Limited Employee's Group Gratuity Trust

Note 1: The list above includes only parties with transactions during the year.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

39 Related party disclosures (Contd..)

b) Transactions with related parties :

(Amount Rs. In Lakhs)

Nature of Transaction	Related Party	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
1. Transactions during the year			
a) Income			
Sale of Products	Titanium Equipment and Anode Manufacturing Company Private Limited	5.49	21.60
Debit note for compensation of purchase of goods	Titanium Equipment and Anode Manufacturing Company Private Limited	166.97	-
Sale of Products	Chemfab Alkalis Karaikal Limited	6.39	-
Sale of Property, Plant & Equipment	Chemfab Alkalis Karaikal Limited	4.11	-
b) Expenditure			
Purchase of Goods and Services	Titanium Equipment and Anode Manufacturing Company Private Limited	3.86	0.24
Lease Rent	Titanium Equipment and Anode Manufacturing Company Private Limited	2.98	3.29
Salaries, Perquisites and post employment benefits	Mr. V.M. Srinivasan	200.79	191.81
	Mr. S Prasath	53.57	46.03
c) Others			
Investment in Preference Share Capital	Chemfab Alkalis Karaikal Limited	6,300.00	3,117.00
Commission (paid out of the provision made during the previous year)	Mr. Suresh Krishnamurthi Rao	530.00	371.00
Commission (paid out of the provision made during the previous year) and Sitting Fees (accrued during the year)	Mr. C.S.Ramesh	11.62	9.63
	Mrs. Drushti Desai	12.00	9.08
	Mr. Janakiraman A	11.78	8.88
	Mr. Mahendran R	11.08	8.55
	Mrs. Sujatha Jayarajan	11.48	8.95
	Mr. T.Ramabadran	12.07	9.63
	Mr. Nitin Cowlagi Seshgiri	11.47	8.18
Purchase of Property, Plant & Equipment	Titanium Equipment and Anode Manufacturing Company Private Limited	-	18.16
Contractually reimbursable expenses	Titanium Equipment and Anode Manufacturing Company Private Limited	9.78	12.96
	Chemfab Alkalis Karaikal Limited	20.18	55.72
Contribution to employees post employment benefit plans	Chemfab Alkalis Limited Employee's Group Gratuity Trust	26.00	3.00
Dividend paid (Including TDS)	Mr. Suresh Krishnamurthi Rao	17.81	17.81
	Mrs. K.M. Padma	13.88	13.88
	Dr Rao Holdings Pte Ltd	84.51	84.51
	Titanium Equipment and Anode Manufacturing Company Private Limited	13.40	13.40
	Mr. V.M. Srinivasan	2.36	2.23
	Mr. Prasath S	0.20	0.13
	Mr. Nitin Cowlagi Seshgiri	0.70	0.70

Note:

1) Purchases, Sales and Services above are inclusive of taxes

2) The above excludes Provision for Commission to Directors of Rs.465 lakhs (PY - Rs. 600 lakhs) made during the year.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

39 Related party disclosures (Contd..)

(Amount Rs. In Lakhs)

Nature of Transaction	Related Party	As at 31 March 2024	As at 31 March 2023
II. Balances Outstanding at the end of the year			
Payables	Titanium Equipment and Anode Manufacturing Company Private Limited	-	136.47
Other Current Assets	Titanium Equipment and Anode Manufacturing Company Private Limited	-	-
Receivable	Chemfab Alkalis Karaikal Limited	0.40	-
Investment in Subsidiary - Equity Share Capital	Chemfab Alkalis Karaikal Limited	532.00	532.00
Investment in Subsidiary (Including share application money pending allotment) - Preference Share Capital	Chemfab Alkalis Karaikal Limited	10,000.00	3,700.00
Other employment benefits payable	Mr. V.M. Srinivasan	44.24	34.95
	Mr. Prasath S	15.37	12.16
Contribution to employees post employment benefit plans	Chemfab Alkalis Limited Employee's Group Gratuity Trust	537.60	474.25

Benefits included in Compensation of key management personnel of the Company are as below:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Mr. V.M. Srinivasan		
Salary and perquisite	178.15	139.26
Share-based payment transactions perquisite	15.09	44.92
Post employment benefits	7.55	7.63
Total	**200.79**	**191.81**
Mr. Prasath S		
Salary and perquisite	35.40	29.51
Share-based payment transactions perquisite	10.80	9.31
Post employment benefits	7.37	7.21
Total	**53.57**	**46.03**

40 Earnings Per Share

Net Profit for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Face Value Per Share - Rs.	10.00	10.00
Net Profit / (Loss) attributable to the Equity shareholders (A) - Rs. In Lakhs	2,998.72	6,621.73
Weighted average Number of Shares (B)	1,42,09,147	1,41,60,974
Add: Effects of ESOP which are dilutive in nature	1,40,813	1,44,948
Weighted average Number of Shares for Diluted EPS (C)	1,43,49,960	1,43,05,922
Basic Earnings per Share (A/B) - Rs.	21.10	46.76
Diluted Earnings per Share (A/C)- Rs.	20.90	46.29

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

41 Employee benefit plans

I Defined contribution plans

The Company makes Provident Fund, Superannuation Fund which are defined contribution plans, for qualifying employees. During the year, the Company has recognised the following amounts under Defined Contribution Plan in the Statement of Profit and Loss:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Employer's Contribution to Provident Fund/Pension Scheme	127.14	117.18
Employer's Contribution to Superannuation Fund	20.84	20.86
Employer's Contribution to Employee Deposit Linked Insurance scheme	1.69	1.62
	149.67	**139.66**

II Defined benefit plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Limited. Gratuity has been accrued based on actuarial valuation as at the balance sheet date, carried out by an independent actuary.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Recognised in Statement of Profit and Loss		
Current service cost	81.56	46.19
Net interest expense	12.31	3.73
Components of defined benefit costs recognised in the Statement of Profit and Loss	**93.87**	**49.92**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	(0.67)	(6.07)
Actuarial gains and loss arising from changes in financial assumptions	(22.18)	99.59
Components of defined benefit costs recognised in Other Comprehensive Income	**(22.85)**	**93.52**
Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income	**71.02**	**143.44**

(i) The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" in the statement of profit & loss under the line item "Contribution to Provident and Other Funds

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Net asset / (liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	(739.24)	(663.98)
2. Fair value of plan assets	537.60	474.25
Net asset / (liability) recognised in the Balance Sheet	**(201.64)**	**(189.73)**
Current portion of the liability included under Note 27	91.39	72.21
Non-Current portion of the liability included under Note 22	110.25	117.52
	201.64	**189.73**

Notes Forming Part of the Standalone Financial Statements
for the year ended 31 March 2024

41 Employee benefit plans (Contd..)

(c) Movement in the present value of the defined benefit obligation are as follows :

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	663.98	495.62
Expenses Recognised in Statement of Profit and Loss:		
- Current service cost	81.56	46.19
- Interest cost	47.25	34.57
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses):		
- Actuarial gains and loss arising from changes in financial assumptions	(22.18)	99.59
Benefits paid	(31.37)	(11.99)
Present value of defined benefit obligation at the end of the year	**739.24**	**663.98**

(d) Movement in fair value of plan assets are as follows :

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Change in fair value of assets during the year		
Fair value of plan assets at the beginning of the year	474.25	437.56
Expenses Recognised in Statement of Profit and Loss:		
Expected return on plan assets	34.95	30.84
Recognised in Other Comprehensive Income:		
Return on plan assets (excluding amount included in net interest expense)	0.67	6.07
Contributions by employer	59.10	11.77
Benefits paid	(31.37)	(11.99)
Fair value of plan assets at the end of the year	**537.60**	**474.25**

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investment Funds with Insurance Company		
- Aditya Birla Sun Life Insurance Company Limited	15.72%	12.35%
- Life Insurance Corporation of India	84.28%	87.65%

The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	6.97%	7.16%
Expected return on plan assets	7.37%	7.05%
Salary escalation	10.00%	10.00%
Attrition	7.50%	7.00%
Mortality tables	India Assured Life (2012-14)	India Assured Life (2012-14)

Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant:

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

41 Employee benefit plans (Contd..)

(Amount Rs. In Lakhs)

Impact on the Defined benefit Obligation	Increase As at 31 March 2024	Increase As at 31 March 2023
Change in the discount rate by 50 basis point	18.20	17.28
Change in Attrition rate by 50 basis point	2.41	(2.09)
Change in Expected rate of salary increase by 50 basis point	(19.26)	(18.28)

(Amount Rs. In Lakhs)

Impact on the Defined benefit Obligation	Decrease As at 31 March 2024	Decrease As at 31 March 2023
Change in the discount rate by 50 basis point	(19.20)	(17.28)
Change in Attrition rate by 50 basis point	(2.52)	2.09
Change in Expected rate of salary by 50 basis point	18.45	18.28

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(g) Effect of plan on Entity's future cash flows

(i) Funding arrangements and funding policy

The Company has a gratuity fund to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the company. The deficit in the assets in funded by the company

(ii) The Company expects to make a contribution of Rs. Nil during the next financial year

(iii) The weighted average duration of the benefit obligation as at 31 March 2024 is 5.6 years (6.0 years as at 31 March 2023)

(iv) Maturity profile of defined benefit obligation:

Expected cash flows (valued on undiscounted basis):	Amount Rs. In lakhs
within 1 year	91.38
2 to 5 years	442.73
6 to 10 years	300.88

(h) Experience adjustments

(Amount Rs. In Lakhs)

Gratuity	Year ended 31 March 2024	Year ended 31 March 2023
Present value of DBO	739.24	663.98
Fair value of plan assets	537.60	474.25
Experience gain / (loss) adjustments on plan liabilities	22.18	(99.59)
Experience gain / (loss) adjustments on plan assets	0.67	6.07

Details relating to the experience adjustments are provided to the extent information is available.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

41 Employee benefit plans (Contd..)

Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation are as given below:

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate	6.97%	7.16%
Salary Growth rate	10.00%	10.00%
Attrition rate	7.50%	7.00%

42 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
a) Dues remaining unpaid		
- Principal	41.39	23.57
- Interest	-	-
b) (i) Amounts paid to suppliers beyond the appointed day	-	-
(ii) Interest paid in terms of Sec.16 of the Act	-	-
c) Interest due and payable for the period of delay in payments made beyond the appointed day during the year	-	-
d) Interest accrued and remaining unpaid	-	-
e) Interest due and payable even in the succeeding years until actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

43 Corporate Social Responsiblity (CSR) Expenditure:

(i)

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Amount required to be spent by the Company during the year	92.05	3.93
(b) Amount of expenditure incurred	72.64	26.53
(c) (Excess) / Shortfall at the end of the year (refer note below)	19.41	(22.60)
(d) Total of previous years shortfall/(Excess)	(22.60)	-
(e) Reason for shortfall	NA	NA

(ii) Amount spent by the Company during the year on:

(Amount Rs. In Lakhs)

Particulars for the year ended 31 March 2024	Mode of Payment	Amount Paid	Yet to be paid	Total
i) Construction / Acquisition of any asset	Cheque / Electronic Fund Transfer	-	-	0
	Cash	-	-	-
ii) On purposes other than (i) above	Cheque / Electronic Fund Transfer/ Transfer of goods	72.42	0.22	72.64
	Cash	-	-	-
Total		**72.42**	**0.22**	**72.64**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

43 Corporate Social Responsiblity (CSR) Expenditure: (Contd..)

(Amount Rs. In Lakhs)

Particulars for the year ended 31 March 2023	Mode of Payment	Amount Paid	Yet to be paid	Total
i) Construction / Acquisition of any asset	Cheque / Electronic Fund Transfer	5.25	-	5.25
	Cash	-	-	-
ii) On purposes other than (i) above	Cheque / Electronic Fund Transfer/ Transfer of goods	20.75	0.53	21.28
	Cash	-	-	-
Total		**26.00**	**0.53**	**26.53**

(iii) Nature of CSR activities

(Amount Rs. In Lakhs)

CSR Activities Classification for the year ended 31 March 2024	Sector in which the activity is covered in Schedule VII	Amount accrued as expense in current year	Amount Paid	Amount remaining unpaid
Rural Development Projects	Schedule VII (X)	25.98	25.98	-
HealthCare	Schedule VII (i)	5.17	5.17	-
Ensuring Environment Sustainability	Schedule VII (iv)	2.62	2.40	0.22
Safe Drinking Water	Schedule VII (i)	5.53	5.53	-
Education and Training	Schedule VII (ii)	22.00	22.00	-
Eradicating Hunger, Poverty and Malnutrition	Schedule VII (i)	11.34	11.34	-
Total		**72.64**	**72.42**	**0.22**

(Amount Rs. In Lakhs)

CSR Activities Classification for the year ended 31 March 2023	Sector in which the activity is covered in Schedule VII	Amount accrued as expense in current year	Amount Paid	Amount remaining unpaid
Ensuring Environment Sustainability	Schedule VII (iv)	2.62	2.19	0.43
Education and Training	Schedule VII (ii)	20.37	20.28	0.09
Disaster Management	Schedule VII (XII)	0.80	0.80	-
Safe Drinking Water	Schedule VII (i)	2.74	2.74	-
Total		**26.53**	**26.01**	**0.52**

44 Financial Instruments

(I) Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Current Maturities of Long term Debt net of Cash and bank balances and short term investments. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing Ratio :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	1,820.00	0.63
Short Term Investments	(449.95)	(6,796.34)
Cash and Bank Balances	(2,377.93)	(361.73)
Net Debt (A)	**(1,007.88)**	**(7,157.44)**
Total Equity (B)	**39,288.99**	**36,331.54**
Net Debt to equity ratio (A/B)	**(0.03)**	**(0.20)**

Notes Forming Part of the Standalone Financial Statements
for the year ended 31 March 2024

44 Financial Instruments (Contd..)

(II) Categories of Financial Instruments

(a) Financial Assets

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at fair value through Other Comprehensive Income (FVTOCI)		
- Other Investments	12.28	6.55
Measured at fair value through P&L (FVTPL)		
- Investments	449.95	6,796.34
Measured at amortised cost		
- Investments in Subsidiaries	10,532.00	4,232.00
- Trade receivables	2,122.03	2,173.21
- Cash and Cash Equivalents	214.64	93.13
- Bank Balances other than above	2,163.29	268.60
- Other Financial Assets	472.95	215.08
Total	**15,967.14**	**13,784.91**

(b) Financial Liabilities :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost		
- Borrowings	1,820.00	0.63
- Trade Payables	2,700.99	2,762.43
- Lease Liabilities	180.56	217.87
- Other financial liabilities	4,046.35	643.58
Total	**8,747.90**	**3,624.51**

(III) Financial Risk Management Framework

The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(IV) Foreign Currency Risk Management :

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Company has not entered into any derivate contracts during the year ended 31 March 2024 and there are no outstanding contracts as at 31 March 2024.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31 March 2024		As at 31 March 2023	
		Amount in Foreign Currency	Amount - Rs. In lakhs	Amount in Foreign Currency	Amount - Rs. In lakhs
Capital Creditors	EURO	1,93,070.30	174.18	1,85,000.00	165.77
Trade Payables	USD	1,22,870.00	102.44	1,08,570.00	87.97
Trade Payables	EURO	1,397.00	1.26	-	-
Trade Payables	GBP	1,346.52	1.42	-	-
Trade Receivables	USD	20,771.84	17.32	35,237.27	30.07

All of the above exposures have not been hedged

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

44 Financial Instruments (Contd..)

(V) Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024		For the Year Ended 31 March 2023	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(0.05)	0.05	(0.04)	0.04
EURO	(0.10)	0.10	(0.09)	0.09
GBP	(0.00)	0.00	-	-

Impact on total equity as at the end of the reporting period

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(0.05)	0.05	(0.04)	0.04
EURO	(0.10)	0.10	(0.09)	0.09
GBP	(0.00)	0.00	-	-

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

(VI) Forward foreign exchange contracts : There are no forward foreign exchange contracts outstanding as at 31 March 2024.

(VII) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amount Rs. In Lakhs)

Particulars	Upto 1 Year	1-3 Years	3-5 Years	5 years and above	Total
March 31, 2024					
Interest bearing	263.68	630.63	610.51	508.03	2,012.85
Non-interest bearing	6,633.32	37.09	3.39	61.25	6,735.05
Total	**6,897.00**	**667.72**	**613.90**	**569.28**	**8,747.90**
March 31, 2023					
Interest bearing	72.43	34.63	14.51	96.93	218.50
Non-interest bearing	3,290.67	53.57	1.80	59.97	3,406.01
Total	**3,363.10**	**88.20**	**16.31**	**156.90**	**3,624.51**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

44 Financial Instruments (Contd..)

Interest Rate risk

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 interest rates

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for term loan at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A change (decrease/increase) of 100 basis points in interest rates for term loan at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Impact on Profit and Loss for the reporting period

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase by 100 bps	Decrease by 100 bps	Increase by 100 bps	Decrease by 100 bps
Impact on Profit and Loss for the reporting period	0.00	0.00	0.00	0.00

Impact on Total Equity as at end of the reporting period

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase by 100 bps	Decrease by 100 bps	Increase by 100 bps	Decrease by 100 bps
Impact on Total Equity as at end of the reporting period	0.00	0.00	0.00	0.00

The following tables detail the Company's remaining contractual maturity for its non-derivative financial assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

(Amount Rs. In Lakhs)

Particulars	Upto 1 Year	1-3 Years	3-5 Years	5 years and above	Total
March 31, 2024					
Interest bearing	2,730.76	8.25	224.06	91.51	3,054.58
Non-interest bearing	2,348.10	16.65	1.22	10,546.60	12,912.56
Total	**5,078.86**	**24.90**	**225.28**	**10,638.11**	**15,967.14**
March 31, 2023					
Interest bearing	7,070.03	53.77	-	84.71	7,208.51
Non-interest bearing	2,314.09	20.23	1.22	4,240.87	6,576.40
Total	**9,384.12**	**74.00**	**1.22**	**4,325.58**	**13,784.91**

Non-interest rate bearing financial assets disclosed above includes Trade Receivable, Cash, Balances with banks held in current accounts and Other Financial Assets.

Fixed interest rate instruments disclosed above represents balances with banks held in deposit accounts and discounted financial assets.

(VIII) Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

(IX) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

(X) Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

45 Fair Value Hierarchy

This note provides information about how the Company determines fair value of various financial assets and liabilities

(I) Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

(Amount Rs. In Lakhs)

Particulars	Fair Value as at 31 March 2024	Fair Value as at 31 March 2023	Fair Value Hierarchy	Valuation techniques and key inputs
Financial Assets				
- Investment in quoted Equity Instruments at FVTOCI	12.28	6.55	Level 1	Quoted bid prices in an active market
- Other Investments at FVTPL	449.95	6,796.34	Level 1	Based on fund statement
Total	**462.23**	**6,802.89**		

(II) Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring) :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets at amortised cost:				
- Investments in Subsidiaries	10,532.00	10,532.00	4,232.00	4,232.00
- Trade receivables	2,122.03	2,122.03	2,173.21	2,173.21
- Cash and Cash Equivalents	214.64	214.64	93.13	93.13
- Bank Balances other than above	2,163.29	2,163.29	268.60	268.60
- Other financial assets	472.95	472.95	215.08	215.08
Total	**15,504.91**	**15,504.91**	**6,982.02**	**6,982.02**
Financial liabilities held at amortised cost :				
- Borrowings	1,820.00	1,820.00	0.63	0.63
- Trade Payables	2,700.99	2,700.99	2,762.43	2,762.43
- Lease Liabilities	180.56	180.56	217.87	217.87
- Other financial liabilities	4,046.35	4,046.35	643.58	643.58
Total	**8,747.90**	**8,747.90**	**3,624.51**	**3,624.51**

Fair value hierarchy as at 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost:				
- Investments in Subsidiaries		-	10,532.00	10,532.00
- Cash and Cash Equivalents	214.64	-	-	214.64
- Bank Balances other than above	2,163.29	-	-	2,163.29
- Trade receivables	-	-	2,122.03	2,122.03
- Other financial assets	44.85	-	428.10	472.95
	2,422.78	**-**	**13,082.13**	**15,504.91**
Financial liabilities held at amortised cost :				
- Borrowings	-	-	1,820.00	1,820.00
- Trade Payables	-	-	2,700.99	2,700.99
- Lease Liabilities	-	-	180.56	180.56
- Other financial liabilities	-	-	4,046.35	4,046.35
	-	**-**	**8,747.90**	**8,747.90**

Notes Forming Part of the Standalone Financial Statements
for the year ended 31 March 2024

45 Fair Value Hierarchy (Contd..)

Fair value hierarchy as at 31 March 2023

(Amount Rs. In Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost:				
- Investments in Subsidiaries	-	-	4,232.00	4,232.00
- Cash and Cash Equivalents	93.13	-	-	93.13
- Bank Balances other than above	268.60	-	-	268.60
- Trade receivables	-	-	2,173.21	2,173.21
- Other financial assets	44.85	-	170.23	215.08
	406.58	**-**	**6,575.44**	**6,982.02**
Financial liabilities held at amortised cost :				
- Borrowings	-	-	0.63	0.63
- Trade Payables	-	-	2,762.43	2,762.43
- Lease Liabilities	-	-	217.87	217.87
- Other financial liabilities	-	-	643.58	643.58
	-	**-**	**3,624.51**	**3,624.51**

46 Segment Information

Description of segments and principal activities

The company identifies its operating segment based on the nature and class of product and services, nature of production process and assessment of differential risks and returns and financial reporting results reviewed by the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance. Operating segments have been identified on the basis of the nature of products/ services and have been identified as per the quantitative criteria specified in the Ind AS. For financial statements presentation purposes, individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors.

Specifically, the Company's reportable segments under Ind AS are as follows:

1) Chemicals and related Products/Services
2) PVC-O Pipes

Geographical segments

The geographical segments considered for disclosure are based on markets, broadly as India and Others

Segment accounting policies

In addition to the significant accounting policies applicable to the business segment as set out in note 1.16, the accounting policies in relation to segment accounting are as under:

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment. Inter segment sales are eliminated in consolidation

Other income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.

The total assets disclosed for each segment include all operating assets used by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude, deferred tax assets and income tax etc.

Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities etc.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

46 Segment Information (Contd..)

I. Segment revenues and results

(Amount Rs. In Lakhs)

Particulars	Business segments		Total
	Chemicals and related Products/ Services	PVC-O Pipes	
Revenue			
- Current Year	20,149.47	12,612.00	32,761.47
- Previous Year	29,295.06	3,856.18	33,151.24
Less: Inter-segment revenue			
- Current Year		32.69	32.69
- Previous Year	-	14.78	14.78
Total			
- Current Year	20,149.47	12,579.31	32,728.78
- Previous Year	29,295.06	3,841.40	33,136.46
Segment result before exceptional item			
- Current Year	509.65	3,067.74	3,577.39
- Previous Year	8,898.48	33.09	8,931.57
Less: Exceptional Item			
- Current Year	-	-	-
- Previous Year	(337.04)	(0.92)	(337.96)
Segment result after exceptional item			
- Current Year	509.65	3,067.74	3,577.39
- Previous Year	8,561.44	32.17	8,593.61
Finance Cost			
- Current Year			93.08
- Previous Year			23.63
Operating income			
- Current Year			3,484.31
- Previous Year			8,569.98
Other income			
- Current Year			778.37
- Previous Year			532.35
Profit before taxes			
- Current Year			4,262.68
- Previous Year			9,102.33
Tax expense			
- Current Year			1,263.96
- Previous Year			2,480.60
Profit for the year			
- Current Year			2,998.72
- Previous Year			6,621.73

II. Segment Assets and Liabilities

(Amount Rs. In Lakhs)

Particulars	Business segments		Total
	Chemicals and related Products/ Services	PVC-O Pipes	
Segment assets			
- Current Year	20,512.04	15,402.95	35,914.99
- Previous Year	18,998.07	8,042.35	27,040.42
Unallocable assets			
- Current Year			13,905.99
- Previous Year			14,285.60

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

46 Segment Information (Contd..)

(Amount Rs. In Lakhs)

Particulars	Business segments: Chemicals and related Products/ Services	Business segments: PVC-O Pipes	Total
Total assets			
- Current Year			49,820.98
- Previous Year			41,326.02
Segment liabilities			
- Current Year	3,262.60	5,274.04	8,536.64
- Previous Year	4,042.53	681.41	4,723.94
Unallocable liabilities			
- Current Year			1,995.35
- Previous Year			270.54
Total liabilities			
- Current Year			10,531.99
- Previous Year			4,994.48
Other information			
Capital expenditure			
- Current Year	1,319.84	3,712.83	5,032.67
- Previous Year	2,309.99	768.75	3,078.74
Depreciation and amortisation			
- Current Year	1,555.27	629.74	2,185.01
- Previous Year	1,609.98	678.19	2,288.17

Information on geographic segments:

(Amount Rs. In Lakhs)

Geographical Segment	Revenues for the year ended 31 March 2024	Non - Current Assets as at 31 March 2024 (Refer Note 2 below)
India		
- Current Year	32,651.69	38,479.55
- Previous Year	33,057.10	25,778.27
Others		
- Current Year	77.09	-
- Previous Year	79.36	-

Note:

1) Also Refer Note 1.16

2) Non current assets excludes deferred tax assets and income tax assets.

47 Employee Stock Option Scheme

a) The details of the Employee stock option schemes approved by the shareholders are as below:

(Amount Rs. In Lakhs)

Option Plan	Number	Grant Date	Exercise price in Rs.	Fair value on the date of grant in Rs.
"CAESOS 2015" [Chemfab Alkalis Employees Stock Option Scheme 2015]	2,40,000	24-Mar-16	52.43	74.90
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	3,22,000	29-Oct-20	97.83	139.75
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	24,400	23-May-22	134.79	192.55
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	6,000	12-Aug-23	227.12	324.45

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

47 Employee Stock Option Scheme (Contd..)

The options may be exercised within a period of 12 months from the date of vesting and the vesting plan of the stock option schemes are as below:

CAESOS 2015	CAESOS 2020
25% of the Options - Two years from the date of grant.	25% of the Options - One year from the date of grant.
25% of the Options - Three years from the date of grant.	25% of the Options - Two years from the date of grant.
50% of the Options - Four years from the date of grant.	25% of the Options - Three years from the date of grant.
	25% of the Options - Four years from the date of grant.

b) Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Options (Numbers)	Weighted average exercise price per option (Rs.)	Options (Numbers)	Weighted average exercise price per option (Rs.)
"CAESOS 2015" [Chemfab Alkalis Employees Stock Option Scheme 2015]	NA	NA	NA	NA
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]				
Option outstanding at the beginning of the year:	2,23,400	101.87	2,57,500	97.83
Add: Granted during the year:	6,000	227.12	24,400	134.79
Less: Exercised during the year: *				
	(70,000)	97.83	(58,500)	97.83
	(6,100)	134.79		
Less: Lapsed during the year:	(20,000)	97.83	-	-
Options outstanding at the end of the year:	1,33,300	108.72	2,23,400	101.87
The exercise price has been determined on the basis of the weighted average share price of Chemfab Alkalis Limited as at the grant date.		108.72		101.87

Weighted average remaining contractual life for options outstanding as at 31 March 2024- 1 Years (As at 31 March 2023 - 2 Years)

* Out of the above, shares relating to 42,000 options are pending allotment as at 31 March 2024 (PY 10,500)

c) The assumptions used in this model for calculating fair value on date of grant are as below:

"CAESOS 2015" [Chemfab Alkalis Employees Stock Option Scheme 2015] (Using Black-Scholes model)

Assumptions	25 % options	25 % options	50 % options
Risk Free Interest Rate	7.44%	7.49%	7.53%
Expected Life	3.5	4	4.5
Expected Annual Volatility of Shares	45%	44%	44%
Expected Dividend Yield	25%	25%	25%

"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020] (Using Black-Scholes model)

Assumptions	25 % options	25 % options	25 % options	25 % options
Risk Free Interest Rate	7.50%	7.50%	7.50%	7.50%
Expected Life	1	2	3	4
Expected Annual Volatility of Shares	64.78%	55.79%	57.14%	55.92%
Expected Dividend Yield	12.50%	12.50%	12.50%	12.50%

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

47 Employee Stock Option Scheme (Contd..)

d) Stock Options exercised during the year

Option Plan	Number Exercised	Exercise date	Exercise price in Rs.
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	26-Jun-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	2,000	31-Jul-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	3,000	14-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	2,000	18-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	08-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	09-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	10-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	11-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	12-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	17-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	13-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	23-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	03-Oct-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	09-Oct-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	17-May-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	26-Apr-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	800	29-Jun-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	12-Jul-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	14-Jul-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	22-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	3,000	27-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	100	06-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	300	07-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	6,100	19-Jul-23	134.79
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	19-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	20-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	7,000	21-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	29-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	05-Mar-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	8,500	07-Mar-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,500	14-Mar-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	21-Mar-24	97.83

e) Total expense accounted for by the Company on account of the above are given below:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
ESOP cost accounted by the Company (Refer Note 35)	37.51	60.68
Total	**37.51**	**60.68**

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

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RATIOS		Numerator	Denominator	2023-24	2022-23	Variance %	Reason for Variance
(a)	Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.03	2.74	-62%	Decreased mainly due to decrease in current investments under the head current assets
(b)	Debt- equity Ratio (in times)	Debts consists of borrowings and lease liabilities	Total Equity	0.05	0.01	747%	There is an increase in debt equity ratio on account of increase in borrowings in the current year
(c)	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	39.53	11.76	236%	There is an improvement in the ratio due to reduction in repayment of loan during the year
(d)	Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	7.93%	20.02%	-60%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(e)	Inventory turnover ratio (in times)	Revenue from Operations	Average Inventory	20.22	23.03	-12%	No major variance
(f)	Trade Receivables turnover ratio (in times)	Revenue from Operations	Average Trade Receivables	15.24	15.35	-1%	No major variance
(g)	Trade payables turnover ratio (in times)	Total Expenses - Finance Cost - Depreciation and Amortisation Expenses	Average Trade Payables	9.87	9.17	8%	No major variance
(h)	Net capital turnover ratio (in times)	Revenue from Operations	"Average working capital (i.e. Total current assets less Total current liabilities)"	131.42	4.20	3029%	There is a increase in the ratio mainly due to decrease in current investments under the head current assets
(i)	Net profit ratio (in %)	Profit for the Year	Revenue from Operations	9.16%	19.98%	-54%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(j)	Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed =Tangible Net Worth + Total Debt + Deferred Tax Liability- Deferred Tax Asset	11.26%	27.30%	-59%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(k)	Return on investment (in %)	Income generated from Other investments under Current Financial Assets	Average of Other investments under Current Financial Assets	6.55%	5.53%	18%	Improved due to increase in yield for Current Investments leading to higher income

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

49 Relationship with struck off companies

Name of the Struck off Company	Nature of transactions with struck off company	Balance outstanding (Amount Rs. In Lakhs)	Relationship with the struck off company, if any, to be disclosed
Year ended 31 March 2024			
Nathanz Chemicals Pvt Ltd.	Receivables	0.27	NA
Ram-Nath & Co. Pvt. Ltd.	Payables	0.00	NA
Shivalik Agro Poly Products Ltd	Payables	0.00	NA
Year ended 31 March 2023			
Nathanz Chemicals Pvt Ltd.	Receivables	0.27	NA

50 The Board of Directors have recommended a final dividend of 12.50% (Rs. 1.25 per Equity Share of Rs. 10 each) for the financial year 2023-24 which is subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Company.

51 Additional Regulatory Information

(i) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(ii) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (as amended in 2016) and rules made thereunder

(iii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(iv) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(v) The quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(vi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(x) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(xi) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(xii) The Company has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.

Notes Forming Part of the Standalone Financial Statements

for the year ended 31 March 2024

51 Additional Regulatory Information (Contd..)

(xiii) As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Company uses only such accounting softwares for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year.

However, in respect of an payroll software, in absence of service organization control report from vendor, Company is unable to assess whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

The Company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended March 31, 2024 were effective.

52 The Code on Wages, 2019 and Code of Social Security, 2020 ("the Codes") relating to employee compensation and post employment benefits that received Presidential assent and the related rules thereof for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.

53 The Board of Directors of the Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on 22 May 2024.

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer
Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Consolidated
Financial Statements

Independent Auditor's Report

To The Members of **Chemfab Alkalis Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of CHEMFAB ALKALIS LIMITED ("the Parent Company") and its subsidiary, (the Parent Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Impairment assessment of Identified Cash Generating Unit (CGU) relating to Property, Plant and Equipment (PP&E)** The Parent Company has performed an assessment of its CGU and have identified each of its group of salt fields as separate CGUs. As at 31 March 2024, there were impairment indicators for one of the CGU which had a carrying value of Rs. 2,255.22 lakhs, considering the unfavourable weather conditions and other operational impediments leading to a poor performance of the said CGU. Management has determined the recoverable amount based on market approach by using an external valuer. We considered this to be a key audit matter due to the significance of the carrying value of the said CGU and the judgments adopted in assessing the recoverable amount. Refer Note 1.26 for accounting policies.	We performed the following principal audit procedures in relation to management's assessment of impairment of identified CGU: a. Evaluated the design and implementation and tested the operating effectiveness of the internal controls relating to managements identification of CGU, assessment of impairment indicators and determination of the recoverable amount. b. Obtained an understanding of the work of the management's expert and evaluated competence, capability and objectivity. c. Involved internal valuation experts to assist in evaluating the appropriateness of the method used for valuation of the identified CGU and for validating the assumptions used for determining the recoverable value. d. Evaluated disclosures made in the standalone financial statements and the related compliance with the requirements of the applicable accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including the annexures to the Board Report and Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis, Board's report including the annexures to the Board Report and Corporate Governance are expected to be made available to us after the date of this auditor's report.

- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available , and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the information included in Management Discussion and Analysis, Board's report including the annexures to the Board Report and Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent 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 cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS 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 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 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 Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities 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 Responsibility 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 financial controls 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 Parent Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

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 consolidated 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 Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for not complying with the requirement of audit trail as stated in (i)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/are as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

   h) 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 Parent Company and subsidiary company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note 36 to the consolidated financial statements).

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.

iv) (a) The respective Managements of the Parent 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, as disclosed in the Note 48 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or its 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent 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, as disclosed in the Note 48 to the consolidated financial statements, no funds have been received by the Parent Company or subsidiary, from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 47 to the consolidated financial statements, the Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members of the Parent Company at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination, which included test checks, the Parent Company and its subsidiary incorporated in India, has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

a) In respect of an accounting software used for maintaining payroll master and for processing payroll, which is operated by a third party software service provider, and in absence of SOC 1, Type 2 Report, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating and the log was maintained.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from

April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Chemfab Alkalis Limited	L24290TN2009PLC071563	Parent	Clause (iii)
Chemfab Alkalis Karaikal Limited	U24100TN2019PLC133285	Subsidiary	Clause (xvii)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

P Usha Parvathy
Partner
Membership No. 207704
UDIN: 24207704BKFUIF6987

Place: Chennai
Date: 22 May 2024

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of **CHEMFAB ALKALIS LIMITED** (hereinafter referred to as the Parent Company) and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company, its subsidiary company, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company/ Parent and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent Company, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

P Usha Parvathy
Partner
Membership No. 207704
UDIN: 24207704BKFUIF6987

Place: Chennai
Date: 22 May 2024

Consolidated Balance Sheet
as at 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
(1) Non - Current Assets			
(a) Property, Plant and Equipment	2	23,246.50	18,466.44
(b) Right of Use Assets	3	1,409.59	705.84
(c) Capital Work-In-Progress	4	7,391.87	3,146.79
(e) Other Intangible Assets	2	5.55	4.25
(f) Financial Assets			
(i) Investments	5	12.28	6.55
(ii) Other Financial Assets	6	335.80	150.10
(g) Tax Assets (Net)	7	75.84	15.27
(h) Deferred Tax Assets (Net)	8	2,600.79	3,123.29
(i) Other Non - Current Assets	9	4,896.24	3,148.48
Total Non - Current Assets		**39,974.46**	**28,767.01**
(2) Current Assets			
(a) Inventories	10	1,601.46	1,693.99
(b) Financial Assets			
(i) Other Investments	11	535.67	6,823.26
(ii) Trade Receivables	12	2,121.63	2,173.21
(iii) Cash and Cash Equivalents	13A	234.13	98.39
(iv) Bank Balances other than (iii) above	13B	2,223.54	268.60
(v) Other Financial Assets	14	150.66	77.12
(c) Other Current Assets	15	2,674.93	792.33
		9,542.02	**11,926.90**
Asset Held for Sale	16	515.70	515.70
Total Current Assets		**10,057.72**	**12,442.60**
TOTAL ASSETS		**50,032.18**	**41,209.61**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	17	1,422.66	1,418.20
(b) Other Equity	18	37,303.82	34,717.24
Equity attributable to Shareholders of the Company		**38,726.48**	**36,135.44**
Non-controlling interests		-	-
Total Equity		**38,726.48**	**36,135.44**
(2) Liabilities			
Non- current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,638.50	-
(ii) Lease Liabilities		148.46	191.08
(iii) Other Financial Liabilities	20	70.29	70.51
(b) Provisions	21	157.28	117.52
(c) Other Non - Current Liabilities	22	105.00	105.00
Total Non- current Liabilities		**2,119.53**	**484.11**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	181.50	0.63
(ii) Lease Liabilities		42.61	43.97
(iii) Trade Payables	24		
- Total Outstanding dues of micro enterprises and small enterprises		41.84	23.57
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		2,684.34	2,745.36
(iv) Other Financial Liabilities	25	4,655.36	593.88
(b) Provisions	26	276.36	268.67
(c) Current Tax Liabilities (Net)	27	172.11	260.89
(d) Other Current Liabilities	28	1,132.05	653.09
Total Current Liabilities		**9,186.17**	**4,590.06**
Total Liabilities		**11,305.70**	**5,074.17**
TOTAL EQUITY AND LIABILITIES		**50,032.18**	**41,209.61**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Statement of Consolidated Profit and Loss

for the year ended 31 March 2024

(Amount Rs. In Lakhs)

	Particulars	Note No.	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
I	Revenue from Operations	28	32,729.68	33,136.46
II	Other Income	29	854.46	552.52
III	**Total Income (I+II)**		**33,584.14**	**33,688.98**
IV	**Expenses**			
	Cost of Materials Consumed	30A	7,364.89	4,841.56
	Purchases of Stock - in - Trade	30B	2,213.79	2,485.70
	Changes in Inventories of Finished Goods and Work-in-Progress	31	238.09	(359.11)
	Other Direct Manufacturing Expenses	32	11,216.61	9,883.12
	Employee Benefits Expense	33	2,336.29	1,930.49
	Finance Costs	34	94.22	24.48
	Depreciation and Amortisation Expense	2 & 3	2,235.08	2,293.12
	Other Expenses	35	3,970.52	3,307.80
	Total Expenses (IV)		**29,669.49**	**24,407.16**
V	**Profit before Exceptional Items (III - IV)**		**3,914.65**	**9,281.82**
VI	**Exceptional Items**	32	-	(337.96)
V	**Profit before tax (III - IV)**		**3,914.65**	**8,943.86**
VI	**Tax expense**	8		
	- Current Tax		766.49	1,607.89
	- Deferred Tax		515.85	877.64
			1,282.34	**2,485.53**
VII	**Profit for the Year (V - VI)**		**2,632.31**	**6,458.33**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss:			
	- Remeasurement of net defined benefit liability		22.85	(93.52)
	- Fair value gain/(loss) on investments in equity instruments designated as at FVTOCI		5.74	2.02
	- Income tax relating to items that will not be reclassified to profit or loss	8	(6.65)	27.23
	Total Other Comprehensive Income/(Loss)		**21.94**	**(64.27)**
IX	**Total Comprehensive Income for the Year (VII + VIII)**		**2,654.25**	**6,394.06**
	Profit/(Loss) for the year Attributable to:			
	Owners of the Company		2,632.31	6,458.33
	Non-Controlling Interests		-	-
	Other Comprehensive Income/(Loss) for the year Attributable to:			
	Owners of the Company		21.94	(64.27)
	Non-Controlling Interests		-	-
	Total Compehensive (Loss) / Income for the year Attributable to:			
	Owners of the Company		2,654.25	6,394.06
	Non-Controlling Interests		-	-
X	**Earnings per Equity Share (Face Value of Rs 10 each)**	38		
	- Basic		18.53	45.61
	- Diluted		18.34	45.14

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Consolidated Cash Flow Statement

for the year ended 31 March 2024

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
A. Cash flow from Operating Activities		
Profit / (Loss) for the year	**2,632.31**	**6,458.33**
Adjustment for:		
Income Tax Expense	1,282.34	2,485.53
Depreciation of property, plant and equipment	2,235.08	2,293.12
Gain on redemption of investments	(357.37)	(233.82)
Equity settled share-based payment expense	37.51	60.68
Interest Income on fixed deposits with banks	(146.82)	(23.74)
Interest Income on Income Tax Refund	-	(2.77)
Finance Costs	94.22	24.48
Gain on Sale of Investment Property	-	-
Gain on disposal of property, plant and equipment	(26.55)	(21.53)
Bad Receivables written off	0.72	1.26
Provision for impairment on assets held for sale	-	23.78
Provision for Expected credit loss (Net)	(22.42)	32.49
Liabilities no longer required written back	(155.12)	(3.38)
Unrealised Exchange Variation (Net)	(4.77)	1.65
Operating cash flows before movements in working capital	**5,569.13**	**11,096.08**
(Increase) / Decrease in Trade Receivables	74.07	(61.92)
(Increase) / Decrease in Other Non Current and Current Financial assets and Non current and Current assets	(2,348.64)	77.50
(Increase) / Decrease in Inventories	92.53	(510.07)
Increase / (Decrease) in Trade Payables Other Current liabilities and Non-Current Liabilities and Provisions	664.16	99.41
Changes in Working Capital and Other changes	**(1,517.88)**	**(395.08)**
Cash generated by operations	**4,051.25**	**10,701.00**
Income Taxes (Paid) / Refund and Interest Income Received	(915.83)	(1,441.53)
Net cash from Operating Activities (A)	**3,135.42**	**9,259.47**
B. Cash flow from Investing Activities		
Purchase of Property, Plant and Equipment	(9,192.33)	(5,761.22)
Proceeds from Sale of Property, Plant and Equipment and Investment Property	41.59	496.11
Redemption/(Investment) in Mutual Funds (Net)	15.00	1.01
Net movement in Bank balances not considered as Cash and cash equivalents	(2,133.48)	267.85
Dividend Received from Non-current and Current Investments	-	-
Interest Income	316.67	245.10
Net Cash (used in) Investing Activities (B)	**(10,952.55)**	**(4,751.15)**
C. Cash flow from Financing Activities		
Dividend Paid, including movement from unpaid dividend account	(177.24)	(177.34)
Issue of Equity Shares	33.36	46.96
Money received towards allotment of equity shares	41.09	10.27
Payment of lease liabilities	(28.17)	(43.97)
Lease Liability Interest Payments		
Borrowings taken/(repaid) (net)		
Proceeds from Term Loan taken	1,850.00	-
Finance Cost on Lease Liabilities	(16.94)	(17.18)
Repayment of Term Loan made during the year	(30.00)	-
Short term Borrowings (repaid)/taken (net)	(0.63)	(690.24)
Finance Costs paid on Borrowings	(64.99)	(17.73)
Net Cash from/(used in) Financing Activities (C)	**1,606.48**	**(889.23)**
D. Net (Decrease) / Increase in Cash and Cash Equivalents (A) + (B) + (C)	**(6,210.65)**	**3,619.09**
E. Cash and Cash Equivalents (Opening)	**6,894.73**	**3,275.64**
F. Cash and Cash Equivalents (Closing)	**684.08**	**6,894.73**

Consolidated Cash Flow Statement

for the year ended 31 March 2024

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Notes:		
(i) Reconciliation of Cash and cash equivalents		
Cash and Cash Equivalents as per Balance Sheet	234.13	98.39
Add: Current investments considered as part of Cash and cash equivalents (as defined in INDAS 7 Cash Flow Statements)	449.95	6,796.34
Cash and cash equivalents at the end of the Year	**684.08**	**6,894.73**

(ii) Changes in liabilities arising from financing activities

(Amount Rs. In Lakhs)

Particulars	As at 01 April 2023	Cash Flows	Others	As at 31 March 2024
Current Borrowings (Note 23)	0.63	180.87	-	181.50
Non Current Borrowings (Note 19)	-	1,638.50	-	1,638.50
Lease Liabilities	235.05	(28.17)	(15.81)	191.07
Accrued Interest (Note 25)	-	-	12.29	12.29

(Amount Rs. In Lakhs)

Particulars	As at 01 April 2022	Cash Flows	Others	As at 31 March 2023
Current Borrowings (Note 23)	685.10	(690.24)	5.77	0.63
Non Current Borrowings	-	-	-	-
Lease Liabilities	179.56	(43.97)	99.46	235.05
Accrued Interest (Note 25)	10.43	(10.43)	-	-

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Statement of Consolidated Changes in Equity

for the year ended 31 March 2024

A. Equity Share Capital

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at beginning of the Year	1,418.20	1,413.38
Changes in equity share capital during the year		
Issue of equity shares under share option plan (Refer Note 43)	4.46	4.82
Closing Balance	**1,422.66**	**1,418.20**

B. Other Equity

(Amount Rs. In Lakhs)

Particulars	Share Application Money Pending Allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Share Based Payment Reserve	Retained Earnings	Equity Instruments Fair value through Other Comprehensive Income	Total Other Equity
Balance at 1 April 2022	**0.20**	**15.67**	**960.00**	**34,848.67**	**94.01**	**(7,535.95)**	**4.20**	**28,386.80**
(Loss) / Profit for the year	-	-	-	-	-	6,458.33	-	6,458.33
Recognition of Employee stock based compensation	-	-	-	-	60.68	-	-	60.68
Share Application Money Received	57.23	-	-	-	-	-	-	57.23
Shares Allotted	(47.16)	-	-	-	(31.91)	-	-	(79.07)
Securities Premium on issue of Equity Shares	-	-	-	74.25	-	-	-	74.25
Payment of Dividend on equity shares						(176.71)		(176.71)
Payment of Dividend Distribution Tax on equity shares						-		-
Equity Instruments through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	2.02	2.02
Remeasurement of Defined Benefit Plans (net of taxes)	-	-	-	-	-	(66.29)	-	(66.29)
Balance at 31 March 2023	**10.27**	**15.67**	**960.00**	**34,922.92**	**122.78**	**(1,320.62)**	**6.22**	**34,717.24**

Statement of Consolidated Changes in Equity

for the year ended 31 March 2024

B. Other Equity (Contd..)

(Amount Rs. In Lakhs)

Particulars	Share Application Money Pending Allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Share Based Payment Reserve	Retained Earnings	Equity Instruments Fair value through Other Comprehensive Income	Total Other Equity
Profit / (Loss) for the year	-	-	-	-	-	2,632.31	-	2,632.31
Recognition of Employee stock based compensation	-	-	-	-	37.51	-	-	37.51
Share Application Money Received	76.70	-	-	-	-	-	-	76.70
Shares Allotted	(45.88)	-	-	-	(31.27)	-	-	(77.15)
Securities Premium on issue of Equity Shares	-	-	-	72.69	-	-	-	72.69
Payment of Dividend on equity shares	-	-	-	-	-	(177.41)	-	(177.41)
Equity Instruments through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	5.74	5.74
Remeasurement of Defined Benefit Plans (net of taxes)	-	-	-	-	-	16.20	-	16.20
Balance at 31 March 2024	**41.09**	**15.67**	**960.00**	**34,995.61**	**129.02**	**1,150.48**	**11.96**	**37,303.83**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

P Usha Parvathy
Partner

Place : Chennai
Date : 22 May 2024

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer

Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

1 General Information

Chemfab Alkalis Limited ("the Parent Company") and Chemfab Alkalis Karaikal Limited ("the Subsidiary") (together ""the Group”) is in the business of manufacturing of basic inorganic chemicals and PVCO pipes.

The name of the Parent Company was changed from Teamec Chlorates Limited to Chemfab Alkalis Limited on July 21, 2017, vide revised certificate of incorporation issued by the Registrar of Companies pursuant to the scheme of amalgamation ('scheme') approved by the National Company Law Tribunal (NCLT) Chennai vide its order dated 30 March 2017. Erstwhile Chemfab Alkalis Limited a listed entity, had merged with the Parent Company pursuant to the scheme and consequently the Parent Company's equity shares have been listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 25 April 2018.

During the year ended 31 March 2020, Chemfab Alkalis Limited ('CAL') has incorporated a wholly owned subsidiary, Chemfab Alkalis Karaikal Limited ('CAKL ')

Material Accounting Policies

Impact of the initial application of new and amended Ind ASs that are effective for the current year:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

1.1 Principles of Consolidation:

The Consolidated financial statements relate to the Parent Company and its Subsidiary. The Consolidated financial statements have been prepared on the following basis:

The financial statements of the Parent Company and its Subsidiary have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating material intra-group balances, intragroup transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as the Parent Company’s standalone financial statements.

The details of the companies considered in the preparation of the consolidated financial statements are given below:

Name : Chemfab Alkalis Karaikal Limited; Country of Incorporation : India;

Relationship: Wholly Owned Subsidiary; Effective Ownership Interest as at 31 March 2024 : 100% (As at 31 March 2023 - 100%)

1.2 Basis Of Accounting

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the 2013 Act read with the Companies (Indian Accounting Standards) Rules 2015 and other relevant provisions of the 2013 Act.

These Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, The Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Basis of preparation of financial statements

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

1.4 Use of Estimates:

The preparation of the financial statements requires the Management to make estimates and assumptions

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Revisions to accounting estimates are recoginized prospectively in the year in which the estimate is revised and / or in future years, as applicable.

1.5 Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.6 Revenue recognition

(I) Sale of Goods/Services:

The Group derives revenues primarily from sale of manufactuing of inorganic chemicals viz Caustic Soda Lye, Chlorine, Hydrogen, Hydrochloric acid, Sodium Hypo and Sodium Chlorate and also from PVC-O pipes. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Accordingly, the revenue is recognised on point in time basis.

a) Sale of products:

Revenues and costs relating to sale of products are recognized as the related goods are delivered, and titles have passed, at which time all the following conditions are satisfied-:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to The Group ; and
- the costs incurred or to be incurred in respect of the transactions can be measured reliably.

b) Income from service activities is accounted for on rendering the service in accordance with the contractual terms and when there is no uncertainty in receiving the same.

(II) Other Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted when the right to receive is established.

1.7 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition and is net of taxes where applicable. The methods of determination of cost of various categories of inventory are as follows:

- Raw Materials, Fuel and Stores and Spares – On weighted average basis.
- Finished goods and Work in Progress at lower of Cost, which includes appropriate production overheads and Net Realizable Value, the cost being determined on weighted average basis.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, where ever necessary, based on the technical assessment and such allowances are adjusted against the closing inventory value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and cost necessary to make the sale.

1.8 Cash and Cash Equivalent (For the purpose of Cash Flow Statement)

Cash comprises of cash on hand and demand deposits with banks. Cash Equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash which

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

are subject to an insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

1.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

1.10 Property, Plant and Equipment (PPE) and Depreciation on Property Plant and Equipment

Property, Plant and Equipment (PPE's) are recorded at cost less accumulated depreciation and accumulated impairment loss (if any). The Group capitalizes all costs relating to acquisition and installation of Property, Plant and Equipment. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, Plant and Equipment up to the date the Propery, Plant and Equipment is ready for its intended use.

Cost of spares relating to specific item of Property, Plant and Equipment is capitalized. Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalized, where there is a certainty of deriving future economic benefits from the use of such assets.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as “Capital Advances” under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under “Capital Work- in- Progress".

Depreciation:

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Continuous Process Plant, in whose case the life of the assets has been assessed as 18 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation is also accelerated on Property,Plant & Equipment, based on their condition, usability etc. as per the technical estimates of the Management, where necessary.

Intangible Assets:

Intangible fixed assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses(If any). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern.

Research and Development:

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when The Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

1.11 Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

1.12 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

1.13 Foreign Currency Transactions

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non monetary assets and liabilities which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevalent at the date of the transaction. Foreign currency monetary assets and liabilities are reported using the exchange rate prevalent at the date of the balance sheet.

Treatment of Exchange Differences:

Foreign exchange gains and losses resulting from the settlement/restatement of monetary assets and liabilities of The Group are recognised as income or expense in the statement of profit and loss.

1.14 Employee Benefits

Retirement benefit costs and termination benefits:

i) Defined Benefit Plans:

Employee defined benefit plans include gratuity.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability)

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in The Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form

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of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The Group makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

ii) Defined Contribution Plans

Employee defined contribution plans include Provident Fund, Employee state insurance and Super Annuation Fund.

Provident Fund and Employee State Insurance :

All employees of the Group receive benefits from Provident Fund and Employee's State Insurance (where applicable), which are defined contribution plans. Both, the employee and The Group make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group contributes to the Employee Provident Fund and Employee's State Insurance (where appplicable) scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

Super Annuation Fund:

The Group makes contribution to a scheme administered by the insurer to discharge its liabilities towards super annuation to the eligible employees. The Group has no other liability other than its annual contribution.

1.15 Employee Share Based Payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and The Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of The Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.16 Taxation

Income taxes comprise Current and deferred tax. Income tax expense/credit is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity, respectively.

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Current Tax and Prior Period Tax:

Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group 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 liability simultaneously.

Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognized on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases of such assets and liabilities. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which The Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as tax credit and recognised as deferred tax asset when there is reasonable certainty that the Parent Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Parent Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1.17 Segment Reporting

Operating segments reflect the Group's management structure and the way the financial information is regularly reviewed by The Group's Chief operating decision maker (CODM). The CEO of the Group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. 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 CODM in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

1.18 Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured 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 the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if The Group changes its assessment if whether it will exercise an extension or a termination option.

1.19 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

1.20 Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Group does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

1.21 Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

1.22 Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.23 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except in respect of Trade receivables that do not have a significant financial component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair

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value through profit and loss are recognised immediately in profit and loss.

1.24 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, The Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).All other financial assets are subsequently measured at fair value.

(i) Amortised cost and effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

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For purchased or originated credit-impaired financial assets, The Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the 'Other income' line item.

(ii) Debt instruments classified as at FVTOCI:

The debt instruments are initially measured at fair value plus transaction costs.

Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated in a separate component of equity. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Equity instruments designated as at FVTOCI:

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading:

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in a separate component of equity. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with Ind AS 109, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Other income' line item in profit or loss.

The Group designates all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that The Group manages together and has a recent actual pattern of short-term profit-taking;

(iv) Financial assets at fair value through profit or loss (FVTPL):

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless The Group designates an equity investment that is neither held for trading (see (iii) above).
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other income' line item.

Foreign exchange gains and losses:

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item ;

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- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other income' line item. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in a separate component of equity;

- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item as part of the fair value gain or loss; and

- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in a separate component of equity.

Impairment of financial assets:

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, financial guarantee contracts, and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposal of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

De-recognition of financial assets:

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is not reclassified to profit or loss, but is transferred to retained earnings.

1.25 Financial liabilities and equity instruments

Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual

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arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading or (ii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other income' line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are recognised in retained earnings. Gains or losses on financial guarantee contracts issued by the Group that are designated by The Group as at FVTPL are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading or designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'other income' line item in profit or loss for financial liabilities.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or

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have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within 'other income'.

1.26 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.27 Dividend

Final dividends 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 Board of Directors of the companies in the Group. The Group declares and pays dividends in Indian rupees and are subject to applicable taxes.

1.28 Asset held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether The Group will retain a non-controlling interest in its former subsidiary after the sale.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

1.29 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in Financial Statements is included in the following notes:

(i) Useful lives of Property, Plant and Equipment.

(ii) Carrying values of Property, Plant and Equipment

(iii) Employee Benefits

(iv) Employee Share Based Payments

(v) Taxation

(vi) Asset held for sale

Determination of functional currency:

Currency of the primary economic environment in which The Group operates ("the functional currency") is Indian Rupee (INR) in which the Group primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

2. Property Plant and Equipment and Other Intangible Assets

I - Current year ended 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Gross Block				Accumulated Depreciation / Amortisation/Impairment				Net Block
	As at 01 April 2023	Additions during the year	Deletions/ Adjustment during the year	As at 31 March 2024	As at 01 April 2023	For the year	Deletions during the year	As at 31 March 2024	As at 31 March 2024
A. Property Plant and Equipment									
Land - Freehold	2,198.54	-	-	2,198.54	-	-	-	-	2,198.54
Buildings	2,336.99	3,420.75	-	5,757.74	595.95	104.10	-	700.05	5,057.69
Plant and Equipment	23,033.00	3,328.40	335.53	26,025.87	8,695.73	2,004.91	323.83	10,376.81	15,649.06
Furniture and Fixtures	79.21	41.87	3.10	117.98	36.36	7.27	0.11	43.52	74.46
Vehicles	102.31	119.41	0.60	221.12	48.83	22.70	0.25	71.28	149.84
Office Equipments	198.83	57.32	2.82	253.33	105.57	33.67	2.82	136.42	116.91
TOTAL (A)	**27,948.88**	**6,967.75**	**342.05**	**34,574.58**	**9,482.44**	**2,172.65**	**327.01**	**11,328.08**	**23,246.50**
B. Other Intangible Assets									
Computer Software	174.98	4.24	-	179.22	170.73	2.94	-	173.67	5.55
TOTAL (B)	**174.98**	**4.24**	**-**	**179.22**	**170.73**	**2.94**	**-**	**173.67**	**5.55**
TOTAL (A + B)	**28,123.86**	**6,971.99**	**342.05**	**34,753.80**	**9,653.17**	**2,175.59**	**327.01**	**11,501.75**	**23,252.05**

II - Previous year ended 31 March 2023

(Amount Rs. In Lakhs)

Particulars	Gross Block				Accumulated Depreciation / Amortisation/Impairment				Net Block
	As at 01 April 2022	Additions during the year	Deletions/ Adjustment during the year	As at 31 March 2023	As at 01 April 2022	For the year	Deletions during the year	As at 31 March 2023	As at 31 March 2023
A. Property Plant and Equipment									
Land - Freehold	2,162.07	36.47	-	2,198.54	-	-	-	-	2,198.54
Buildings	2,183.34	153.65	-	2,336.99	507.92	88.03	-	595.95	1,741.04
Plant and Equipment	22,041.77	1,713.67	722.44	23,033.00	7,320.65	2,097.49	722.41	8,695.73	14,337.27
Furniture and Fixtures	63.97	15.31	0.07	79.21	30.46	5.97	0.07	36.36	42.85
Vehicles	102.24	0.07	-	102.31	35.79	13.04	-	48.83	53.48
Office Equipments	201.55	49.31	52.03	198.83	128.44	29.16	52.03	105.57	93.26
TOTAL (A)	**26,754.94**	**1,968.48**	**774.54**	**27,948.88**	**8,023.26**	**2,233.69**	**774.51**	**9,482.44**	**18,466.44**
B. Other Intangible Assets									
Computer Software	173.16	1.82	-	174.98	163.82	6.91	-	170.73	4.25
TOTAL (B)	**173.16**	**1.82**	**-**	**174.98**	**163.82**	**6.91**	**-**	**170.73**	**4.25**
TOTAL (A + B)	**26,928.10**	**1,970.30**	**774.54**	**28,123.86**	**8,187.08**	**2,240.60**	**774.51**	**9,653.17**	**18,470.69**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

3 Leases

Right of Use Assets :

(Amount Rs. In Lakhs)

Particulars	Land	Equipment
Cost		
As at 01 April 2022	594.39	148.52
Add: Additions	57.05	42.40
Less: Deletion	(33.71)	(35.16)
As at 31 March 2023	**617.73**	**155.76**
Add: Additions	763.24	-
Less: Deletion	-	-
As at 31 March 2024	**1,380.97**	**155.76**
Accumulated Amortisation		
As at 01 April 2022	53.05	30.95
Charge for the Year	34.50	18.02
Less: Deletion	(33.71)	(35.16)
As at 31 March 2023	**53.84**	**13.81**
Charge for the Year	41.34	18.15
Less: Deletion	-	-
As at 31 March 2024	**95.18**	**31.96**
Carrying Amount		
As at 31 March 2023	**563.89**	**141.95**
As at 31 March 2024	**1,285.79**	**123.80**

The Group has considered the OCC interest rate at the time of adoption of lease for the purpose of determination of discount rate for leases. The Group has leases for Land and certain equipment. The leases have remaining lease terms of 1 year upto 25 years with option to terminate or extend the lease.

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Amounts recognised in Statement of Profit and Loss were as follows:		
Amortisation Expense on right-of-use assets	59.49	52.52
Interest Expense on lease Liabilities	16.94	17.18
Expense relating to short-term lease	16.84	4.62
Supplemental cash flow information related to leases was as follows:		
Total cash outflow for leases	(28.17)	(43.97)
Additions to right of use assets	763.24	99.45
Maturities of Lease Liabilities were as follows		
Undiscounted Lease Payments to be made	283.21	344.12
Not later than 1 year	56.13	60.90
Later than 1 year and not later than 5 years	88.69	129.33
Later than 5 years	138.39	153.89

4 Capital Work-In-Progress

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Work-In-Progress		
Total	**7391.87**	**3146.79**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

4 Capital Work-In-Progress (Contd..)

a) CWIP Ageing Schedule

As at 31 March 2024

(Amount Rs. In Lakhs)

CWIP Ageing schedule	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	6,095.93	1,003.88	285.34	6.72	7,391.87
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023

(Amount Rs. In Lakhs)

CWIP Ageing schedule	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	2,782.26	352.19	6.17	6.17	3,146.79
Projects temporarily suspended	-	-	-	-	-

b) CWIP whose completion is overdue or exceed its cost

As at 31 March 2024

(Amount Rs. In Lakhs)

CWIP Completion Schedule	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	871.03	-	-	-	871.03
Projects temporarily suspended	-	-	-	-	-
Total	**871.03**	**-**	**-**	**-**	**871.03**

As at 31 March 2023

(Amount Rs. In Lakhs)

CWIP Completion Schedule	Amount of CWIP to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress					
Salt Division 2 field development work	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

5 Investments - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investment carried at fair value through Other Comprehensive Income		
Quoted Investments (fully paid)		
Investment in Equity Instruments of Other entities		
281 (P.Y. 281) Equity Shares of Rs.10/- each of Summit Securities Limited	3.43	1.52
500 (P.Y. 500) Equity Shares of Rs.10/- each of De Nora India Limited	8.12	4.26
300 (P.Y. 300) Equity Shares of Rs.10/- each of TGV SRAAC Limited (formerly known as Sree Rayalaseema Alkalis & Allied Chemicals Limited)	0.24	0.29
450 (P.Y. 450) Equity Shares of Rs.5/- each of Kanoria Chemicals Limited	0.49	0.48
Total	**12.28**	**6.55**
Aggregate Book value of Quoted Investment	**12.28**	**6.55**
Aggregate Market value of Quoted Investment	**12.28**	**6.55**
Financial Assets carried at Fair value through Other Comprehensive Income (FVTOCI)	12.28	6.55

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

6 Other Financial Assets - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with others	111.74	104.58
Balances held as margin money (Refer Note 6.1 below and Note 13B(i))	224.06	45.52
Total (Gross)	**335.80**	**150.10**
Less: Provision for Expected Credit Loss	-	-
Total (Net)	**335.80**	**150.10**

6.1 Represents balances with banks that are restricted from being exchanged or used to settle a liability for more than 12 months from the Balance Sheet date.

7 Tax Assets (Net) - Non-Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Income Tax paid / TDS Receivable (Net of provision for tax of Rs. 2,986.50 Lakhs (PY Rs. 2,986.50 Lakhs))	75.84	15.27
Total	**75.84**	**15.27**

8 Current Taxes and Deferred Taxes

A.1 Income Tax recognised in Statement of Profit and Loss

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
(i) Current Tax:		
- in respect of current year	766.49	1,607.89
Total (A)	**766.49**	**1,607.89**
(ii) Deferred Tax:		
- in respect of current year	515.85	877.64
Total (B)	**515.85**	**877.64**
Total income tax expense recognised in Statement of Profit and Loss (A+B)	**1,282.35**	**2,485.53**

A.2 Income tax recognised in other Comprehensive income

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Deferred tax related to items recognised in other comprehensive income during the year:		
- Remeasurement of defined benefit obligations & Others	(6.65)	27.23
Total	**(6.65)**	**27.23**
Classification of income tax recognised in other comprehensive income		
- Income taxes related to items that will not be reclassified to profit or loss	(6.65)	27.23
Total	**(6.65)**	**27.23**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

8 Current Taxes and Deferred Taxes (Contd..)

A.3 Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Profit before tax	3,914.65	8,943.86
Income Tax using the Company's domestic Tax rate	1,139.95	2,604.45
Tax Effect of :		
- Effect of expenses that are non-deductible in determining taxable profit	26.80	15.07
- Deductible allowances	-	-
- Changes in recognised temporary differences	120.36	(148.28)
- Changes on account of change in tax laws (Refer note D Below)	-	-
- Others	(4.76)	14.29
Income Tax expense recognised in Statement of Profit or Loss	**1,282.35**	**2,485.53**

The tax rate used for the year ended March 31, 2024 and March 31, 2023 reconciliations above is the corporate tax rate of 29.12% payable by corporate entities in India on taxable profits under Indian Income Tax Laws. The above amount excludes tax expense / (reversal) relating to prior years.

B1 Movement in Deferred Tax Balances

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2023	Recognised in profit and loss account	Recognised in OCI	As at March 31, 2024
Tax effect of items constituting (deferred tax liabilities)/deferred tax assets				
Property, Plant and Equipment and Other Intangible Assets (Refer note D below)	(2659.81)	(50.38)	-	(2,609.43)
Financial assets at amortised cost	212.58	(12.06)	-	224.64
Employee Benefits	55.58	(4.81)	-	60.39
Provisions for Expenses, impairment and Doubtful trade receivables	896.27	3.19	-	893.08
Remeasurement of defined benefit obligations	28.02	(37.35)	(6.65)	58.72
Carryforward of Tax Loss	-	-	-	-
Others	(0.20)	0.60	-	(0.80)
	(1,467.56)	**(100.81)**	**(6.65)**	**(1,373.40)**
MAT	4,590.85	(616.66)	-	3,974.19
Net Tax Asset /(Liabilities)	**3,123.29**	**515.85**	**(6.65)**	**2,600.79**

B2 Movement in Deferred Tax Balances

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2022	Recognised in profit and loss account	Recognised in OCI	As at March 31, 2023
Tax effect of items constituting (deferred tax liabilities)/deferred tax assets				
Property, Plant and Equipment and Other Intangible Assets	(2687.47)	(27.66)	-	(2,659.81)
Financial assets at amortised cost	205.42	(7.16)	-	212.58
Employee Benefits	91.10	35.52	-	55.58
Provisions for Expenses, impairment and Doubtful trade receivables	877.96	(18.31)	-	896.27
Remeasurement of defined benefit obligations	(1.35)	(2.14)	27.23	28.02
Carryforward of Tax Loss	1,772.74	1,772.74	-	-
Others	(15.19)	(14.99)	-	(0.20)
	243.21	**1,738.00**	**27.23**	**(1,467.56)**
MAT	3,730.49	860.36	-	4,590.85
Net Tax Asset /(Liabilities)	**3,973.70**	**877.64**	**27.23**	**3,123.29**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

8 Current Taxes and Deferred Taxes (Contd..)

C The Parent Company has carried out necessary adjustments to the deferred tax balances as at 31 March 2024 based on applicable tax laws.

D Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The provision for taxation for the current year has been determined by the Management based on the tax positon to be considered for tax filing and its assessment of the probability of acceptance of the same by the taxation authorities.

9 Other Non-Current Assets

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Advances (Refer Note below)	4,891.57	2,879.63
Balance with Government Authorities	3.98	267.33
Prepaid Rent	0.69	1.52
Advances to Vendors	-	-
Total	**4,896.24**	**3,148.48**

Note: The Subsidiary has paid an amount of Rs. 667.76 lakhs (PY Rs. 1,391.16 lakhs) (100% advance) to Pondicherry Industrial Promotion Development and Investment Corporation Limited (PIPDIC) towards allotment of leasehold land, for setting up of unit for the manufacture of basic inorganic chemicals and is in the process of registering the leasehold land

10 Inventories (at lower of cost and net realisable value)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Raw Materials (including Goods in Transit amounting to Rs. 3.20 Lakhs (PY - Rs. 5.08))	517.54	433.73
(b) Work in Progress	184.70	87.31
(c) Finished Goods (other than those acquired for trading)	480.15	815.63
(d) Fuel (including Goods in Transit amounting to Rs. 26.71 Lakhs (PY - Rs. Nil))	31.61	17.81
(e) Stores and Spares (including Goods in Transit amounting to Rs. 19.44 Lakhs (PY - Rs. 9.75 Lakhs))	294.17	193.19
(f) Traded Goods (including Goods in Transit amounting to Rs. Nil (PY - Rs. 14.71 Lakhs))	93.29	146.32
Total	**1,601.46**	**1,693.99**

Notes:

1 The cost of inventories recognised as an expenses during the year	10,849.37	7,557.75
2 The cost of inventories recognised as an expense in respect of write downs of inventory to net realisable value.	40.38	37.60

3 The method of valuation of inventories has been stated in Note 1.7

11 Other Investments - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments carried at Fair Value through Profit & Loss		
Investments in Mutual Funds (quoted)		
SBI Liquid Fund Direct Growth - 2268.229 units of Rs. 3,779.2823 each (PY - 764.111 units of Rs. 3,523.3030 each)	85.72	26.92
LIC Liquid Fund - 6,785.056 units of Rs. 4385.1601 each (P.Y. 162801.516 units of Rs. 4087.6439 each)	297.54	6,654.75
LIC BPSU Fund - 4,51,438.425 units of Rs.33.7610 each (P.Y. 451438.425 units of Rs.31.3638 each)	152.41	141.59
Total	**535.67**	**6,823.26**
Aggregate Book value of Investment	**535.67**	**6,823.26**
Aggregate Market value of Investment	**535.67**	**6,823.26**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

12 Trade Receivables

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Considered good, Secured (Refer Note 12.01)	780.79	594.87
(b) Considered good, Unsecured	1,340.84	1,578.34
(c) Receivables which have significant increase in credit risk	204.63	227.05
	2,326.26	**2,400.26**
Less: Provision for Expected Credit Loss (Refer Note 12.05)	(204.63)	(227.05)
Total	**2,121.63**	**2,173.21**

Notes:

12.01 Secured Trade Receivables are secured by way of irrevocable Letter of Credits and Bank Guarantees

12.02 Trade Receivables includes receivables outstanding from customers constituing individually 5% or more of the total trade receivables as at 31 March 2024 of Rs. 1,445.30 lakhs (PY : Rs. 1,659.87 lakhs)

12.03 The Parent Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. Trade receivables are non-interest bearing and are generally on terms in range of - from advance payment to upto 90 days credit.

12.04 Trade Receivables ageing schedule - Outstanding for following periods from due date of payment

As at 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not Due	Total
(i) Undisputed Trade Receivables - considered good	480.67	-	-	-	-	1,640.96	2,121.63
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	101.86	-	59.00	18.39	5.40	19.98	204.63
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	582.53	**-**	**59.00**	**18.39**	**5.40**	**1,660.94**	**2,326.26**

As at 31 March 2023

(Amount Rs. In Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Not Due	Total
(i) Undisputed Trade Receivables - considered good	710.22	4.39	-	-	-	1,458.60	2,173.21
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	149.64	25.82	20.72	8.63	7.34	14.90	227.05
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	859.86	**30.21**	**20.72**	**8.63**	**7.34**	**1,473.50**	**2,400.26**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

12 Trade Receivables (Contd..)

12.05 Movement in Expected credit loss

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year	227.05	194.56
Movement in expected credit loss allowance on trade receivables	(22.42)	32.49
Balance at the end of the year	**204.63**	**227.05**

13A Cash and Cash Equivalents

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with Banks - Current Accounts	233.43	57.00
Cash on hand	0.70	1.37
Others - Fixed Deposits maturing within 3 months	-	40.02
Total	**234.13**	**98.39**

13B Bank balances other than Cash and Cash Equivalents

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
In Earmarked accounts		
- Margin Money Accounts for bank guarantees and letters of credit (Refer Note below)	2,208.60	253.83
- Unpaid Dividend Accounts (Refer Note 25 (i))	14.94	14.77
Total	**2,223.54**	**268.60**

Note:

(i) Out of the above Margin money, Rs. 221.80 Lakhs (grouped under Non Current) (PY Rs. 250.92 Lakhs) is restricted from being exchanged or used to settle a liability

14 Other Financial Assets - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits	20.18	23.76
Advance to employees	11.67	1.73
Interest accrued on Deposits	118.81	5.09
Receivables against sale of raw materials	-	46.54
Total	**150.66**	**77.12**

15 Other Current Assets

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to Vendors	800.40	404.15
Balance with Government Authorities	1,689.13	191.23
Prepaid expenses	185.40	196.21
Other Receivables	-	0.74
Total	**2,674.93**	**792.33**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

16 Asset Held for Sale

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(Also refer accounting policy in note 1.28 and 1.29)		
Property Plant and Equipment	515.70	515.70
Total	**515.70**	**515.70**

Note: The Parent Company is active on the sale of the remaining assets (land, building and other assets). The Parent Company has assessed and concluded that no further adjustments are required to the carrying value of assets held for sale.

17 Share Capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount Rs. In lakhs	Number of shares	Amount Rs. In lakhs
(a) Authorised Share Capital				
Equity shares of Rs. 10 each (with voting rights)	2,85,00,000	2,850.00	2,85,00,000	2,850.00
11% Redeemable Cumulative Preference shares of Rs. 100 each	2,64,000	264.00	2,64,000	264.00
12% Redeemable Cumulative Preference shares of Rs. 100 each	8,00,000	800.00	8,00,000	800.00
		3,914.00		**3,914.00**
(b) Issued, Subscribed and Paid up [refer (a) to (e) below]				
Equity shares of Rs. 10 each (with voting rights) fully paid up	1,42,26,602	1,422.66	1,41,82,002	1,418.20
Total		**1,422.66**		**1,418.20**

(a) Reconciliation of the number of equity shares issued and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount Rs. In lakhs	Number of shares	Amount Rs. In lakhs
Issued, Subscribed and Paid up equity shares				
Shares and Share Capital outstanding at the beginning of the year	1,41,82,002	1,418.20	1,41,33,802	1,413.38
Add: Shares and Share Capital issued during the year (Refer Note 43)	44,600	4.46	48,200	4.82
Shares and Share Capital outstanding at the end of the year	**1,42,26,602**	**1,422.66**	**1,41,82,002**	**1,418.20**

(b) Rights, preferences and restrictions attached to the equity shareholders

The Parent Company has one class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per equity share held. The Parent Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) The details of equity shareholders holding more than 5 % of the aggregate equity Shares:

Particulars	Equity Share Capital			
	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% held	Number of shares	% held
Dr. Rao Holdings Pte Ltd	67,61,068	47.52%	67,61,068	47.67%
Titanium Equipment and Anode Manufacturing Company Private Limited	10,72,182	7.54%	10,72,182	7.56%
Shrimati K.M. Padma	11,10,712	7.81%	11,10,712	7.83%
Shri Suresh Krishnamurthi Rao	14,24,423	10.01%	14,24,423	10.04%

Notes Forming Part of the Consolidated Financial Statements
for the year ended 31 March 2024

17 Share Capital (Contd..)

(d) Number of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash: - NA

(e) Refer Note 43 for details regarding employee stock option scheme.

(f) Shares held by Promoter at the end of the year

Promoter Name	No. of shares		% of total shares		% Change during the Year
	Current year	Previous year	Current year	Previous year	
Suresh Krishnamurthi Rao	14,24,423	14,24,423	10.01%	10.04%	-0.04%
Padma KM	11,10,712	11,10,712	7.81%	7.83%	-0.02%
Ramachandran N	192	192	0.00%	0.00%	0.00%
Titanium Equipment and Anode Manufacturing Company Private Limited	10,72,182	10,72,182	7.54%	7.56%	-0.02%
Dr. Rao Holdings Pte Ltd	67,61,068	67,61,068	47.52%	47.67%	-0.16%

(g) Pursuant to section 126(2) of the Companies Act 2013, the Parent Company had transferred 4,308 (PY Nil) number of Equity Shares to Investor Education and Protection Fund during the year ended 31 March 2024.

18 Other Equity

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Share Application Money Pending Allotment (Refer Note 1 below)		
Opening Balance	10.27	0.20
Share Application Money Received	76.70	57.23
Less: Shares Allotted during the year	(45.88)	(47.16)
Closing balance	**41.09**	**10.27**
(b) Capital Reserve (Refer Note 2 below)	15.67	15.67
(c) Capital Redemption Reserve (Refer Note 3 below)		
Opening Balance	960.00	960.00
Add: On account of Redemption of Preference Shares	-	-
Closing balance	**960.00**	**960.00**
(d) Securities Premium Reserve (Refer Note 4 below)		
Opening Balance	34,922.92	34,848.67
Add: Securities Premium on issue of Equity Shares	72.69	74.25
Closing balance	**34,995.61**	**34,922.92**
(e) Share Based Payment Reserve (Refer Note 5 below)		
Opening Balance	122.78	94.01
Add: Employee compensation expense for the year	37.51	60.68
Less: Transfer to Securities Premium for the shares allotted during the year	(31.27)	(31.91)
Closing balance	**129.02**	**122.78**
(f) Retained Earnings (Refer Note 6 below)		
Opening Balance	(1,320.62)	(7,535.95)
Add: Profit/(Loss) for the year	2,632.31	6,458.33
Add: Other Comprehensive income for the year (Remeasurement of the defined benefit plans, net of taxes)	16.20	(66.29)
	1,327.89	**(1,143.91)**
Less: Appropriations		
- Dividend on Equity Shares	(177.41)	(176.71)
Closing Balance	**1,150.48**	**(1,320.62)**
(g) Other Comprehensive Income (Refer Note 7 below)		
Opening Balance	6.22	4.20
Add/(Less): Current Year	5.74	2.02
Closing Balance	**11.96**	**6.22**
Total	**37,303.82**	**34,717.24**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

18 Other Equity (Contd..)

Notes

1. This represents Share Application Money received from employees under the ESOP scheme titled "CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]. Also Refer Note 43.
2. Capital reserve represents reserve recognised on amalgamation being the difference between consideration amount and net assets of the transferor company and profit on reissue of shares.
3. Capital redemption reserve has been created pursuant to Section 55 of the Companies Act, 2013 on account of redemption of preference shares out of the profits of the Parent Company.
4. Securities premium reserve represents amount of premium recognised on issue of shares to shareholders at a price more than its face value. The reserve can be utilised only for limited purposes in accordance with the provisions of section 52 of the Companies Act, 2013
5. Shares based payment reserve relates to the share options granted by the Parent company to its employees under its share option plan. Refer Note 43 for further details.
6. Retained earnings refer to net earnings not paid out as dividends, but retained by the Parent company to be reinvested in its core business. This amount is available for distribution of dividends to its equity shareholders.
7. Other comprehensive income represents the cumulative gain and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of taxes.

19 Borrowings

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Secured - at amortised cost		
- Term Loan from Bank (Refer Note (i) and (ii) below)	1,638.50	-
(ii) Secured - at amortised cost - Buyer's Credit (Note (iii) below)		-
Total	**1,638.50**	**-**

Note:

Details in respect of Borrowings are as under :-

(i) Term Loan carrying an interest rate of 8.34% p.a average was availed from HDFC Bank Limited. The borrowings are secured by way of Equitable Mortgage over

(a) leasehold land (taken under 99 years lease by the Company) comprising of 5 acres located in Domestic Tarrif Zone (DTZ) situated in Irugulam Village, Satyavedu Mandal, Chittor District, Andhra Pradesh - Exclusive Charge.

(b) fixed assets (Building, Plant and Machineries, created out of the term loan of Rs. 1,800 lakhs out of which Rs. 1,770 Lakhs is outstanding - Exclusive Charge.

(c) fixed assets (Plant and Machineries / civil structures), created out of the term loan of Rs. 3,150 lakhs out of which Rs. 50 Lakhs is drawn and outstanding - Exclusive Charge.

(ii) Repayment Summary

Term Loan of Rs. 1,770 lakhs as at 31 March 2024:

Repayable in 6 monthly instalments of Rs. 5 lakhs each, 71 monthly instalments of Rs. 24 lakhs each and 1 monthly instalment of Rs. 36 lakhs respectively. Repayment of this tranche of term loan began from October 2023

Term Loan of Rs. 50 lakhs as at 31 March 2024:

Repayable in 20 quarterly instalments of Rs. 2.50 lakhs each beginning from Sept 2024

Out of the above term loans, Rs. 181.50 lakhs have been classified as current maturities of long-term debt (secured) under Borrowings - Current.

There were no delays in repayments made by the Parent Company towards the borrowings from banks during the current year and previous year.

(iii) quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

20 Other Financial Liabilities - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade/security deposits received	70.29	70.51
Total	**70.29**	**70.51**

21 Provisions - Non Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Gratuity (Refer Note 39)	110.25	117.52
Provision for compensated absences	47.03	-
Total	**157.28**	**117.52**

22 Other Non - Current Liabilities

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from Customers	105.00	105.00
Total	**105.00**	**105.00**

23 Borrowings - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
From Banks		
- Cash Credit - Secured (Note (i) and (ii) below)	-	0.63
- Current maturities of long-term debt	181.50	-
Total	**181.50**	**0.63**

Note:

Details in respect of Current Borrowings are as under :-

(i) Cash Credit facilities are secured by way of first charge over the entire current assets of the Company and mortgage over land and building comprising of 9.70 acres belonging to the company situated at East Coast road, Gnanananda Place, Kalapet, Pondicherry. The cash credits are repayable on demand.

(ii) The Fund Based and Non fund based Cash Credit facilities are sanctioned by HDFC Bank upto Rs. 2,500 Lakhs (PY 1,000 Lakhs) and by Axis Bank upto Rs. 2,500 Lakhs (PY Rs. 2,500 Lakhs) and Standard Chartered Bank upto Rs 200 Lakhs (PY. Nil)

(iii) quarterly returns or statements of current assets filed by the Parent Company with banks or financial institutions are in agreement with the books of accounts

(iv) Also refer note 19

Notes Forming Part of the Consolidated Financial Statements
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24 Trade Payables - Current (Refer Note 37)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Total Outstanding dues of micro enterprises and small enterprises	41.84	23.57
Total Outstanding dues of creditors other than micro enterprises and small enterprises	2,684.34	2,745.36
Total	**2,726.18**	**2,768.93**

Trade payables are non-interest bearing and are normally settled on upto 90 days terms as per terms of the contract.

As at 31 March 2024

(Amount Rs. In Lakhs)

The age of the Trade Payables is as under:	Outstanding for the following periods from the due date of payment					
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Not Due**	**Total**
(i) MSME	20.35	-	-	-	21.12	41.47
(ii) Others	370.59	20.82	6.86	3.39	285.15	686.81
(iii) Disputed dues - MSME	-	0.26	0.11	-	-	0.37
(iv) Disputed dues - Others	-	-	-	-	-	-
	390.94	**21.08**	**6.97**	**3.39**	**306.27**	**728.65**

The above is excluding unbilled dues of Rs. 1997.92 Lakhs

As at 31 March 2023

(Amount Rs. In Lakhs)

The age of the Trade Payables is as under:	Outstanding for the following periods from the due date of payment					
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Not Due**	**Total**
(i) MSME	19.78	-	-	-	3.74	23.52
(ii) Others	497.22	41.38	1.59	1.80	369.90	911.89
(iii) Disputed dues - MSME	-	0.05	-	-	-	0.05
(iv) Disputed dues - Others	-	-	-	-	-	-
	517.00	**41.43**	**1.59**	**1.80**	**373.64**	**935.46**

The above is excluding unbilled dues of Rs. 1833.47 Lakhs

25 Other Financial Liabilities - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Creditors for Capital Goods	4,628.13	579.11
Unpaid Dividends (Refer Note (i) and (ii) below)	14.94	14.77
Interest accrued but not due	12.29	-
Total	**4,655.36**	**593.88**

Note:

(i) Amounts remitted to Investor Education and Protection Fund during the year	1.78	1.67
(ii) The Parent Company had transferred the underlying shares, relevant to the amounts transferred, to the Investor Education and Protection Fund during the previous year.	-	-

Notes Forming Part of the Consolidated Financial Statements
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26 Provisions - Current

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for compensated absences	138.25	161.22
Provision for Warranty (Refer Note 1.21 and Note below)	46.72	35.24
Provision for Gratuity (Refer Note 39)	91.39	72.21
Total	**276.36**	**268.67**
Note :		
The Parent Company carries a provision for warranty, the details of which are as under :		
Opening Balance	**35.24**	**28.62**
Provision made during the year	11.48	6.62
Amounts Utilised / Paid during the year		
Closing Balance	**46.72**	**35.24**

27 Current tax liabilities (Net)

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Tax (Net of Income Tax paid / TDS of Rs. 3034.11 lakhs)	172.11	260.89
(As at 31 March 2023 of Rs. 2,178.85 lakhs)		
Total	**172.11**	**260.89**

28 Other Current Liabilities

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory liabilities	342.73	326.92
Advance from Customers	789.32	326.17
Total	**1,132.05**	**653.09**

28 Revenue from operations

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
a Sales of Products (Refer Note below)	32,708.45	33,112.26
b Other operating revenues		
- Testing charges	21.23	24.20
Total	**32,729.68**	**33,136.46**

Note:

Revenue for sale of products is net of rebates/incentives/discounts for the year ended 31 March 2024 amounting to Rs. 99.76 Lakhs (previous year Rs. 100.31 Lakhs).

28.1 Disaggregation of the revenue Information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments.

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28 Revenue from operations (Contd..)

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Revenue by Geography		
India	32,652.59	33,057.10
Outside India	77.09	79.36
Total revenue from contracts with customers	**32,729.68**	**33,136.46**
Revenue by offerings		
Manufactured goods		
Chemicals & Related Products / Services		
- Caustic Soda Lye	14,511.03	23,247.46
- Caustic Soda Flakes	2,992.36	2,068.34
- Chlorine	349.86	292.93
- Hydrogen	1,095.10	1,064.98
- Others	1,179.89	1,259.01
- Aluminium Chloride	0.90	-
PVCO-Pipes		
- PVC-O Pipes	9,939.65	2,367.81
- Others	159.06	77.52
Traded Goods		
Chemicals & Related Products / Services		
- Caustic Soda Lye	-	1,338.14
PVCO-Pipes		
- PVC-O Pipes	2,269.42	1,396.07
- Resin	202.93	-
- Others	8.25	
Other Operating Income		
Chemicals & Related Products / Services		
- Testing Charges	21.23	24.20
Total revenue from contracts with customers	**32,729.68**	**33,136.46**
Timing of recognition		
Goods & Services transferred at a point in time	32,729.68	33,136.46
Total revenue from contracts with customers	**32,729.68**	**33,136.46**

28.2 Trade Receivables and Contract Balances

The Group classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer. Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

28.3 Transaction price allocated to the remaining performance obligations

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Contract Balances		
Gross Trade Receivables	2,326.26	2,400.26
Advance received from customers	894.32	431.17

The Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

28 Revenue from operations (Contd..)

28.4 Information about major customers

The Group is a manufacturer of caustic soda lye, flakes, liquid chlorine, hydrogen gas, pvco pipes, aluminium chloride and other products.

Revenues arising from direct sales above includes revenues of approximately Rs. 4,073.56 lakhs which arose from sales to the parent company's single large customer (Previous Year Rs. 4,117.89 Lakhs). No other single customers contributed 10% or more to the parent Company's revenue during the current year

29 Other Income

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
(a) Interest Income:		
- Interest on fixed deposits with banks	146.82	23.74
- Interest income on Income Tax refund	-	2.77
- Other Interest income	60.40	35.77
(b) Other Non Operating Income:		
- Other Financial Assets (at Fair Value through Profit & Loss) (Refer note (i) below)	311.01	292.36
- Profit on Sale of Property, Plant & Equipment (Net)	26.55	21.53
- Liabilities no longer required written back	155.12	3.38
- Miscellaneous Income	154.56	172.97
Total	**854.46**	**552.52**

(i) Note :

The amount represents a net gain on investments in Mutual Funds (Refer Note 11) comprising of an net change in fair value of Rs. (45.59) Lakhs net of reversals on account of realised gain on redemptions (PY Rs. 58.77 Lakhs) and gain on redemption of investments of Rs. 356.60 Lakhs received during the year (PY Rs. 233.51 Lakhs)

30A Cost of Materials Consumed

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Opening Stock	433.73	358.09
Add: Purchases	7,487.77	5,087.13
	7,921.50	**5,445.22**
Less: Sale of Raw Materials	39.07	169.93
Less: Closing Stock	517.54	433.73
Cost of Materials consumed	**7,364.89**	**4,841.56**
Materials Consumed Comprises of:		
Salt	2,932.21	3,048.96
Soda Ash	2.50	0.43
PVC Resin	3,636.71	1,457.80
Others (Refer Note (i) below)	793.47	334.37
Total	**7,364.89**	**4,841.56**

Note:

(i) Others include raw materials none of which individually accounts for more than 10 % of the total consumption.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

30B Purchase of Stock in Trade

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
- Caustic Soda Lye	-	1,299.89
- PVCO-Pipes	2,009.36	1,185.81
- PVC Resin	196.87	-
- Others	7.56	
	2,213.79	**2,485.70**

31 Changes in Inventories of Finished Goods and Work in Progress

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Opening Stock		
Finished goods	815.63	422.47
Work-in-Progress	87.31	121.36
	902.94	**543.83**
Closing Stock		
Finished goods	480.15	815.63
Work-in-Progress	184.70	87.31
	664.85	**902.94**
Net (Increase)/decrease	**238.09**	**(359.11)**

32 Other Direct Manufacturing Expenses

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Power and Fuel	10,792.90	9,530.83
Labour Charges	423.71	352.29
Total	**11,216.61**	**9,883.12**

32 (i) Exceptional Items

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Provision towards true up charges	-	(337.96)
(Refer note below)		
Total	**-**	**(337.96)**

Note : During the year, the parent company received tariff order of Andhra Pradesh Electricity Regulatory Commission. As per order Andhra Pradesh Central Power Distribution Corporation Limited (APCPDCL) has been directed to recover true up charges for power units consumed for the period FY 2014-15 to FY 2018-19 at the rate of Rs. 0.22 per unit in 36 instalments commencing from 01.08.2022. Accordingly the parent company has provided for the total amount chargeable and disclosed Rs. 337.96 Lakhs under Exceptional Items in the previous year.

Notes Forming Part of the Consolidated Financial Statements

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33 Employee Benefits Expense

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Salaries and Wages	1,903.39	1,548.67
Contribution to Provident and other Funds (Refer Note 39)	269.33	198.18
Expense on employee stock based compensation (Refer Note 43)	37.51	60.68
Staff Welfare Expenses	126.06	122.96
Total	**2,336.29**	**1,930.49**

34 Finance Cost

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Interest on Borrowings	77.28	7.30
Interest on Lease Liability (Refer Note 3)	16.94	17.18
Total	**94.22**	**24.48**

35 Other Expenses

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Stores and Spare parts consumed	1,032.60	589.60
Rent	16.84	4.62
Repairs and Maintenance - Plant and Equipment	319.23	196.05
- Buildings	42.25	43.52
Insurance	216.10	191.59
Rates and Taxes	89.33	171.57
Travelling Expenses	243.75	227.27
Auditor's Remuneration (net of GST input credit)		
- Statutory Audit	24.50	24.50
- Limited Review	4.50	4.50
- Out of Pocket Expenses	0.80	0.83
Commission to Directors (Refer Note 37)	465.00	600.00
Sitting Fees (Refer Note 37)	11.50	13.88
Expenditure on Corporate Social Responsibility	92.05	51.21
Legal and Professional Fees	151.88	135.01
Freight (Net)	735.44	422.86
Advertisement	9.44	12.46
Exchange variation (Net)	(11.22)	(6.71)
Bad receivables / Other Deposits written off	0.72	1.26
Provision for Impairment on Assets Held for sale	-	23.78
Provision for Expected credit Loss on Trade Receivables	(22.42)	32.49
Bank Charges	81.35	27.31
Miscellaneous Expenses	466.88	540.20
	3,970.52	**3,307.80**

Note:

(i) Miscellaneous Expenses includes:		
- Donations	-	1.07

Notes Forming Part of the Consolidated Financial Statements

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Particulars	Amount Rs. In lakhs As at 31 March 2024	As at 31 March 2023
a. Commitments		
(i) Estimated amount of contracts remaining to be executed and not provided for in these accounts (net of advances) in respect of purchase of :		
- Tangible assets	37,544.39	45,036.31
b. Contingent liabilities in respect of		
(i) Claims against the Group not Acknowledged as debt	110.60	110.60
(ii) Corporate Guarantee/Letters of Comfort (Refer note (i) below)	20,000.00	-
(iii) Sales tax, Excise, Service Tax, Customs Duty and other demands against which the Parent Company has filed appeals and for which no provision is considered required as the Parent Company is hopeful of successful outcome in the appeals. (Refer note (ii) below)	150.14	135.08

Note (i): Details of corporate guarantee / comfort letters issued on behalf of related parties are as follows:

(Amount Rs. In Lakhs)

Particulars	Beneficiary	As at 31 March 2024	As at 31 March 2023
Chemfab Alkalis Karaikal Limited	State Bank of India	20,000.00	-

The purpose of the above corporate guarantee issued was towards securing financing facilities to the above mentioned related parties.

Note (ii):

Sl No.	Name of the Statute	Nature of Dues (Including Interest)	Disputed Amount (Net of Provision) Rs. In lakhs	Period (F.Y)	Forum where dispute is pending
1	The Finance Act, 1994	Service Tax	7.44	June 2005 to	Commissioner (Appeals), Chennai
			(7.09)	January 2008	
2	The Central Excise Act, 1944	Excise Duty	2.22	October 2011 to	Commissioner of Central Excise, Puducherry
			(2.10)	June 2012	
3	The Customs Act, 1962	Customs Duty	88.88	F.Y. 2013-14	CESTAT
			(82.06)		
4	The Income Act, 1961	Income Tax	44.15	F.Y. 2002-03	The High Court of Madras
			(36.38)		
5	The Central Goods and Service Tax Act, 2017 The State Goods and Service Tax Act, 2017	GST	7.45	July 2017 to March 2020	Commissioner Appeals
			(7.45)		

Notes:

(i) The amounts shown above represent best possible estimate carried on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various case proceedings which have been initiated by the Parent Company or the claimants, as the case may be, and therefore cannot be predicted accurately.

(ii) Figures in bracket indicate previous year figures.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

37 Related party disclosures

a) List of Related parties and description of relationship

(i) Individuals exercising Significant influence	Mr. Suresh Krishnamurthi Rao - Chairman
(ii) Relatives of above	Mrs. K.M. Padma (Mother of Mr. Suresh Krishnamurthi Rao)
(iii) Entities exercising significant influence over the Group	Dr Rao Holdings Pte Ltd
(iv) Entities in which persons listed in (i) and (ii) above exercise significant influence	Titanium Equipment and Anode Manufacturing Company Private Limited (TEAM)
(v) Key Management Personnel (KMP) of the Group	Mr. V.M. Srinivasan - Chief Executive Officer
	Mr. S Prasath - Chief Financial Officer
	Mr. Nitin S Cowlagi - Non Executive Director
	Mr. C.S.Ramesh - Non Executive Director
	Mrs. Drushti Desai - Non Executive Director
	Mr. Janakiraman A - Non Executive Director
	Mr. Mahendran R - Non Executive Director
	Mrs. Sujatha Jayarajan - Non Executive Director
	Mr. T.Ramabadran - Non Executive Director
(vii) Other related party	Chemfab Alkalis Limited Employee's Group Gratuity Trust

Note 1: The list above includes only parties with transactions during the year.

b) Transactions with related parties :

(Amount Rs. In Lakhs)

Nature of Transaction	Related Party	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
1. Transactions during the year			
a) Income			
Sale of Products	Titanium Equipment and Anode Manufacturing Company Private Limited	5.49	21.60
Debit note for compensation of purchase of goods	Titanium Equipment and Anode Manufacturing Company Private Limited	166.97	-
b) Expenditure			
Purchase of Goods and Services	Titanium Equipment and Anode Manufacturing Company Private Limited	3.86	0.24
Lease Rent	Titanium Equipment and Anode Manufacturing Company Private Limited	2.98	3.29
Salaries, Perquisites and post employment benefits	Mr. V.M. Srinivasan	200.79	191.81
	Mr. S Prasath	53.57	46.03
c) Others			
Commission (paid out of the provision made during the previous year)	Mr. Suresh Krishnamurthi Rao	530.00	371.00
Commission (paid out of the provision made during the previous year) and Sitting Fees (accrued during the year)	Mr. C.S.Ramesh	11.62	9.63
	Mrs. Drushti Desai	12.00	9.08
	Mr. Janakiraman A	11.78	8.88
	Mr. Mahendran R	11.08	8.55
	Mrs. Sujatha Jayarajan	11.48	8.95
	Mr. T.Ramabadran	12.07	9.63
	Mr. Nitin S Cowlagi	11.47	8.18
Purchase of Property, Plant & Equipment	Titanium Equipment and Anode Manufacturing Company Private Limited	-	18.16
Contractually reimbursable expenses	Titanium Equipment and Anode Manufacturing Company Private Limited	9.78	12.96
Contribution to employees post employment benefit plans	Chemfab Alkalis Limited Employee's Group Gratuity Trust	26.00	3.00

Notes Forming Part of the Consolidated Financial Statements
for the year ended 31 March 2024

37 Related party disclosures (Contd..)

(Amount Rs. In Lakhs)

Nature of Transaction	Related Party	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Dividend paid (Including TDS)	Mr. Suresh Krishnamurthi Rao	17.81	17.81
	Mrs. K.M. Padma	13.88	13.88
	Dr Rao Holdings Pte Ltd	84.51	84.51
	Titanium Equipment and Anode Manufacturing Company Private Limited	13.40	13.40
	Mr. V.M. Srinivasan	2.36	2.23
	Mr. Prasath S	0.20	0.13
	Mr. Nitin S Cowlagi	0.70	0.70

Note:

1) Purchases, Sales and Services above are inclusive of taxes

2) The above excludes Provision for Commission to Directors of Rs.465 lakhs (PY - Rs. 600 lakhs) made during the year.

(Amount Rs. In Lakhs)

Nature of Transaction	Related Party	As at 31 March 2024	As at 31 March 2023
II. Balances Outstanding at the end of the year			
Payables	Titanium Equipment and Anode Manufacturing Company Private Limited	-	136.47
Other Current Assets	Titanium Equipment and Anode Manufacturing Company Private Limited	-	-
Other employment benefits payable	Mr. V.M. Srinivasan	44.24	34.95
	Mr. Prasath S	15.37	12.16
Contribution to employees post employment benefit plans	Chemfab Alkalis Limited Employee's Group Gratuity Trust	537.60	474.25

Benefits included in Compensation of key management personnel of the Company are as below:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Mr. V.M. Srinivasan		
Salary and perquisite	178.15	139.26
Share-based payment transactions perquisite	15.09	44.92
Post employment benefits	7.55	7.63
Total	**200.79**	**191.81**
Mr. Prasath S		
Salary and perquisite	35.40	29.51
Share-based payment transactions perquisite	10.80	9.31
Post employment benefits	7.37	7.21
Total	**53.57**	**46.03**

38 Earnings Per Share

Net Profit for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Face Value Per Share - Rs.	10	10
Net Profit / (Loss) attributable to the Equity shareholders (A) - Rs. In Lakhs	2,632.31	6,458.33
Weighted average Number of Shares (B)	1,42,09,147	1,41,60,974
Add: Effects of ESOP which are dilutive in nature	1,40,813	1,44,948
Weighted average Number of Shares for Diluted EPS (C)	1,43,49,960	1,43,05,922
Basic Earnings per Share (A/B) - Rs.	18.53	45.61
Diluted Earnings per Share (A/C)- Rs.	18.34	45.14

Notes Forming Part of the Consolidated Financial Statements
for the year ended 31 March 2024

39 Employee benefit plans

I Defined contribution plans

The Parent Company makes Provident Fund, Superannuation Fund which are defined contribution plans, for qualifying employees. During the year, the Group has recognised the following amounts under Defined Contribution Plan in the Statement of Profit and Loss:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Employer's Contribution to Provident Fund/Pension Scheme	127.14	125.75
Employer's Contribution to Superannuation Fund	46.63	20.86
Employer's Contribution to Employee Deposit Linked Insurance scheme	1.69	1.65
	175.46	**148.26**

II Defined benefit plans

The Parent Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Parent Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India and Aditya Birla Sun Life Insurance Company Limited. Gratuity has been accrued based on actuarial valuation as at the balance sheet date, carried out by an independent actuary.

There were no employees in the rolls of the Chemfab Alkalis Karaikal Limited as at 31 March 2024.

(a) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Recognised in Statement of Profit and Loss		
Current service cost	81.56	46.19
Net interest expense	12.31	3.73
Components of defined benefit costs recognised in the Statement of Profit and Loss	**93.87**	**49.92**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	(0.67)	(6.07)
Actuarial gains and loss arising from changes in financial assumptions	(22.18)	99.59
Components of defined benefit costs recognised in Other Comprehensive Income	**(22.85)**	**93.52**
Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income	**71.02**	**143.44**

(i) The current service cost and interest expense for the year are included in the "Employee Benefit Expenses" in the statement of profit & loss under the line item "Contribution to Provident and Other Funds"

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Net asset / (liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation	(739.24)	(663.98)
2. Fair value of plan assets	537.60	474.25
Net asset / (liability) recognised in the Balance Sheet	**(201.64)**	**(189.73)**
Current portion of the liability included under Note 26	91.39	72.21
Non-Current portion of the liability included under Note 21	110.25	117.52
	201.64	**189.73**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

39 Employee benefit plans (Contd..)

(c) Movement in the present value of the defined benefit obligation are as follows :

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	663.98	495.62
Expenses Recognised in Statement of Profit and Loss:		
- Current service cost	81.56	46.19
- Interest cost	47.25	34.57
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses):		
- Actuarial gains and loss arising from changes in financial assumptions	(22.18)	99.59
Benefits paid	(31.37)	(11.99)
Present value of defined benefit obligation at the end of the year	**739.24**	**663.98**

(d) Movement in fair value of plan assets are as follows :

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Change in fair value of assets during the year		
Fair value of plan assets at the beginning of the year	474.25	437.56
Expenses Recognised in Statement of Profit and Loss:		
Expected return on plan assets	34.95	30.84
Recognised in Other Comprehensive Income:		
Return on plan assets (excluding amount included in net interest expense)	0.67	6.07
Contributions by employer	59.10	11.77
Benefits paid	(31.37)	(11.99)
Fair value of plan assets at the end of the year	**537.60**	**474.25**

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investment Funds with Insurance Company		
- Aditya Birla Sun Life Insurance Company Limited	15.72%	12.35%
- Life Insurance Corporation of India	84.28%	87.65%

The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	6.97%	7.16%
Expected return on plan assets	7.37%	7.05%
Salary escalation	10.00%	10.00%
Attrition	7.50%	7.00%
Mortality tables	India Assured Life (2012-14)	India Assured Life (2012-14)

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

39 Employee benefit plans (Contd..)

Significant actuarial assumptions for the determination of defined obligation are discount rate, expected salary increase rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant:

(Amount Rs. In Lakhs)

Impact on the Defined benefit Obligation	Increase	
	As at 31 March 2024	As at 31 March 2023
Change in the discount rate by 50 basis point	18.20	17.28
Change in Attrition rate by 50 basis point	(2.41)	(2.09)
Change in Expected rate of salary increase by 50 basis point	(19.26)	(18.28)

(Amount Rs. In Lakhs)

Impact on the Defined benefit Obligation	Decrease	
	As at 31 March 2024	As at 31 March 2023
Change in the discount rate by 50 basis point	(19.20)	(17.28)
Change in Attrition rate by 50 basis point	(2.52)	2.09
Change in Expected rate of salary by 50 basis point	18.45	18.28

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

(g) Effect of plan on Entity's future cash flows

(i) Funding arrangements and funding policy

The Parent Company has a gratuity fund to provide for payment of gratuity to the employees. Every year, the insurance Company carties out a funding valuation based on the latest employee data provided by the company. The deficit in the assets in funded by the company

(ii) The Parent Company expects to make a contribution of Rs. Nil during the next financial year

(iii) The weighted average duration of the benefit obligation as at 31 March 2024 is 5.6 years (6.0 years as at 31 March 2023)

(iv) Maturity profile of defined benefit obligation:

Expected cash flows (valued on undiscounted basis):	Amount Rs. In lakhs
within 1 year	91.38
2 to 5 years	442.73
6 to 10 years	300.88

Experience adjustments

(Amount Rs. In Lakhs)

Gratuity	Year ended 31 March 2024	Year ended 31 March 2023
Present value of DBO	739.24	663.98
Fair value of plan assets	537.60	474.25
Experience gain / (loss) adjustments on plan liabilities	22.18	(99.59)
Experience gain / (loss) adjustments on plan assets	0.67	6.07

Details relating to the experience adjustments are provided to the extent information is available.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

39 Employee benefit plans (Contd..)

Compensated Absences

The key assumptions used in the computation of provision for long term compensated absences as per the Actuarial Valuation are as given below:

(Amount Rs. In Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate	6.97%	7.16%
Salary Growth rate	10.00%	10.00%
Attrition rate	7.50%	7.00%

40 Financial Instruments

(I) Capital Management

The Group manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Group's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Current Maturities of Long term Debt net of Cash and bank balances and short term investments. The Group monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Group compared to last year.

Gearing Ratio :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	1,820.00	0.63
Short Term Investments	(535.67)	(6,823.26)
Cash and Bank Balances	(2,457.67)	(366.99)
Net Debt (A)	**(1,173.34)**	**(7,189.62)**
Total Equity (B)	**38,726.48**	**36,135.44**
Net Debt to equity ratio (A/B)	**-0.03**	**-0.20**

(II) Categories of Financial Instruments

(a) Financial Assets

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at fair value through Other Comprehensive Income (FVTOCI)		
- Investments	12.28	6.55
Measured at fair value through P&L (FVTPL)		
- Investments	535.67	6,823.26
Measured at amortised cost		
- Trade receivables	2,121.63	2,173.21
- Cash and Cash Equivalents	234.13	98.39
- Bank Balances other than above	2,223.54	268.60
- Other Financial Assets	486.46	227.22
Total	**5,613.71**	**9,597.23**

(b) Financial Liabilities :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Measured at amortised cost		
- Borrowings	1,820.00	0.63
- Trade Payables	2,726.18	2,768.93
- Lease Liabilities	191.07	235.05
- Other financial liabilities	4,725.65	664.39
Total	**9,462.90**	**3,669.00**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

40 Financial Instruments (Contd..)

(III) Financial Risk Management Framework

The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

(IV) Foreign Currency Risk Management :

The Group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises. The Group has not entered into any derivate contracts during the year ended 31 March 2024 and there are no outstanding contracts as at 31 March 2024.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31 March 2024		As at 31 March 2023	
		Amount in Foreign Currency	Amount - Rs. In lakhs	Amount in Foreign Currency	Amount - Rs. In lakhs
Capital Creditors	EURO	1,93,070.30	174.18	1,85,000.00	165.77
Trade Payables	USD	1,22,870.00	102.44	1,08,570.00	87.97
Trade Payables	EURO	1,397.00	1.26	-	-
Trade Payables	GBP	1,346.52	1.42	-	-
Trade Receivables	USD	20,771.84	17.32	35,237.27	30.07

All of the above exposures have not been hedged

(V) Foreign Currency sensitivity analysis:

The following table details the Group's sensitivity to a 5% increase and decrease in INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024		For the Year Ended 31 March 2023	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(0.05)	0.05	(0.04)	0.04
EURO	(0.10)	0.10	(0.09)	0.09
GBP	(0.00)	0.00	-	-

Impact on total equity as at the end of the reporting period

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(0.05)	0.05	(0.04)	0.04
EURO	(0.10)	0.10	(0.09)	0.09
GBP	(0.00)	0.00	-	-

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the reporting period.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

40 Financial Instruments (Contd..)

(VI) Forward foreign exchange contracts : There are no forward foreign exchange contracts outstanding as at 31 March 2024

(VII) Liquidity Risk Management :

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Group.

Liquidity and Interest Risk Tables :

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(Amount Rs. In Lakhs)

Particulars	Upto 1 Year	1-3 Years	3-5 Years	5 years and above	Total
March 31, 2024					
Interest bearing	270.90	633.92	610.51	508.03	2,023.36
Non-interest bearing	7,337.80	37.09	3.39	61.25	7,439.53
Total	**7,608.70**	**671.01**	**613.90**	**569.28**	**9,462.89**
March 31, 2023					
Interest bearing	72.43	36.24	19.55	107.46	235.68
Non-interest bearing	3,297.17	74.38	1.80	59.97	3,433.32
Total	**3,369.60**	**110.62**	**21.35**	**167.43**	**3,669.00**

Interest Rate risk

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 interest rates

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for term loan at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A change (decrease/increase) of 100 basis points in interest rates for term loan at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Impact on Profit and Loss for the reporting period

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase by 100 bps	Decrease by 100 bps	Increase by 100 bps	Decrease by 100 bps
Impact on Profit and Loss for the reporting period	0.00	0.00	0.00	0.00

Impact on Total Equity as at end of the reporting period

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase by 100 bps	Decrease by 100 bps	Increase by 100 bps	Decrease by 100 bps
Impact on Total Equity as at end of the reporting period	0.00	0.00	0.00	0.00

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

40 Financial Instruments (Contd..)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Group does not hold any derivative financial instrument.

(Amount Rs. In Lakhs)

Particulars	Upto 1 Year	1-3 Years	3-5 Years	5 years and above	Total
March 31, 2024					
Interest bearing	2,878.01	8.25	224.06	91.51	3,201.83
Non-interest bearing	2,367.43	28.64	1.22	14.60	2,411.88
Total	**5,245.44**	**36.89**	**225.28**	**106.11**	**5,613.71**
March 31, 2023					
Interest bearing	7,096.95	53.77	-	84.71	7,235.43
Non-interest bearing	2,319.87	20.23	1.22	20.49	2,361.80
Total	**9,416.82**	**74.00**	**1.22**	**105.20**	**9,597.23**

Non-interest rate bearing financial assets disclosed above includes Trade Receivable, Cash, Balances with banks held in current accounts and Other Financial Assets.

Fixed interest rate instruments disclosed above represents balances with banks held in deposit accounts and discounted financial assets.

(VIII)Credit Risk:

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

(IX) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

(X) Offsetting of financial assets and financial liabilities

The Group has not offset financial assets and financial liabilities.

41 Fair Value Hierarchy

This note provides information about how the Group determines fair value of various financial assets and liabilities

(I) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

(Amount Rs. In Lakhs)

Particulars	Fair Value as at		Fair Value Hierarchy	Valuation techniques and key inputs
	31 March 2024	31 March 2023		
Financial Assets				
- Investment in quoted Equity Instruments at FVTOCI	12.28	6.55	Level 1	Quoted bid prices in an active market
- Other Investments at FVTPL	535.67	6,823.26	Level 1	Based on fund statement
Total	**547.95**	**6,829.81**		

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

41 Fair Value Hierarchy (Contd..)

(II) Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring) :

(Amount Rs. In Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets at amortised cost:				
- Trade receivables	2,121.63	2,121.63	2,173.21	2,173.21
- Cash and Cash Equivalents	234.13	234.13	98.39	98.39
- Bank Balances other than above	2,223.54	2,223.54	268.60	268.60
- Other financial assets	486.46	486.46	227.22	227.22
Total	**5,065.76**	**5,065.76**	**2,767.42**	**2,767.42**
Financial liabilities held at amortised cost :				
- Borrowings	1,820.00	1,820.00	0.63	0.63
- Trade Payables	2,726.18	2,726.18	2,768.93	2,768.93
- Lease Liabilities	191.07	191.07	235.05	235.05
- Other financial liabilities	4,725.65	4,725.65	664.39	664.39
Total	**9,462.90**	**9,462.90**	**3,669.00**	**3,669.00**

Fair value hierarchy as at 31 March 2024

(Amount Rs. In Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost:				
- Cash and Cash Equivalents	234.13	-	-	234.13
- Bank Balances other than above	2,223.54	-	-	2,223.54
- Trade receivables	-	-	2,121.63	2,121.63
- Other financial assets	224.06	-	262.40	486.46
	2,681.73	**-**	**2,384.03**	**5,065.76**
Financial liabilities held at amortised cost :				
- Borrowings	-	-	1,820.00	1,820.00
- Trade Payables	-	-	2,726.18	2,726.18
- Lease Liabilities	-	-	191.07	191.07
- Other financial liabilities	-	-	4,725.65	4,725.65
	-	**-**	**9,462.90**	**9,462.90**

Fair value hierarchy as at 31 March 2023

(Amount Rs. In Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost:				
- Cash and Cash Equivalents	98.39	-	-	98.39
- Bank Balances other than above	268.60	-	-	268.60
- Trade receivables	-	-	2,173.21	2,173.21
- Other financial assets	45.52	-	181.70	227.22
	412.51	**-**	**2,354.91**	**2,767.42**
Financial liabilities held at amortised cost :				
- Borrowings	-	-	0.63	0.63
- Trade Payables	-	-	2,768.93	2,768.93
- Lease Liabilities	-	-	235.05	235.05
- Other financial liabilities	-	-	664.39	664.39
	-	**-**	**3,669.00**	**3,669.00**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

42 Segment Information

Description of segments and principal activities

The Group identifies its operating segment based on the nature and class of product and services, nature of production process and assessment of differential risks and returns and financial reporting results reviewed by the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance. Operating segments have been identified on the basis of the nature of products/ services and have been identified as per the quantitative criteria specified in the Ind AS. For financial statements presentation purposes, individual operating segments have been aggregated into a single operating segment after taking into consideration the similar nature of the products, production processes and other risk factors.

Specifically, the Group's reportable segments under Ind AS are as follows:

1) Chemicals and related Products/Services

2) PVC-O Pipes

Geographical segments

The geographical segments considered for disclosure are based on markets, broadly as India and Others

Segment accounting policies

In addition to the significant accounting policies applicable to the business segment as set out in note 1.17, the accounting policies in relation to segment accounting are as under:

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment. Inter segment sales are eliminated in consolidation

Other income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Group level for segment reporting.

The total assets disclosed for each segment include all operating assets used by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude, deferred tax assets and income tax etc.

Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities etc.

I. Segment revenues and results

(Amount Rs. In Lakhs)

Particulars	Business segments		Total
	Chemicals and related Products/ Services	PVC-O Pipes	
Revenue			
- Current Year	20,150.37	12,612.00	32,762.37
- Previous Year	29,295.06	3,856.18	33,151.24
Less: Inter-segment revenue			
- Current Year	-	32.69	32.69
- Previous Year	-	14.78	14.78
Total			
- Current Year	20,150.37	12,579.31	32,729.68
- Previous Year	29,295.06	3,841.40	33,136.46
Segment result before exceptional item			
- Current Year	86.67	3,067.74	3,154.41
- Previous Year	8,720.69	33.09	8,753.78
Less: Exceptional Item			
- Current Year	-	-	-
- Previous Year	(337.04)	(0.92)	(337.96)
Segment result after exceptional item			
- Current Year	86.67	3,067.74	3,154.41
- Previous Year	8,383.65	32.17	8,415.82

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

42 Segment Information (Contd..)

(Amount Rs. In Lakhs)

Particulars	Business segments: Chemicals and related Products/ Services	Business segments: PVC-O Pipes	Total
Finance Cost			
- Current Year			94.22
- Previous Year			24.48
Operating income			
- Current Year			3,060.19
- Previous Year			8,391.34
Other income			
- Current Year			854.46
- Previous Year			552.52
Profit before taxes			
- Current Year			3,914.65
- Previous Year			8,943.86
Tax expense			
- Current Year			1,282.34
- Previous Year			2,485.53
Profit for the year			
- Current Year			2,632.31
- Previous Year			6,458.33

II. Segment Assets and Liabilities

(Amount Rs. In Lakhs)

Particulars	Business segments: Chemicals and related Products/ Services	Business segments: PVC-O Pipes	Total
Segment assets			
- Current Year	31,150.03	15,402.95	46,552.98
- Previous Year	23,081.48	8,042.35	31,123.83
Unallocable assets			
- Current Year			3,479.20
- Previous Year			10,085.78
Total assets			
- Current Year			50,032.18
- Previous Year			41,209.61
Segment liabilities			
- Current Year	4,012.32	5,274.04	9,286.36
- Previous Year	4,116.47	681.41	4,797.88
Unallocable liabilities			
- Current Year			2,019.34
- Previous Year			276.29
Total liabilities			
- Current Year			11,305.70
- Previous Year			5,074.17
Other information			
Capital expenditure			
- Current Year	5,467.16	3,712.83	9,179.99
- Previous Year	4,992.97	768.25	5,761.22
Depreciation and amortisation			
- Current Year	1,605.34	629.74	2,235.08
- Previous Year	1,614.93	678.19	2,293.12

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

42 Segment Information (Contd..)

Information on geographic segments:

(Amount Rs. In Lakhs)

Geographical Segment	Revenues for the year ended 31 March 2024	Non - Current Assets as at 31 March 2024 (Refer Note 2 below)
India		
- Current Year	32,652.59	37,297.83
- Previous Year	33,057.10	25,628.45
Others		
- Current Year	77.09	
- Previous Year	79.36	-

Note:

1) Also Refer Note 1.17.

2) Non current assets excludes deferred tax assets and income tax assets.

43 Employee Stock Option Scheme

a) The details of the Employee stock option schemes approved by the shareholders are as below:

(Amount Rs. In Lakhs)

Particulars	Number	Grant Date	Exercise price in Rs.	Fair value on the date of grant in Rs.
"CAESOS 2015" [Chemfab Alkalis Employees Stock Option Scheme 2015]	2,40,000	24-Mar-16	52.43	74.90
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	3,22,000	29-Oct-20	97.83	139.75
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	24,400	23-May-22	134.79	192.55
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	6,000	12-Aug-23	227.12	324.45

The options may be exercised within a period of 12 months from the date of vesting and the vesting plan of the stock option schemes are as below:

CAESOS 2015	CAESOS 2020
25% of the Options - Two years from the date of grant.	25% of the Options - One year from the date of grant.
25% of the Options - Three years from the date of grant.	25% of the Options - Two years from the date of grant.
50% of the Options - Four years from the date of grant.	25% of the Options - Three years from the date of grant.
	25% of the Options - Four years from the date of grant.

b) Employee stock options details as on the balance sheet date are as follows:

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Options (Numbers)	Weighted average exercise price per option (Rs.)	Options (Numbers)	Weighted average exercise price per option (Rs.)
"CAESOS 2015" [Chemfab Alkalis Employees Stock Option Scheme 2015]	NA	NA	NA	NA
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]				
Option outstanding at the beginning of the year:	2,23,400	101.87	2,57,500	97.83
Add: Granted during the year:	6,000	227.12	24,400	134.79
Less: Exercised during the year:				
	(70,000)	97.83	(58,500)	97.83

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

43 Employee Stock Option Scheme (Contd..)

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Options (Numbers)	Weighted average exercise price per option (Rs.)	Options (Numbers)	Weighted average exercise price per option (Rs.)
	(6,100)	134.79		
Less: Lapsed during the year:	(20,000)	97.83	-	-
Options outstanding at the end of the year:	1,33,300	108.72	2,23,400	101.87
The exercise price has been determined on the basis of the weighted average share price of Chemfab Alkalis Limited as at the grant date.	NA	108.72	NA	101.87

Weighted average remaining contractual life for options outstanding as at 31 March 2024 - 1 Years (As at 31 March 2023 - 2 Years)

* Out of the above, shares relating to 42,000 options are pending allotment as at 31 March 2024 (PY 10,500)

c) The assumptions used in this model for calculating fair value on date of grant are as below:

"CAESOS 2015" [Chemfab Alkalis Employees Stock Option Scheme 2015] (Using Black-Scholes model)

Assumptions	25 % options	25 % options	50 % options
Risk Free Interest Rate	7.44%	7.49%	7.53%
Expected Life	3.5	4	4.5
Expected Annual Volatility of Shares	45%	44%	44%
Expected Dividend Yield	25%	25%	25%

"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020] (Using Black-Scholes model)

Assumptions	25 % options	25 % options	25 % options	25 % options
Risk Free Interest Rate	7.50%	7.50%	7.50%	7.50%
Expected Life	1	2	3	4
Expected Annual Volatility of Shares	64.78%	55.79%	57.14%	55.92%
Expected Dividend Yield	12.50%	12.50%	12.50%	12.50%

d) Stock Options exercised during the year

Option Plan	Number Exercised	Exercise date	Exercise price in Rs.
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	26-Jun-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	2,000	31-Jul-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	3,000	14-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	2,000	18-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	08-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	09-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	10-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	11-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	12-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	17-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	13-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	23-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	03-Oct-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,000	09-Oct-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	17-May-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	26-Apr-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	800	29-Jun-23	97.83

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

43 Employee Stock Option Scheme (Contd..)

Option Plan	Number Exercised	Exercise date	Exercise price in Rs.
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	12-Jul-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	14-Jul-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	200	22-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	3,000	27-Aug-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	100	06-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	300	07-Sep-23	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	6,100	19-Jul-23	134.79
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	19-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	20-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	7,000	21-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	29-Feb-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	05-Mar-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	8,500	07-Mar-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	1,500	14-Mar-24	97.83
"CAESOS 2020" [Chemfab Alkalis Employees Stock Option Scheme 2020]	5,000	21-Mar-24	97.83

e) Total expense accounted for by the Parent Company on account of the above are given below:

(Amount Rs. In Lakhs)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
ESOP cost accounted by the Company (Refer Note 33)	37.51	60.68
Total	**37.51**	**60.68**

44 Statement of Net assets and Profit or loss attributable to owners :

(Amount Rs. In Lakhs)

Name of the Entities in the group	Net Assets (Total Assets minus Total Liabilities) as at 31 March 2024		Share in Profit or (Loss) for the year ended 31 March 2024		Share in Other Comprehensive Income for the year ended 31 March 2024		Share in Total Comprehensive Income for the year ended 31 March 2024	
	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated	Amount
A. Parent								
Chemfab Alkalis Limited	74.26%	28,756.97	113.92%	2,998.69	100.00%	21.94	113.80%	3,020.63
B. Wholly Owned Subsidiary								
Chemfab Alkalis Karaikal Limited	25.74%	9,969.51	(13.92%)	(366.38)	0.00%	-	(13.80%)	(366.38)
Total	**100.00%**	**38,726.48**	**100.00%**	**2,632.31**	**100.00%**	**21.94**	**100.00%**	**2,654.25**

(Amount Rs. In Lakhs)

Name of the Entities in the group	Net Assets (Total Assets minus Total Liabilities) as at 31 March 2023		Share in Profit or (Loss) for the year ended 31 March 2023		Share in Other Comprehensive Income for the year ended 31 March 2023		Share in Total Comprehensive Income for the year ended 31 March 2023	
	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated	Amount	As a % of consolidated	Amount
A. Parent								
Chemfab Alkalis Limited	88.83%	32,099.54	102.53%	6,621.74	100.00%	(64.27)	102.56%	6,557.47
B. Wholly Owned Subsidiary								
Chemfab Alkalis Karaikal Limited	11.17%	4,035.90	(2.53%)	(163.41)	0.00%	-	(2.56%)	(163.41)
Total	**100.00%**	**36,135.44**	**100.00%**	**6,458.33**	**100.00%**	**(64.27)**	**100.00%**	**6,394.06**

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

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RATIOS	Numerator	Denominator	2023-24	2022-23	Variance %	Reason for Variance
(a) Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.09	2.71	-60%	Decreased mainly due to decrease in current investments under the head current assets
(b) Debt- equity Ratio (in times)	Debts consists of borrowings and lease liabilities	Total Equity	0.05	0.01	696%	There is an increase in debt equity ratio on account of increase in borrowings in the current year
(c) Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	-35.10	11.66	-401%	There is an improvement in the ratio due to reduction in repayment of loan during the year
(d) Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	7.03%	19.59%	-64%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(e) Inventory turnover ratio (in times)	Revenue from Operations	Average Inventory	19.86	23.03	-14%	No major variance
(f) Trade Receivables turnover ratio (in times)	Revenue from Operations	Average Trade Receivables	15.24	15.35	-1%	No major variance
(g) Trade payables turnover ratio (in times)	Total Expenses - Finance Cost - Depreciation and Amortisation Expenses	Average Trade Payables	9.95	9.22	8%	No major variance
(h) Net capital turnover ratio (in times)	Revenue from Operations	"Average working capital (i.e. Total current assets less Total current liabilities)"	37.55	4.22	790%	There is a increase in the ratio mainly due to decrease in current investments under the head current assets
(i) Net profit ratio (in %)	Profit for the Year	Revenue from Operations	8.04%	19.49%	-59%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(j) Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed =Tangible Net Worth + Total Debt + Deferred Tax Liability- Deferred Tax Asset	10.51%	26.97%	-61%	There is decrease in ratio due to decrease in profitability mainly due to decrease in realisation of products
(k) Return on investment (in %)	Income generated from Other investments under Current Financial Assets	Average of Other investments under Current Financial Assets	8.45%	5.91%	43%	Improved due to increase in yield for Current Investments leading to higher income

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

46 Relationship with struck off companies

Name of the Struck off Company	Nature of transactions with struck off company	Balance outstanding (Amount Rs. In Lakhs)	Relationship with the struck off company, if any, to be disclosed
Year ended 31 March 2024			
Nathanz Chemicals Pvt Ltd.	Receivables	0.27	NA
Ram-Nath & Co. Pvt. Ltd.	Payables	0.00	NA
Shivalik Agro Poly Products Ltd	Payables	0.00	NA
Year ended 31 March 2023			
Nathanz Chemicals Pvt Ltd.	Receivables	0.27	NA

47 The Board of Directors of the Parent company have recommended a final dividend of 12.50% (Rs. 1.25 per Equity Share of Rs. 10 each) for the financial year 2023-24 which is subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Parent Company.

48 Additional Regulatory Information

(i) The Group has not revalued any of its property, plant and equipment and intangible assets during the year.

(ii) No proceedings have been initiated during the year or are pending against the Group as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (as amended in 2016) and rules made thereunder

(iii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(iv) The Group has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(v) The quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters.

(vi) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(vii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(x) The Group does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(xi) The Group has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Notes Forming Part of the Consolidated Financial Statements

for the year ended 31 March 2024

48 Additional Regulatory Information (Contd..)

(xii) The Group has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.

(xiii) As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Group uses only such accounting softwares for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year.

However, in respect of an payroll software, in absence of service organization control report from vendor, the Group is unable to assess whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

The Group has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended March 31, 2024 were effective.

49 The Code on Wages, 2019 and Code of Social Security, 2020 ("the Codes") relating to employee compensation and post employment benefits that received Presidential assent and the related rules thereof for quantifying the financial impact have not been notified. The Group will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.

50 The Board of Directors of the Parent Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 22 May 2024.

For and on behalf of the Board of Directors

Suresh Krishnamurthi Rao
Chairman
DIN: 00127809
Place : Chennai

V M Srinivasan
Chief Executive Officer
Place : Chennai

B Vignesh Ram
Company Secretary
Place : Chennai

S Prasath
Chief Financial Officer
Place : Chennai

Date : 22 May 2024

Notes

Corporate Information

DIRECTORS
Mr. Suresh Krishnamurthi Rao
Mr. C.S. Ramesh
Mr. R. Mahendran
Mr. Nitin S Cowlagi
Mrs. Sujatha Jayarajan
Mr. A. Janakiraman
Mrs. Drushti Desai
Mr. T. Ramabadhran

CHIEF EXECUTIVE OFFICER
Mr.V.M.Srinivasan

CHIEF FINANCIAL OFFICER
Mr.S. Prasath

COMPANY SECRETARY
Mr.B.Vignesh Ram

AUDITOR
M/s Deloitte Haskins & Sells LLP ASVN Ramana Tower,
#52, Venkatanarayana Road, T. Nagar, Chennai-600017

BANKERS TO THE COMPANY
Axis Bank Limited
6, St. Ange Street, Puducherry Branch,
Puducherry-605001

HDFC Bank Ltd
16, Centigo Bldg, 100 Feet Rd, Ellaipillaichavady,
Puducherry-605005

REGISTERED OFFICE
"TEAM House", GST Salai, Vandalur, Chemai-600048
Phone: +91-44-22750323/24,
Fax: +91-44-22750860
Email: chemfabmktg@ccal.in
Website: www.chemfabalkalis.com
CIN No: L24290TN2009PLC071563

FACTORIES PUDUCHERRY
'Gnanananda Place', Kalapet, Puducherry-605014
Phone: +91-413-2655111,
Fax: +91-413-2655125
Email: chemfabmktg@ccal.in
Website: www.chemfabalkalis.com

SALT FIELDS
Kanthadu Village, Tindivanam Taluk, Villupuram District
Mariyur Salai, Sayalkudi, Ramnad District

MARKETING OFFICE
1A, Jeyam Kondar Towers, First floor 12/40, Murray's Gate
Road, Alwarpet, Chennai-600018
Phone: +91-44-42031444/+91-44-24987874
Email: chemfabmktg@ccal.in
Website: www.chemfabalkalis.com

REGISTRAR AND SHARE TRANSFER AGENT
M/s Cameo Corporate Services Ltd. Subramanian Building,
1 Club House Road, Chennai-600002
Phone: +91-44-28460390/28460395,
Fax:+91-44-28460129
Email: cameo@cameoindia.com
Website:www.cameoonline.net

SRI CITY
No.650, Chigurapalem Road Sri City, Tada, Andhra
Pradesh 517646

TEAM House", GST Salai, Vandalur, Chennai - 600 048
Phone : +91 44 22750323, Fax: +91 -44 66799561
Email : ccalcosecy@ccal.in | Website: www.chemfabalkalis.com