Alufluoride Ltd.

Wealth from Waste

Mulagada, Mindi, Visakhapatnam 530 012, India
+91 891 254 8567 | Contact@alufluoride.com
www.alufluoride.com
CIN – L24110AP1984PLC005096

Date: 24th August, 2024

To
The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001.
Scrip Code: 524634

Sub: Notice of the Annual General Meeting (AGM) along with copy of Annual Report for the year ended 31st March 2024.

This is to inform you that the Annual General Meeting ("AGM") of the Company will be held on Monday, 16th September, 2024 at 11.00 A.M. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM").

In accordance with Section 108 of the Companies Act, 2013 and Regulations 30, 34 and 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the following:

1. Notice of the Annual General Meeting (including e-voting instructions)
2. Annual Report for FY 2023-24

The aforesaid documents are available on the Company's website at http://alufluoride.com and are being dispatched to all eligible shareholders whose email IDs are registered with the Company / Depositories. The Company is pleased to provide to its members the facility to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means. Only those, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Monday, 9th September, 2024, shall be entitled to avail the e-voting facility.

The remote e-voting facility commences on Friday, 13th September, 2024 from 10.00 a.m. IST and ends on Sunday, 15th September, 2024 at 5.00 p.m. IST. The facility for voting through the e-voting system will also be made available during the AGM. Members attending the AGM through VC / OAVM facility who have not cast their vote by remote e-voting will be able to vote during the AGM. The manner of e-voting for members holding shares in dematerialised and physical modes as well as for members who have not registered their email IDs is provided in the notes to the Notice of the AGM.

Members are requested to note that the Board of Directors at their meeting held on 23rd May, 2024 have recommended a final dividend for financial year 2023-24 of INR 3/- per share. The record date for the purpose of final dividend is 6th September, 2024. The final dividend once approved by the Members, shall be paid on and from 21st September, 2024. Members are requested to update their KYC and Bank

Details with their Depository Participants (for shares held in dematerialised form) and with the Registrar and Share Transfer Agent of the Company (for shares held in physical form).

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents in accordance with the provisions of the IT Act, as specified in the Notice of the AGM at xlfield@gmail.com on or before 7th September, 2024.

This is for your information and record.

Yours Faithfully
For **Alufluoride Limited**

Kohli

Vaishali Kohli
Company Secretary and Compliance Officer
Membership No.: 63818

Encl.: a/a

Wealth from Waste

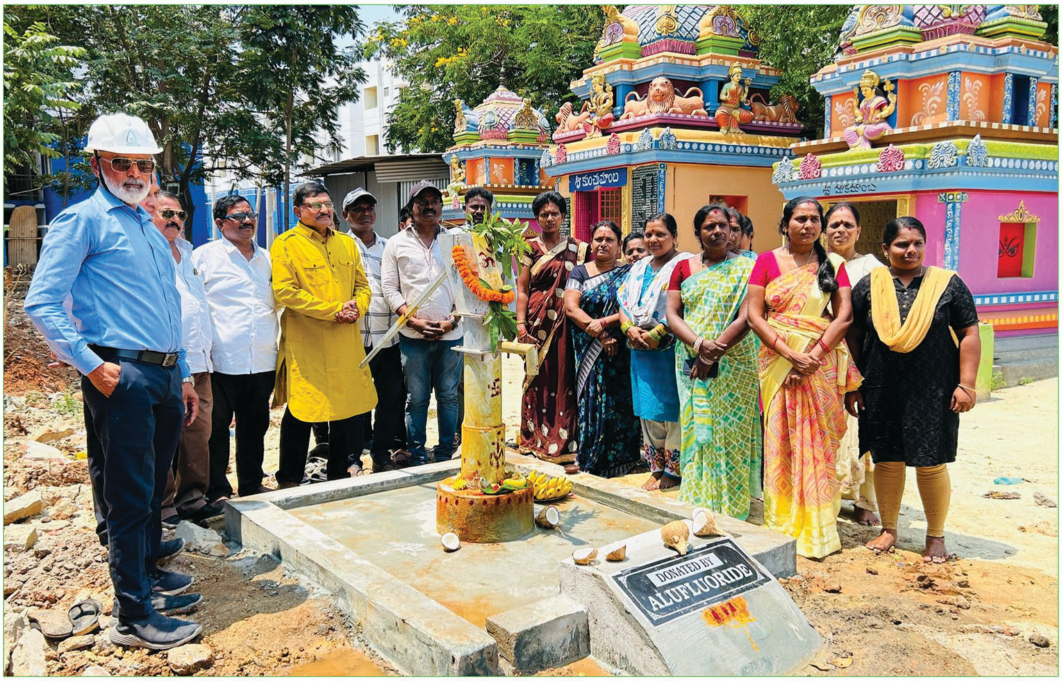
Alufluoride Limited

An ISO 9001, 14001, OHSAS 45001

Make in India Company

Annual Report

2023 - 2024



Installed Borewell at Mulagada, Visakhapatnam for the Development of Community Infrastructure.

Provided Medical Equipment to the Public Health Centre, Mulagada, Visakhapatnam.

BOARD OF DIRECTORS

Sri Yugandhar Meka	-	Chair & Independent & Non-Executive
Sri Grandhi Sreeramakrishna	-	Independent & Non-Executive (up to 31-07-2023)
Sri A.V.V.S.S.Ch.B. Sekhar Babu	-	Independent & Non-Executive
Sri Sohrab Chinoy Kersasp	-	Independent & Non-Executive (w.e.f. 16-09-2023)
Dr. Ravi Prasad Gorthy	-	Independent & Non-Executive (Additional w.e.f. 14-08-2024)
Sri Ashok Vemulapalli	-	Non-Independent & Non-Executive
Sri Venkat Akkineni	-	Managing Director
Smt. Jyothsana Akkineni	-	Executive Director
Sri K. Purushotham Naidu	-	Director - Finance & Commercial

COMPANY SECRETARY

Mrs. Vaishali Kohli

STATUTORY AUDITORS

Brahmayya & Co, Chartered Accountants

INTERNAL AUDITORS

Sriramamurthy & Co, Chartered Accountants, Visakhapatnam 530 016

COST AUDITORS

J.K. & Co., Cost Accountants, Vijayawada 520 012

SECRETARIAL AUDITORS

GMVDR & Associates, Company Secretaries, Hyderabad 500 020

BANKERS

Punjab National Bank

ICICI Bank Ltd.

REGISTRARS & SHARE TRANSFER AGENTS

XL Softech Systems Ltd.
3, Sagar Society, Road No.2, Banjara Hills
Hyderabad 500 034
Phone : +91 40 2354 5913
Fax : +91 40 2355 3214
Email : xlfield@gmail.com

REGISTERED OFFICE

Alufluoride Limited
Mulagada, Mindi
Visakhapatnam 530 012, AP
Phone : +91 891 254 8567, 257 7077
Email : Contact@alufluoride.com
CIN - L24110AP1984PLC005096

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of Alufluoride Limited will be held on Monday, 16th September, 2024 at 11.00 AM IST through Video Conference ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. (a) To receive, consider and adopt the Audited Standalone Financial Statement including Balance Sheet as on 31st March, 2024 and Profit and Loss Account for the year ended 31st March 2024 together with the reports of Directors' and Auditors' thereon.

   (b) To receive, consider and adopt the Audited Consolidated Financial Statement including Balance Sheet as on 31st March, 2024 and Profit and Loss Account for the year ended 31st March 2024 together with the reports of Auditors' thereon.

2. To declare final dividend on equity shares for the financial year ended 31st March, 2024.

3. To elect a Director in place of Sri Ashok Vemulapalli (DIN: 00730615) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

4. Re-appointment of Smt. Jyothsana Akkineni (DIN: 00150047) as Executive Director of the Company.

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 196 and applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and the rules made there under, Smt. Jyothsana Akkineni (DIN: 00150047) be and is hereby re-appointed as the Executive Director of the Company for a period of three years effective from 1st October, 2024 upto 30th September 2027 without any remuneration.

RESOLVED FURTHER THAT any of the Directors and / or Company Secretary of the Company for the time being and is hereby authorized to take such steps as may be necessary in relation to the above and file such documents with the Registrar of Companies, Andhra Pradesh."

5. Re-appointment of Sri K. Purushotham Naidu (DIN: 01883663) as Director - Finance & Commercial of the Company.

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

   RESOLVED THAT pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule V and other applicable provisions if any of the Companies Act, 2013 and the rules made there under, Sri K. Purushotham Naidu (DIN: 01883663) be and is hereby re-appointed as Director - Finance & Commercial being Whole-time Director of the Company for a period of three years effective from 1st October, 2024 upto 30th September 2027 with the following remuneration;

   1. Salary & allowances - up to INR 3,00,000/- per month.
   2. Perquisites: As per the Company's policy - like Medical, Bonus, LTA, PF, gratuity, etc.

   RESOLVED FURTHER THAT any of the Directors and / or Company Secretary of the Company for the time being and is hereby authorized to take such steps as may be necessary in relation to the above and file such documents with the Registrar of Companies, Andhra Pradesh."

6. Re-appointment of Sri Yugandhar Meka (DIN: 00012265) as Non-Executive and Independent Director of the Company.

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

   RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded, to re-appoint Sri Yugandhar Meka (DIN: 00012265) as Non-Executive & Independent Director on the Board of the Company w.e.f.1st August 2024 for a term of 5 (five) consecutive years up to 31st July 2029.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company for the time being be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company be and are hereby severally authorized to sign the certified true copy of the resolution of the resolution to be given as and when required."

7. Appointment of Dr. Ravi Prasad Gorthy (DIN: 02698389) as Non-Executive and Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded, to appoint Dr. Ravi Prasad Gorthy (DIN: 02698389) as Non-Executive & Independent Director on the Board of the Company w.e.f. 14th August 2024 for a term of 5 (five) consecutive years up to 13th August 2029.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company for the time being be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company be and are hereby severally authorized to sign the certified true copy of the resolution of the resolution to be given as and when required."

8. Approval for payment of remuneration to Sri Aditya Akkineni, President - Business Development and Operations of the Company, related party for holding the office or place of profit.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) (b) of the Companies (Meetings of Board and its Powers) Rule, 2014 and other applicable provisions, if any and Regulation 23 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, consent of the members of the Company be and is hereby accorded for increase in remuneration of Sri Aditya Akkineni, President Business Development and Operations, who is a relative of Sri Venkat Akkineni, Managing Director of the Company, holding an office or place of profit to INR 5,00,000 (Rupees Five Lakhs Only) per month (including, salary, perquisites allowances and benefits) with effect from 1st September, 2024 to be paid by the Company as per the policies of the Company.

RESOLVED FURTHER THAT any of the Directors and / or Company Secretary be and is hereby authorized to takes such steps has may be necessary in relation to the above and file such documents with the Registrar of Companies, Andhra Pradesh.

9. To consider and approve the remuneration of the Cost Auditors of the Company for financial year 2023-24.

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

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Audit Committee, the members of the Company hereby ratify and approve the remuneration of INR 75,000/- (Rupees Seventy Five Thousand only) plus taxes and out of pocket expenses, if any, chargeable extra on actual basis, payable to M/s. J K & Co., Cost Accountants, Vijayawada (Firm Registration No.: 004010) who have been appointed as Cost Auditors by the Board of Directors of the Company (the "Board"), to conduct cost audit of the cost records of the Company for the financial year ending 31st March, 2024.

RESOLVED FURTHER THAT the Board be and is hereby authorized to all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters.

For and on behalf of the Board

For ALUFLUORIDE LIMITED

VENKAT AKKINENI
Managing Director
DIN: 00013996

Place: Hyderabad
Date: 14th August 2024

NOTES:

1. The Ministry of Corporate Affairs vide Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022, Circular 10/2022 dated December 28, 2022 and Circular 09/2023 dated 25th September, 2023 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per Note No. 22 and available at the Company's website www.alufluoride.com.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and December 28, 2022 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) 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 voting system on the date of the AGM will be provided by CDSL.

4. The Members can join the AGM through the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

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

6. The helpline number regarding any query / assistance for participation in the AGM through VC/ OAVM is 022-23058542/43.

7. E-Voting: The e-voting rights of the Members / beneficial owners shall be reckoned in proportion to ordinary shares held by them in the Company as on 9th September, 2024 (cut-off date fixed for this purpose). The e-voting period will commence on Friday, 13th September, 2024 at 10.00 AM and ends on Sunday, 15th September, 2024 at 5.00 PM. The Company has appointed Sri G.M.V. Dhanunjaya Rao, GMVDR & Associates, Practicing Company Secretary (FCS 9120; C.P No.5250), to act as the Scrutinizer, for conducting the scrutiny of the votes cast.

8. The Scrutinizer shall submit his report to the Chairman of the meeting or any person authorized by him within two working days of the conclusion

of the AGM. The Results declared along with the report of Scrutinizer shall be placed on the website of the Company and on website of CDSL immediately after declaration of results by the Chairman or person authorized by him in this behalf. The Company shall simultaneously forward the results BSE Limited, where the shares of the Company are listed.

9. Detailed instructions for availing e-voting facility and attending VC/OAVM are being given separately as a part of this Notice.

10. The dividend on equity shares as recommended by the Board, if approved at the AGM, will be paid on or from 21st September, 2024 to those Members or their mandates whose names appear:

    a) as Members in the Register of Members of the Company on the record date i.e. 6th September, 2024, and

    b) as beneficial owners on the record date as per the lists to be furnished by Depositories in respect of shares held in electronic form.

11. Members are requested to update their bank mandate / NECS / Direct credit details / name / address / power of attorney and update their Core Banking Solutions enabled account number:

    - For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.

    - For shares held in dematerialised form: with the Depository Participants with whom they maintain their demat accounts.

12. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

    For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

    Members having valid Permanent Account Number (PAN) - 10%* or as notified by the Government of India.

    Members not having PAN / valid PAN - 20% or as notified by the Government of India

    *As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section.

    However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2023-24 does not exceed Rs. 5,000/- and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

    For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962
- Copy of the Tax Residency Certificate for financial year 2023-24 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders
- Self-declaration in Form 10F
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder

- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders.

  In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

  ** As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid section. However, in case a non-resident shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

  Kindly note that the aforesaid documents, duly completed and signed are required to be submitted to XLfield@gmal.com on or before 7th September 2024 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post 7th September 2024.

  TDS certificates in respect of tax deducted, if any, can be subsequently downloaded from the shareholder's portal. Shareholders can also check their tax credit in Form 26AS from the e-filing account at https://www.incometax.gov.in/iec/foportal or "View Your Tax Credit" on https://www.tdscpc. gov.in.

13. In case, the Company is unable to pay the dividend to any Member by electronic mode, due to non-availability of details of the bank account, the Company shall dispatch dividend warrants to such Members by post.

14. Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and Information regarding appointment/re-appointment of Director(s) in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standard - 2 on General Meetings, is annexed hereto.

15. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circulars, the Notice of AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice and Annual Report 2023-24 has been uploaded on the website of the Company at www.alufluoride.com. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

16. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.

17. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the Registrar & Share Transfer Agent (RTA) of the Company Viz. M/s XL Softech Systems Ltd, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad 500 034. In case shares are held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

18. In terms of Section 72 of the Act, nomination facility is available to individual Members holding shares in the physical mode. The Members who are desirous of availing this facility, may kindly write to Company's RTA for nomination form by quoting their folio number.

19. The Shareholders are requested to claim balance lying in the unpaid/unclaimed dividend account of the Company in respect of dividend declared for the financial years 2019-20, 2021-22 and 2022-23. The details of unclaimed dividends are available on the Company's website at www.alufluoride.com.

20. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.

21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

22. **INTRUCTIONS 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 Friday, 13th September, 2024 at 10.00 am and ends on Sunday, 15th September, 2024 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday, 9th 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	Login Method
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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration

Type of shareholders	Login Method
	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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depositary	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.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	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 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier 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) Click on the EVSN for the relevant <ALUFLUORIDE LIMITED> on which you choose to vote.

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

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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

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

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

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

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

(xvii) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.

" 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; investors@alufluoride.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

23. **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 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@alufluoride.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@alufluoride.com. 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.

24. **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.**

25. 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 22 55 33

26. 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 22 55 33.

Explanatory Statement:

Item 4: Re-appointment of Smt. Jyothsana Akkineni (DIN: 00150047) as Executive Director of the Company.

The Members are informed that Smt. Jyothsana Akkineni was appointed Executive Director of the Company for a period effective from 6th May 2022 upto 30th September, 2024. It is proposed to re-appoint Smt. Jyothsana Akkineni as Executive Director without remuneration for a further period of three years effective from 1st October, 2024 upto 30th September 2027. Based on the recommendation of the Nomination & Remuneration Committee and the Audit Committee, your Board of Directors had in their meeting held on 14th August, 2024 approved the re-appointment of Smt. Jyothsana Akkineni as Executive Director without Remuneration for a for a further period of three years effective from 1st October, 2024 upto 30th September 2027.

Smt. Jyothsana Akkineni completed MA from Andhra University, Visakhapatnam. She has experience of 38 years in the chemical industry. The details of Smt. Jyothsana Akkineni in pursuance of Regulation 36 of the SEBI LODR Regulations read with Secretarial Standard - 2 on General Meetings are enclosed in Annexure to this Notice.

In accordance with the provisions of the Section 196 and Schedule V of the Companies Act, 2013, the reappointment of Smt. Jyothsana Akkineni, without remuneration requires the approval of the shareholders. Since, during the currency of her proposed term of 3 years, as Executive Director of the Company, she would attain the age of 70 years, the approval of Shareholders is sought for resolution set out in item 4 as Special Resolution

The Board recommends the Resolution as set out in Item No.4 in the Notice, for approval of the Members.

This explanatory statement together with the terms of reappointment mentioned in the accompanying notice should be treated as an abstract under Section 190 of the Companies Act, 2013, in respect of the contract, if any, proposed to be entered into between the Company and Smt. Jyothsana Akkineni, Executive Director.

Except Smt. Jyothsana Akkineni, Sri Venkat Akkineni and Sri Ashok Vemulapalli, none of the promoters, directors, key managerial personnel and their respective relatives are concerned or interested in the proposed resolution.

Item 5: Re-appointment of Sri K. Purushotham Naidu (DIN: 01883663) as Director - Finance & Commercial of the Company.

The Members are informed that Sri K. Purushotham Naidu was appointed Director (Finance & Commercial) of the Company for a period effective from 6th May 2022 upto 30th September, 2024. It is proposed to re-appoint Sri K. Purushotham Naidu as Director (Finance & Commercial) for a further period effective from 1st October, 2024 to 30th September, 2027. Based on the recommendation of the Nomination & Remuneration Committee and the Audit Committee, your Board of Directors had in their meeting held on 14th August, 2024 approved the re-appointment of Sri K. Purushotham Naidu as Director (Finance & Commercial) for a further period of three years effective from 1st October, 2024 to 30th September, 2027 with the following remuneration:

1. Salary & allowances - up to Rs. 3,00,000 per month.
2. Perquisites: As per the Company's policy - like Medical, Bonus, LTA, PF, gratuity, etc.

Sri K. Purushotham Naidu completed M.Com, CA, BL. He has vast experience in finance, accounts and commercial aspects related to Chemical Industry. The details of Sri K. Purushotham Naidu in pursuance of Regulation 36 of the SEBI LODR Regulations read with Secretarial Standard - 2 on General Meetings are enclosed in Annexure to this Notice.

In accordance with the provisions of the Section 196 and Schedule V of the Companies Act, 2013, the reappointment of Sri K. Purushotham Naidu, with the above remuneration requires the approval of the shareholders. Since, during the currency of his proposed term of 3 years, as Executive Director of the Company, he would attain the age of 70 years, the approval of Shareholders is sought for resolution set out in item 5 as Special Resolution

This explanatory statement together with the terms of reappointment mentioned in the accompanying notice should be treated as an abstract under Section 190 of the Companies Act, 2013, in respect of the contract, if any, proposed to be entered into between the Company and Sri K. Purushotham Naidu, Director (Finance & Commercial).

The Board recommends the Resolution as set out in Item No. 5 in the Notice, for approval of the Members.

Except Sri K. Purushotham Naidu, none of the Promoters, Directors, key managerial personnel and their respective relatives are concerned or interested in the proposed resolution.

Item 6: Re-appointment of Sri Yugandhar Meka (DIN: 00012265) as Non-Executive and Independent Director of the Company.

The Members are informed that, Sri Yugandhar Meka (DIN: 00012265) was appointed as a Non-Executive and Independent Director of the Company up to 31st July 2024. It was now proposed to re-appoint Sri Yugandhar Meka as Non-Executive and Independent Director for second tenure of 5 years w.e.f. 1st August 2024 to 31st July 2029.

The Company has received the following from Sri Yugandhar Meka:

(i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");

(ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;

(iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;

(iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;

(v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;

(vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Sri Yugandhar Meka. In the opinion of the Board, Sri Yugandhar Meka fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that Sri Yugandhar Meka's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for re-appointment as an Independent Director.

A copy of the draft letter for the appointment of Sri Yugandhar Meka as an Independent Director setting out the terms and conditions and all other documents referred to in the Notice are available for electronic inspection by the members during normal business hours on working days up to the date of AGM.

The resolution seeks the approval of members for the re-appointment of Sri Yugandhar Meka as an Independent Director of the Company pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Sri Yugandhar Meka as an Independent Director of the Company, as a special resolution. The Board recommends the resolution as set out in Item no. 6 of this notice for the approval of members.

Except Sri Yugandhar Meka, none of the promoters, directors, key managerial personnel and their respective relatives concerned or interested in the proposed resolution.

Item 7: Appointment of Dr. Ravi Prasad Gorthy (DIN: 02698389) as Non-Executive and Independent Director of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the Board, on 14th August 2024 appointed Dr. Ravi Prasad Gorthy (DIN: 02698389 as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (five) years with effect from 14th August 2024 to 13th August 2029 (both days inclusive) subject to the approval of the shareholders through a special resolution.

The Company has received the following from Dr. Ravi Prasad Gorthy:

(i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");

(ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;

(iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;

(iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, , that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;

(v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;

(vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Dr. Ravi Prasad Gorthy. In the opinion of the Board, Dr. Ravi Prasad Gorthy fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws/ regulations for the time being in force, to the extent applicable to the Company. The Board noted that Dr. Ravi Prasad Gorthy's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

A copy of the draft letter for the appointment of Dr. Ravi Prasad Gorthy as an Independent Director setting out the terms and conditions and all other documents referred to in the Notice are available for electronic inspection by the members during normal business hours on working days up to the date of AGM.

The resolution seeks the approval of members for the appointment of Dr. Ravi Prasad Gorthy as an Independent Director of the Company pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Dr. Ravi Prasad Gorthy as an Independent Director of the Company, as a special resolution. The Board recommends the resolution as set out in Item no.7 of the notice for the approval of members.

Except Dr. Ravi Prasad Gorthy, none of the promoters, directors, key managerial personnel and their respective relatives is concerned or interested in the proposed resolution.

Item 8: Approval for payment of remuneration to Sri Aditya Akkineni, President - Business Development and Operations of the Company, related party for holding the office or place of profit.

The members are informed that Sri Aditya Akkineni has been associated with the Company for 8 years and is involved in the strategic affairs & business development of the Company and developed good understanding of the various verticals of Company's business. The Company pays remuneration to Sri Aditya Akkineni, President - Business Development and Operations of the Company within the limits prescribed under the provision of the Companies Act, 2013 and SEBI LODR Regulations.

Keeping in view the contributions made and his suitability and to further provide stimulus to his efforts in the best interests of the Company, the Board of Directors, on the recommendation of Nomination and Remuneration Committee and Audit Committee proposes to increase his remuneration upto INR 5,00,000 (Rupees Five Lakhs only) per month.

Sri Aditya Akkineni holds a B.Sc. (Mechanical Engg.) USA and has experience of 11 years.

Sri Aditya Akkineni, being the son of Sri Venkat Akkineni, Managing Director and Smt. Jyothsana Akkineni, Executive Director, is a related party under the Companies Act, 2013. The provision of Section 188 of the Companies Act, 2013 read with Rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 requires shareholder's approval for payment of remuneration to a related party exceeding Rs. 2,50,000 per month. The increase in the remuneration is as per the remuneration policy for senior management personnel and practices of the company. The Board of Directors is of the opinion that the proposed transaction put up for approval is in ordinary course of business and at arm's length.

The Board recommends the resolution for approval of shareholders by way of Special Resolution as set out in Item No. 8.

Except Smt. Jyothsana Akkineni, Sri Venkat Akkineni and Sri Ashok Vemulapalli, none of the Promoters, Directors, key managerial personnel and their respective relatives is concerned or interested in the proposed resolution.

Item 9: To consider and approve the remuneration of the Cost Auditors of the Company for financial year 2023-24.

The Board, on the recommendation of the Audit Committee, had approved the appointment of M/s. J K & Co., Cost Accountants, Vijayawada (Firm Registration No.: 004010) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2024.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit & Auditors) Rules 2014, the remuneration payable to the Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution as set out in Item No.9 of the Notice for ratification of the remuneration payable to Cost Auditors for the financial year ending 31st March, 2024.

The Board Directors recommends the resolution for approval of shareholders by way of Ordinary Resolution as set out in Item no.9. None of the Promoters, Directors, key managerial personnel or their relatives is concerned or interested financially or otherwise in the resolution.

For and on behalf of the Board
For Alufluoride Limited

VENKAT AKKINENI
Managing Director
DIN: 00013996

Date: 14th August, 2024
Place: Hyderabad

ANNEXURE TO ITEMS 3 and 4 OF THE NOTICE
(in pursuance of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Secretarial Standard 2 on General Meetings)

Name	Sri Ashok Vemulapalli	Smt. Jyothsana Akkineni	Sri K. Purushotham Naidu	Sri Yugandhar Meka	Dr. Ravi Prasad Gorthy
Director Identification Number	00730615	00150047	01883663	00012265	02698389
Date of Birth	01/03/1961	29/03/1956	15/07/1955	10/07/1951	25/04/1955
Age in years	63 years	68 years	69 years	73 years	69 years
Date of Appointment	16/07/2002	16/07/2002	25/09/2008	31/07/2019	14/08/2024
Qualifications	MBA (USA)	MA	M.Com, CA, BL	B Com and Chartered Accountant	Doctorate in Agricultural Chemistry
Experience	40 years	36 years	44 years	47 years	44 years
Experience in specific functional areas	Chemical Industry	Chemical Industry	Chemical Industry	Chemical Industry	Chemical Industry
Brief Profile	Sri Ashok Vemulapalli holds an MBA from the USA and has experience in the Chemical Industry. As the Founder and Managing Director of Trigeo Technologies Pvt. Ltd, a company specializing in AI/ML,CAD/CAM, and Engineering services, he brings over 40 years of expertise in both financial and managerial functions.	She is a postgraduate and has experience in Chemical industry business.	Sri K. Purushotham Naidu completed M.Com, CA, BL. He has vast experience in finance, accounts and commercial aspects related to Chemical Industry.	Mr. Yugandhar Meka is a Commerce Graduate and Fellow Member of the Institute of Chartered Accountants of India. He was a Founder of Karvy & Co. Chartered Accountants and has over 45 years of experience in the field of financial services. As a Chartered Accountant he was involved in Audits of Manufacturing Companies, Banks, Financial Services Companies, Partnership firms and other companies. During his career in financial Services Industries he has dealt with various Corporates and gained experience	Dr G Ravi Prasad did his Doctorate in Agricultural Chemistry from Indian Agricultural Research Institute (Pusa), New Delhi. He also did his Management Development, Programme and Supply Chain Management Programme from IIM, Ahmedabad. He has completed Advanced Management Programme (AMP) from INSEAD, Paris. During the last 41 years of engagement, Dr Ravi Prasad worked with the best brands in India i.e Coromandel international limited, Godavari Fertilisers & Chemicals Limited, Zuari Industries Limited, Nagarjuna Fertilisers & Chemicals Limited, EID Parry & IFFCO, etc. Currently Dr Ravi Prasad is engaged as a director with

				Registry Services, Finance and Manufacturing Companies. He helped many companies raise funds from the Capital Markets. He was the Managing Director of Karvy Computershare Ltd. till 2018. He also was an Independent Director of Pokarna Ltd. and Pokarna Engineered Stone Ltd. He was the Managing Trustee of Cure a Little Heart Foundation till 2023.	Agrifields and has successfully commissioned a moth balled phosphoric acid plant and has initiated supplies of phosphoric acid from Philippines to India. He is Managing Director of Farmfieds Private Limited and has commissioned a water soluble fertilizer unit at Rajamahendravaram and is introducing conventional fertilisers under WAFADAR brand. Dr Ravi Prasad is a consultant with BCG (Boston Consulting Group), PRICE WATER HOUSE, Mckinsey, GLC, KPMG and Deloitte, infollion. Dr Ravi Prasad advices MP Birla Group Company – HICHEM.
Terms and conditions of appointment	On same terms and conditions.	As per the resolution attached	As per the resolution attached	As per the resolution attached	As per the resolution attached
Remuneration last drawn	NIL	NIL	INR 20,68,279	NA	NA
Directorships of other Companies (excluding Foreign Companies and Section 25 Companies)	Anar Enterprises Private Limited Trigeo Ai Private Limited Trigeo Technologies Private Limited Visakha Finance Limited Trigeo Soft Private Limited	Anar Enterprises Private Limited Annapurna Apex Chemicals Pvt Ltd Kaiser Finance And Leasing Pvt Ltd Visakha Finance Limited	NIL	Suryalata Spinning Mills Limited	Farmfields Private Limited Agrifields International Limited
Chairmanships/ Memberships of Committees of other Public Companies(Includes only Audit Committee; and Stakeholders Grievance Committee)	NIL	NIL	NIL	NIL	NIL
Number of shares held in the Company as on 31st March, 2024	35,779	61,731	400	NIL	NIL
Relationship with other Directors	He is Brother-in-law of Smt. Jyothsana Akkineni, Executive Director and Brother in-law of Sri Venkat Akkineni, Managing Director	She is wife of Sri Venkat Akkineni, Managing Director and Sister-in-law of Sri Ashok Vemulapalli	NONE	NONE	NONE
Number of Board Meetings attended during the year 2023-24 (Out of total 5 Board Meetings held)	5	5	5	5	NA

DIRECTORS' REPORT

To
The Members of
Alufluoride Limited

Your Directors have pleasure in presenting the Annual Report of your Company along with the Audited Financial Statement for the financial year ended 31st March 2024. The Report also includes the Management Discussion and Analysis and in accordance with the Guidelines on Corporate Governance.

FINANCIAL RESULTS

The Financial results of the Company for the year under review are as follows:

(Rs. In lakhs)

	Standalone		Consolidated	
	As on 31st March, 2024	As on 31st March, 2023	**As on 31st March, 2024**	As on 31st March, 2023
Sales and other revenue	**16,677.06**	13,891.48	**16,678.89**	13,891.48
Profit before Finance charges, Depreciation, Tax & other adj's	**3,628.56**	2,955.32	**3,569.48**	2,817.41
Less: Finance charges	**312.83**	288.32	**315.12**	290.42
Profit before Depreciation, Tax & other Adj's	**3,315.73**	2,667.00	**3,254.36**	2,526.99
Less: Depreciation	**861.86**	741.46	**863.21**	741.46
Profit before Tax & other adj's	**2,453.87**	1,925.54	**2,391.15**	1,785.53
Less: Provision for current tax	**720.04**	466.37	**720.04**	466.37
MAT Credit entitlement	**---**	---	**---**	--
Taxes of earlier years	**(14.29)**	1.83	**(14.29)**	1.83
Deferred Tax Asset/Liability adj's	**(66.09)**	68.94	**(66.09)**	68.94
Profit before appropriations and carried to Balance Sheet	**1,814.21**	1,388.40	**1,751.49**	1,248.69
Add/Less: Other Comprehensive Income (Ind-AS adj's)	**39.31**	26.11	**39.31**	26.11
Profit before appropriations and carried to Balance Sheet	**1,853.52**	1,414.51	**1,790.80**	1,274.80

COMPANY'S PERFORMANCE

Your Directors report that during the year under review, the Company produced 15,016 MT and sold 15,260 MT Aluminium Fluoride, at an all-time record production and sales, as against 13,801 MT production and sales of 13,662 MT during 2022-23. Sales and other Revenue are reported at an all-time record of Rs. 16,667.62 lakhs as against Rs.13,891.48 lakhs during 2022-23. With record production and sales, better average sales rate per ton, efficient working capital management, increase in other income and efficient cost control measures, in spite of increased depreciation and finance costs of the new plant, the Company has posted a record Profit before tax and other adjustments of Rs. 2,453.87 lakhs and a Net profit of Rs. 1,853.52 lakhs after Ind-AS & tax adjustments as against a Net Profit of Rs.1,414.51 lakhs in FY 2022-23 – an increase of 31%. These results have been largely influenced by the Company's production of captive green solar energy and thus reducing power cost.

Your Directors report that as on 31st March 2024, the Company's wholly owned subsidiary company, namely ALUFLUORIDE INTERNATIONAL PTE. LTD., Singapore had incurred preliminary and other expenses of Rs. 62.72 lakhs (previous year Rs. 154.00 lakhs) for the period ended 31st March 2024 and this relates to the Stepdown Subsidiary Company, namely Jordanian Renewable Aluminium Fluoride Manufacturing Company P.S.C, Jordan and accordingly, the consolidated Profit before appropriations and carried to Balance sheet reported at Rs.1,790.80 lakhs as against previous year Rs.1,274.80 lakhs.

OUTLOOK FOR THE CURRENT YEAR

Your Directors report that the average sale price of Aluminium Fluoride for the current year, remains almost the same as previous year prices and as Hydrofluosilicic acid (acid) producers assure to continue supplying increased acid supplies, to enable the Company to increase production and sales of the product like previous year. With the expected adequate raw material, increased production, contracted sale price and better production efficiencies, your Directors are hopeful for improved results in the current year.

TERM LOAN AND WORKING CAPITAL LIMITS WITH BANKS

Your Directors report that the Company has switched over from ICICI Bank Limited, Visakhapatnam (ICICI) to Punjab National Bank, Visakhapatnam (PNB), all the banking facilities, like term loans and working capital, as PNB offered a competitive rate of interest compared to ICICI. PNB sanctioned a new term loan of Rs. 10.50 crores for expansion of the plant production facilities and had taken over the ICICI's term loans of Rs. 16.51 crores, outstanding as on 27th March 2024. A charge was created, in favor of PNB, on the assets of the Company to secure the said loan and working capital.

FUTURE PROJECTS

Due to the continued severe conflict in Gaza, uncertain political environment in the Middle East and the insistence of a Corporate Guarantee from the parent company, ALUFLUORIDE LIMITED, VISAKHAPATNAM from the Banks in Jordan for sanction of term loans and working capital facilities for the Jordan project, your Directors decided to withdraw from the Jordan project as it will have a major impact on the parent company and disinvest from the Jordan Company. The Company filed the Jordan project disinvestment proposal to BSE vide letter dated 10.06.2024. The Company is exploring other overseas and domestic projects in the fields of Aluminium Fluoride and fluorine derivatives.

EXPORTS

During the year under review, the Company had not registered any Exports Sales for the current and previous year.

INSURANCE

All the properties of the Company including Buildings, Plant and Machinery and Stocks have been adequately insured.

DIVIDEND

Your Directors are pleased to recommend payment of Rs.3.00 (Rupees Three Only) per equity share of Rs. 10.00 (Rupees Ten only) each, i.e., 30% as final dividend for the financial year 2023-24, for the approval of the Members at the ensuing Annual General Meeting (AGM) of the Company.

TRANSFER TO RESERVE

The Company has not transferred any amount to the General Reserve for the financial year 2023-24.

CORPORATE GOVERNANCE

As per Regulation 34 read with chapter IV of the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 a separate section on Corporate Governance is enclosed which forms part of the Annual Report. A certificate from the Auditors of the Company on compliance with the conditions of Corporate Governance as stipulated under the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 is annexed to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed section of the Management Discussion and Analysis for the period under review as required under SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 is given as a separate statement forming part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to the Director's Responsibility Statement, it is hereby confirmed:

i. In the preparation of the annual accounts for the financial year ended 31st March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;

iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Directors had prepared the accounts for the financial year ended 31st March 2024 on a 'going concern' basis; and

v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Directors

During the year under review, subsequent to the sad demise of Sri Sreeramakrishna Grandhi, Chairman and Non-Executive Independent Director of the Company on 31st July, 2023, Sri Sohrab Chinoy Kersasp (DIN: 03300321) was appointed as Additional Director (Non-Executive & Independent) on the Board of the Company with effect from 16th September, 2023. The shareholders at the Extra-ordinary General Meeting (EGM) of the Company held on Monday, 11th December, 2023 through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") approved the appointment of Sri Sohrab Chinoy Kersasp as Non-Executive & Independent Director of the Company w.e.f. 16th September 2023 for a term of 5 (five) consecutive years up to 15th September, 2028.

During the year under review Sri Venkat Akkineni (DIN: 00013996) was re-appointed as Managing Director of the Company for a period of five years with effect from 1st August, 2023 to 31st July, 2028.

The Board of Directors of the Company in its meeting held on 14th August 2024 has approved the following appointments/re-appointments, subject to approval of shareholders of the Company at the ensuing AGM:

(a) Smt. Jyothsana Akkineni (DIN: 00150047) as Executive Director of the Company for a period of three (3) consecutive years with effect from 1st October 2024 up to 30th September 2027.

(b) Sri K. Purushotham Naidu (DIN: 01883663) as Executive Director of the Company for a period of three (3) consecutive years with effect from 1st October 2024 up to 30th September 2027.

(c) Sri Yugandhar Meka (as Non-Executive & Independent Director of the Company for a period of five (5) consecutive years with effect from 1st August 2024 up to 31st July 2029 (DIN: 00012265) as Non-Executive & Independent Director of the Company.

(d) Dr. Ravi Prasad Gorthy (DIN: 02698389) as Additional (Non-Executive & Independent Director) of the Company for a period of five (5) consecutive years with effect from 14th August 2024 up to 13th August 2029.

With regard to integrity, expertise and experience (including the proficiency) of Sri Yugandhar Meka and Dr. Ravi Prasad Gorthy, the Board of Directors have taken on record the declarations and confirmations submitted respectively by them and is of the opinion that both the Directors are persons of integrity and possesses relevant expertise and experience (including proficiency as per applicable law) and their respective association with the Company as Independent Directors will be of immense benefit and in the best interest of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri Ashok Vemulapalli (DIN: 00730615) retires at the ensuing Annual General Meeting and has conveyed his consent to be re-appointment as Director of the Company.

Particulars in pursuance of Regulation 36 of the SEBI LODR Regulations read with Secretarial Standard – 2 on General Meetings relating to Smt. Jyothsana Akkineni (DIN: 00150047), Sri K Purushotham Naidu (DIN: 01883663) and Sri Ashok Vemulapalli (DIN: 00730615) are given in Notice of AGM. You Directors recommend the re-appointment of the said Director.

Key Managerial Personnel

During the year under review, there has been no change in the Key Managerial Personnel of the Company.

The Company has named the Managing Director, Director Finance & Commercial as CFO and Company Secretary as its Key Managerial Personnel under the provisions of Section. 203 of the Companies Act, 2013.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

Sri Yugandhar Meka, Sri A.V.V.S.S.Ch.B. Sekhar Babu and Sri Sohrab Chinoy Kersasp are the Independent Directors of the company. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act & Regulation 25(8) of SEBI (LODR) Regulations, 2015 and there has been no change in the circumstances which affects their status as Independent Director during the year.

NUMBER OF MEETINGS OF THE BOARD

Five meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and Individual Directors was also discussed.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Directors' report.

DISCLOSURE AS REQUIRED UNDER RULE 5 OF COMPANIES (APPOINTMENT& REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

The Disclosure as required under Rule 5 of Companies (Appointment& Remuneration of Managerial Personnel) Rules 2014 is appended in Annexure – A to the Board Report.

RISK MANAGEMENT

The Board of Directors oversee the various strategic, operational and financial risks that the organization faces, along with assessment of risks, their management and mitigation procedures. In the Board's view, there are no material risks, which may threaten the existence of the Company.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e., SS-1 relating to 'Meetings of the Board of Directors' and SS-2, relating to 'General Meetings', have been duly followed by the Company.

INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls commensurate with its size and nature of its business. During the financial year under review, Internal Auditors of the Company have reviewed the effectiveness and efficiency of these systems and procedures. As per the said assessment, Board is of the view that IFC were adequate and effective during the financial year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED IN SUB – SECTION (1) OF SECTION 188

Details of transactions with related parties falling under the scope of Section 188(1) of the Act & Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 (Form No. AOC-2) is given in Annexure B to the Board Report.

STATUTORY AUDITOR

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Brahmayya & Co., Chartered Accountants, Visakhapatnam (FRN No: 000513S), were appointed as Statutory Auditors of the Company in the Annual General Meeting held on 9th July 2023 for a term of 5 (five) years until conclusion of the Annual General Meeting to be held in the year 2027.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 205 of the Act and the rules framed there under Mr. G.M.V. Dhanunjaya Rao of GMVDR & Associates, Company Secretaries was appointed as Secretarial Auditor of the Company and the Secretarial Audit Report issued by them for the financial year 2023-24 is made a part of this Report.

COST AUDITOR

The Company maintains cost records for its products as specified by the Central Government under sub-section (1) of Section 148 of the Act, and accordingly such accounts and records are made and maintained in the prescribed manner.

M/s. J K & Co., Cost Accountants, Vijayawada (Firm Registration No.: 004010), were appointed as the Cost Auditor to conduct the audit of the Company's cost records for the financial year ended 31st March, 2024. The Cost Audit Report, for FY 2023-24, was filed with the Central Government within the statutory timelines.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration to be paid to the Cost Auditor for FY 2023-24 is required to be ratified by the members, the Board of Directors recommends the same for ratification at the ensuing AGM. The proposal forms a part of the notice of the AGM.

M/s. J K & Co., Cost Accountants, Vijayawada (Firm Registration No.: 004010), are appointed as the Cost Auditor to conduct the audit of the Company's cost records for the financial year ended 31st March, 2025. M/s. J K & Co., have confirmed their eligibility for the said appointment.

ANNUAL RETURN

The Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company at www.alufluoride.com.

SUBSIDIARIES

As on 31st March 2024, the Company had one subsidiary, i.e. Alufluoride International Pte. Ltd., Singapore and one step-down subsidiary i.e. Jordanian Renewable Aluminium Fluoride Manufacturing Company PSC. The Company is in the process of disinvesting the Jordan Company as explained above.

The Company does not have any joint venture / associate company(ies) within the meaning of Section 2(6) of Companies Act, 2013.

Pursuant to the first proviso to Section 129(3) of the Act and Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the salient features of financial statements, performance and financial position of subsidiary is given in Form AOC-1 as Annexure C to this Report.

AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT

The Auditors' Report and Secretarial Auditors' Report does not contain any qualifications, reservations or adverse remarks.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There are no material changes and commitment affecting the financial position of the Company.

Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee in terms of Section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The committee constitution is as follows as on 31st March, 2024:

1.	Sri A.V.V.S.S.Ch.B. Sekhar Babu	Chairman
2.	Sri Ashok Vemulapalli	Member
3.	Smt. Jyothsana Akkineni	Member
4.	Sri K. Purushotham Naidu	Member
5.	Sri Yugandhar Meka	Member

The CSR activities, projects and programs that are undertaken by the Company are those which are approved by the committee that is constituted / reconstituted by the Board of Directors of the Company in this regard (CSR Committee). The CSR Committee approves the undertaking of such activities, projects and programs as are covered under the following areas set out in Schedule VII of the Companies Act, 2013. Our company is committed to ensuring the social wellbeing of the society through its Corporate Social Responsibility (CSR) initiatives. Our focus is on rural development programs, Swachh Bharat, promoting education, promoting health care including preventive health care and sanitation facilities to weaker sections of society through organizing health camps, meeting operation expenditure of children and poor people.

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Annual Report on CSR Activities is given in Annexure E to this report.

DEPOSITS

The Company has not accepted any deposits during the year under review. As such no amount of principal or interest was outstanding on the date of the Balance Sheet.

UNPAID / UNCLAIMED DIVIDEND

Out of the Interim Dividend amount of Rs. 156.41 lakhs declared by your Directors during the FY 2019-20, an amount of Rs. 8.24 lakhs remained unclaimed / unpaid as on 31.03.2024 and out of the Final Dividend amount of Rs. 78.20 lakhs and Rs. 156.4 lakhs declared by your Directors during the FY 2021-22 and FY 2022-23, an amount of Rs. 3.88 lakhs and Rs. 7.19 lakhs remained unclaimed / unpaid as on 31.03.2024.

Further, there is no amount (s) of Dividend which remained unclaimed for a period of 7 years and hence the requirement of transfer of such amount(s) to Investor Education & Protection Fund (IEPF) doesn't arise.

INTERNAL CONTROL

The Company has proper and adequate systems of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly. The internal control is supplemented by an extensive program of internal audits, review by management and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

The Company's Internal Audit Department is regularly carrying out the Audit in all areas. Additionally, the Audit committee is reviewing all Audit Reports with significant control, all issues raised by internal and external auditing regularly, reports on the business development, all the past and the future plans are given to the Board of Directors, Internal Auditor's reports are regularly circulated to all the senior management to comply with the findings.

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

Additional information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed in terms of Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in Annexure D and forms part of this report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company always believed in providing an encouraging work environment devoid of discrimination and harassment including sexual harassment and has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The objective of the policy is to prohibit, prevent and address issues of sexual harassment at the workplace. The policy covers all employees irrespective of their nature of employment and also applicable in respect of all allegations of sexual harassment made by an outsider against an employee. An Internal Complaints Committee (ICC) has also been set up to redress complaints received on sexual harassment. No complaint was pending at beginning of the year and none has been received during the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Act, the Board of Directors of the Company has framed the Vigil Mechanism / Whistle Blower Policy for Directors and Employees of the Company. Under the said Policy, provisions have been made to safeguard persons who use this mechanism from victimization.

The Policy also provides access to the Chairperson of the Audit Committee under certain circumstances. The Whistle Blower Policy is uploaded on the website of the Company at www.alufluoride.com.

EMPLOYEE RELATIONS

During the year under review, the company has enjoyed cordial relationship with all section of employees. The company believes that the employees play a vital role in increasing the turnover and profitability of the company and the strength of the company lie in harnessing the manpower in achieving sustained long-term growth in all spheres.

The Company had formed rigorous safety procedures and regulations to minimize COVID-19 infections etc and to mitigate adverse consequences for those infected. Any staff infected where mentored and counselled by one of his/her senior to assure proper, timely and adequate steps were taken to resolve the ill-health expediously. All employees were covered for insurance by the Company for COVID 19 etc and free timely vaccinations were facilitated.

ENVIRONMENT & SAFETY MEASURES

Following the ISO Certifications of 9001, 14001 and OHSAS 45001 the Company will continue taking all the necessary measures to maintain high standards of Environment, Clean and Green Belt, Water Harvesting, Pollution Control, Health and Safety Precautions.

DISCLOSURES UNDER THE ACT

Change in Nature of Business, if any:

During the financial year 2023-24, there was no change in the nature of business of the Company.

Significant and Material Orders:

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

Reporting of Frauds by Auditors:

During the year under review, there were no frauds reported by Auditors under Section 143(12) of the Act.

Details on Insolvency and Bankruptcy Code:

During the year under review, no application has been made by the Company nor is any proceeding pending against the Company under the Insolvency and Bankruptcy Code.

Disclosure with respect to Valuation:

During the year under review there was no instance of onetime settlement with any Bank or Financial Institution. Accordingly, disclosure relating to the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity in expressing their gratitude to the Government of India and the State Government. The Board is also thankful to all its Bankers, Contractors, Customers and Shareholders for their unstinted support to the Company.

For and on behalf of the Board
For ALUFLUORIDE LIMITED

YUGANDHAR MEKA
Chairman
DIN: 00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

14th August 2024
Hyderabad

ANNEXURE - A

DISCLOSURES AS REQUIRED UNDER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name of the Director / KMP & Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year
1	Sri Venkat Akkineni, Managing Director	43:1	33.0
2	Sri K. Purushotham Naidu, Director Finance & Commercial & CFO	6:1	---
3	Sri Ashok Vemulapalli, Non-Executive & Non-Independent Director	(*)	(*)
4	Smt. Jyothsana Akkineni, Executive & Non-Independent Director	---	---
5	Sri Yugandhar Meka, Non-Executive & Independent Director	(*)	(*)
6	Sri A.V.V.S.S.Ch.B. Sekhar Babu, Non-Executive & Independent Director	(*)	(*)
7	Sri Sreeramakrishna Grandhi, Non-Executive & Independent Director	(*)	(*)
8	Sri Sohrab Chinoy Kersasp, Non-Executive & Independent Director	(*)	(*)
9	Smt. Vaishali Kohli Company Secretary	1:1	7.0

((*) Non-Executive Directors have been paid remuneration by way of sitting fees

Percentage increase in the median remuneration of employees in the financial year	6.0
Number of permanent employees on the rolls of company	110
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	8
Affirmation	The remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board
For Alufluoride Limited

YUGANDHAR MEKA
Chairman
DIN: 00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

Hyderabad
14th August 2024

Details of Top 10 Employees in terms of remuneration drawn are as below:

Name & Designation	Remuneration / Salary (Rs. In Lakhs)	Nature of Employment	Qualification & Experience	Date of Joining	Age (Years)	% of shares held in the Company	Whether relative to any Director or Manager	Last Employment
Mr. Venkat Akkineni Managing Director	55.14	Contractual	MBA (USA), 46 Yrs	16.06.2008	69	2.94	Yes	Annapurna Studios Pvt.Ltd.
Mr. K. Purushotham Naidu Director - Finance & Commercial	20.68	Contractual	M.Com, CA, BL, 44 Yrs	22.08.1989	69	0.01	No	BSR & Sons, Vijayawada
Mr. S.V.N.G.S.S.S. Rao Chief Technical Officer	18.05	As per Co.'s Rules	M.Tech (Ch.), 41 Yrs	18.06.2015	66	---	No	Vasanth Chemicals
Mr. G. Sivakumar Manager - Instrumentation	14.62	As per Co.'s Rules	M.Tech (E & I), 11 Yrs	04.11.2019	35	---	No	Vishnu Chemicals Ltd.
Mr. Aditya Akkineni President - Business Development & Operations	14.58	Contractual	B.Sc.(Mech.Eng.), USA, 11 Yrs	24.08.2016	35	6.14	Yes	Luminex Corporation, USA
Mr.V. Durga Prasad Manager - Mechanical	12.10	As per Co.'s Rules	B.Tech (Mech.), 16 Yrs	15.03.2023	38	--	No	Philips Carbon Black Limited
Mr. Allamraju Chandra Sekhar Chief Operating Officer	10.19	As per Co.'s Rules	B.Tech (Ch.), 40 Yrs	01.01.2024	62	--	No	Jordan India Fertiliser Company (JIFCO), Jordan
Mr. B.R.V. Sainadh Manager - Process Eng. & Production	9.69	As per Co.'s Rules	B.Tech(Ch.), 9 Yrs	14.12.2018	30	---	No	Deccan Fine Chemicals Ltd.
Mr. D.L. Narasimha Rao Sr. Manager - Accounts	8.54	As per Co.'s Rules	M.Com, 30 Yrs	17.10.1994	56	---	No	---
Mr.B. Jaya Rao Sr. CAD Engineer	8.40	As per Co.'s Rules	Diploma (Mech.), 16 Yrs	17.01.2022	40	---	No	Zen Chemi Consultech Pvt. Ltd.

ANNEXURE - B

FORM NO. 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 sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

Sl.No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	NIL
B	Nature of contracts/arrangements/transactions	NIL
C	Duration of the contracts/arrangements/transactions	NIL
D	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
E	Justification for entering into such contracts or arrangements or transactions	NIL
F	Date of approval by the Board	NIL
G	Amount paid as advances, if any	NIL
H	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl.No.	Particulars	Details
A	Name(s) of the related party & nature of relationship	NIL
B	Nature of contracts/ arrangements/ transaction	NIL
C	Duration of the contracts/arrangements/ transaction	NIL
D	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
E	Date of approval by the Board	NIL
F	Amount paid as advances, if any	NIL

ANNEXURE - C

FORM NO. AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

(Rs. in Lakhs)

Sl.No.	Particulars	Details	
1.	Name of the subsidiary	Alufluoride International Pte. Ltd., Singapore	Jordanian Renewable Aluminium Fluoride Manufacturing Company P.S.C, (JV of the subsidiary)
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2023 to 31.03.2024	03.11.2022 to 31.12.2023
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	United States Dollar (USD)	Jordanian Dinar (JOD)
4.	Share capital	437.85	352.91
5.	Reserves & surplus	(85.39)	(88.89)
6.	Total assets	357.69	388.07
7.	Total Liabilities	357.69	388.07
8.	Investments	236.86	---
9.	Turnover	---	---
10.	Profit/(loss) before taxation	(16.16)	(43.27)
11.	Provision for taxation	---	---
12.	Profit/(loss) after taxation	(16.16)	(43.27)
13.	Proposed Dividend	---	---
14.	% of shareholding	100	67

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

For and on behalf of the Board
For Alufluoride Limited

YUGANDHAR MEKA
Chairman
DIN: 00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

14th August 2024
Hyderabad

ANNEXURE - D

Information under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended 31 March, 2024.

A. CONSERVATION OF ENERGY:

The Company continues to adopt various steps to conserve energy and has taken several measures including regular monitoring of consumption and improved maintenance of operations and modification of equipment for reduction in Power consumption. Total energy consumption and consumption per ton of production as prescribed in Form-A are given below:

I. Power and Fuel Consumption

		01-04-2023 to 31-03-2024	01-04-2022 to 31-03-2023
1.	**Electricity (*)**		
a)	Purchased Units (KWH)	**49,28,200**	47,09,100
	Total Amount (Rs.)	**4,55,50,518**	3,98,79,661
	Average Rate / Unit (Rs.)	**9.24**	8.47
(b)	Own Generation -		
	From Diesel Generator - Units, (KWH) (500 + 500 KVA)	**29,651**	20,853
	Average Units Per litre of Diesel	**3.12**	2.44
	Cost of Diesel per KWH (Rs.)	**33.14**	40.54
2.	**Furnace Oil (*)**		
(a)	Furnace oil:		
	Quantity (Kilo Litres)	**2,720**	2,295
	Total Amount (Rs.)	**13,11,67,949**	11,35,26,621
	Average Rate (Rs.)	**48,216**	49,466
	Coal: (*)		
	Quantity (MT)	**7,930**	8,191
	Total Amount (Rs.)	**4,95,50,261**	6,61,87,722
	Average Rate (Rs.)	**6,248**	8,081

I. Consumption per ton of Production

	01-04-2023 to 31-03-2024	01-04-2022 to 31-03-2023
Aluminium Fluoride:		
(a) Electricity (KWH) (*)	**328**	359
(b) Furnace Oil (Kilo Litres) (*)	**0.181**	0.183

B. TECHNOLOGY ABSORPTION

Your Company always tries to identify & implement recent changes in technologies. The Company makes every effort to reduce the consumption norms of raw materials, utilities and will make ongoing efforts to reduce the power & fuel costs. There are no import of raw materials and utilities are consumed.

C. FOREIGN EXCHANGE EARNINGS

	01-04-2023 to 31-03-2024	01-04-2022 to 31-03-2023
(a) Foreign Exchange Earnings - F.O.B (Rs.) (Includes trial run production export sales)	**---**	---
(b) Foreign Exchange Out Go	**2,68,12,500**	---
(c) Other Components, Spare Parts & Foreign Travel etc (Rs.)	**1,43,60,173**	83,469

For and on behalf of the Board
For Alufluoride Limited

	YUGANDHAR MEKA	**VENKAT AKKINENI**
14th August 2024	Chairman	Managing Director
Hyderabad	DIN: 00012265	DIN: 00013996

ANNEXURE - E

The Annual Report on CSR Activities
For Financial Year ended 31st March 2024

1. Brief outline on CSR Policy of the Company - Our Company is committed to ensuring the social wellbeing of the society through its Corporate Social Responsibility (CSR) initiatives. Our focus will be on rural development programs, Swachh Bharat, promoting education, promoting health care, including preventive health care and sanitation facilities to weaker sections of society through organizing health camps, meeting operation expenditure of children and poor people.

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
01	SRI A.V.V.S.S.Ch.B. SEKHAR BABU	CHAIRMAN	2	2
02	SRI YUGANDHAR MEKA*	MEMBER	2	1
03	SRI ASHOK VEMULAPALLI	MEMBER	2	2
04	SMT. JYOTHSANA AKKINENI	MEMBER	2	2
05	SRI K. PURUSHOTHAM NAIDU	MEMBER	2	2

*Sir Yugandhar Meka was appointed as Member of the CSR Committee with effect from 24th May, 2023.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company- www.alufluoride.com

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. N.A.

5. (a) Average net profit of the company as per section 135(5) - Rs. 786.03 lakhs
   (b) Two percent of average net profit of the company as per section 135(5) - Rs.15.72 lakhs
   (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years. NIL
   (d) Amount required to be set off for the financial year, if any: NIL
   (e) Total CSR obligation for the financial year (5a+5b- 5c). Rs. 15.72 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)
   (b) Amount spent in Administrative Overheads - NIL
   (c) Amount spent on Impact Assessment, if applicable - NIL

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] - Rs. 15.72 lakhs

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.		Amount spent for the project (in Rs. lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Development of the community infrastructure and sanitary works i.e. providing borewells and water treatment plant for the nearby villages	Promoting Health Care	Yes	Andhra Pradesh	Vishakhapatnam	6.04	Yes	--	--
2.	Providing medical equipments for Public Health Center nearby villages	Promoting Health Care	Yes	Andhra Pradesh	Vishakhapatnam	4.68	Yes	--	--
3.	Contribution towards Student Innovation Complex	Promoting Education	Yes	Telangana	Hyderabad	5.00	No	The Hyderabad Public School Society	CSR00014135
	TOTAL					**15.72**			

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

Total Amount Spent for the Financial Year (in Rs.)	**Amount Unspent (in Rs.lakhs) NIL**				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).**		
Amount	**Amount**	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
15.72	—	—	—	—	—

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

Sl. No.	**Particulars**	**Amount (in Rs.)**
(i)	Two percent of average net profit of the company as per section 135(5)	15.72
(ii)	Total amount spent for the Financial Year	15.72
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (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 any		Amount remaining to be spent in succeeding financial years. (in Rs.)
					Amount (in Rs)	Date of transfer	
	—	—	—	—	—	—	—
	TOTAL	—	—	—	—	—	—

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

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

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. - NA

For and on behalf of the Board
For Alufluoride Limited

YUGANDHAR MEKA
Chairman
DIN: 00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

14th August 2024
Hyderabad

SECRETARIAL AUDIT REPORT

To,
The Members,
Alufluoride Limited
Visakhapatnam

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alufluoride Limited (hereinafter referred as "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. 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. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on 31.03.2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2024, 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 Byelaws 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. The Company has not availed External Commercial Borrowings during the year.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015

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

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

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

   e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable as the Company has not formulated any such scheme during the Audit Period);

   f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company doesn't has any listed debt security (ies))

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

   h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable as the Company has not delisted its equity shares from any Stock exchange during the Audit Period); and

   i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable as the Company has not bought back any of its securities during the Audit Period);

vi) Other industry specific laws applicable to the Company as per the representation made by the Management:
   - The Factories Act, 1948
   - The Environment (Protection) Act, 1986
   - Electricity Act 2003 & Tariff Policy
   - Water (Prevention & Control of Pollution) Act 1974
   - Air (Prevention & Control of Pollution) Act 1981

We have also examined compliance with the Secretarial Standards issued by the Company Secretaries of India and the Company has complied with the Secretarial Standards.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review and as per the explanations and clarifications given to us and their presentations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

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

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

c) 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.

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

We further report that during the audit period:

1. Alufluoride International Private Limited, a wholly owned subsidiary of the Company in the Jebel Ali Freezone, incorporated under the Statutes of United Arab Emirates, has been de-registered.

For GMVDR & Associates
Company Secretaries

G.M.V. Dhanunjaya Rao
Proprietor
Peer Review No: 1071/2021
UDIN: F009120F000979826

Place: Hyderabad
Date: 14th August 2024

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE

To
The Members
Alufluoride Limited
Visakhapatnam

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

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

4. Where ever required, we 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. Our examination was limited to the verification of procedures on test basis.

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

For GMVDR & Associates
Company Secretaries

G.M.V. Dhanunjaya Rao
M.No.: F9120 C.P No.:5250
Peer Review No: 1071/2021
UDIN: F009120F000979826

Place: Hyderabad
Date : 14th August 2024

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

Alufluoride Ltd. (AL) is the only Company in Andhra Pradesh producing Aluminium Fluoride (AlF^3). This technology facilitates conversion of Fluorine effluents from a Phosphatic Fertilizer Complex into Hydrofluosilicic Acid, by the concerned fertilizer complex, and then to Aluminium Fluoride. The project ensures pollution abatement, import substitution, conservation of natural resources like Fluorspar and Sulphur, cost effective production, conversion of waste into wealth and import substitution for the Nation. AlF3 is used as a flux in reducing the melting point of Alumina during the electrolytic process of producing Aluminium, therefore reducing the carbon foot print for production of aluminium. All Aluminium Smelters in India and a few Smelters abroad use the Company's product, with repeat orders due to quality and reliability.

FUTURE OUTLOOK, OPPORTUNITIES, THREATS, RISKS & CONCERNS

AL commissioned its Aluminium Fluoride Plant in 1995, based on an agreement between AL and Coromandel International Limited (Erstwhile Coromandel Fertilizers Ltd., Visakhapatnam (CIL)). As per the agreement, CIL is to supply 4,000 TPA of Hydrofluosilicic Acid (Acid) exclusively to AL. However, since inception, CIL was unable to supply the contracted quantity, and therefore the balance acid is being procured from Odisha.

All the Aluminium smelters in India and abroad have been increasing their Aluminium production capacities and new Aluminium smelters are coming up with high capacities, resulting in an increased demand for AlF^3. CIL expanded its Phosphoric Acid production capacity and AL signed a long-term acid supply contract with CIL for supply of 3,500 TPA. In addition, AL signed a long-term contract with IFFCO, Paradeep for supply of over 7000 TPA. AL also procures approximately 2500 TPA from Paradeep Phosphates Ltd., Paradeep, Odisha.

In view of increased AlF3 demand and availability of additional acid, the Company had expanded its AlF3 production facilities to 12,000 TPA in the 1st phase and further increased to 15,000 TPA in the 2nd phase. The risks and concerns for the Company are availability of Acid, increase in transport costs from Paradeep, Odisha, taking on debt for the expansion, along with the usual market risks. As the Company has decided to withdraw from the Jordan Project in view of the severe uncertain political situation in the Gaza area as well neighbouring Middle Eastern countries, it is currently planning to pursue other overseas and domestic projects to Manufacture take up Aluminium Fluoride and other fluorine derivatives.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system which provides for:

- Efficient use and safeguarding of resources.
- Accurate recording and custody of assets.
- Compliance with prevalent statutes, policies, procedures, listing requirements, management guidelines and circulars.
- Transactions being accurately recorded, cross verified and promptly reported.
- Adherence to applicable accounting standards and policies.
- IT systems, which include controls for facilitating the above.

The internal control system provides for well- documented policies, guidelines, authorizations, and approval procedures. The internal audit reports are laid before the Audit Committee and discussions were held periodically by the Audit Committee at its meetings. The observations arising out of audit are subject to periodic review, compliance, and monitoring. The significant findings/observations made in internal audit reports, along with the status of action thereon, are reviewed by the Audit Committee of the Board of Directors on a regular basis for further appropriate action, if and as deemed necessary. To further augment the control and fine tune management systems, the Company is implementing Enterprise Resource Planning (ERP) software, with the assistance from consultants.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

HUMAN RESOURCE DEVELOPMENT

The continued Certification of Quality and Environmental Management System adopted by the Company to ISO 9001, 14001 and ISO 45001, manifests to the commitment of all the employees to excellence, committed human resources is principal core strength of your Company and is attribute to the extremely cordial atmosphere prevailing in the Company. The total number of employees stood at 110 as on 31 March 2024.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS (i.e., change of 25% or more over the last 12 months):					
S.No.	**Ratio**	**For the year ended 31 March 2024**	For the year ended 31 March 2023	**Change %**	**Reasons for variance above 25 %**
1	Debtor's turnover ratio	12.3	10.0	2.3	23
2	Inventory turnover ratio	7.9	6.1	1.8	29 (*)
3	Current ratio	1.6	1.9	(0.3)	(12)
4	Operating Profit ratio	16.2 %	15.9 %	0.3	2
5	Net Profit ratio	11.5 %	10.4 %	1.1	10

(*) Increased capacity utilization during the year over previous year.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31st MARCH 2024

CORPORATE GOVERNANCE:

In terms of IV Securities and Exchange Board of India (Listing Obligations & Discloser Requirements Regulations, 2015, compliance with the requirements of Corporate Governance is mandatory for your Company from the financial year 2001 - 02 and your Company is following the same.

COMPANY'S PHILOSOPHY:

The Company firmly believes in and has consistently practiced good Corporate Governance. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability, and equality, in all facets of its operations, and in all its inter-actions with stakeholders, including shareholders, employees, Government, lenders, customers, Etc. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value.

BOARD OF DIRECTORS:

Composition of Directors and their Attendances at the Board Meetings during the year and the last Annual General Meeting and outside Directorships are:

Name of the Director	Category	No. of Board Meetings attended during the F.Y. 2023-24	Attendance at the Previous AGM held on 15th July, 2023	Number of Directorships in other public companies		Number of Committee positions held in other public companies		Directorship in other listed entity (Category of Directorship)	Skills/ Expertise/ Competence
				Chairman	Member	Chairman	Member		
Sri Venkat Akkineni (*)	Executive	5	Present	0	1	0	0	0	Leadership, Financial, Project Execution, Board Service and Governance, Sustainability, Risk expertise and international Business
Sri Ashok Vemulapalli (**)	Non-Executive	5	Present	0	1	0	0	0	Leadership, Financial, Project Execution, Board Service and Governance, Sustainability, Risk expertise and international Business
Smt. Jyothsana Akkineni (***)	Executive	5	Present	0	1	0	0	0	Leadership, Financial, Project Execution, Board Service and Governance, Sustainability, Risk expertise and international Business
Sri K. Purushotham Naidu	Executive	5	Present	0	0	0	0	0	Leadership, Financial, Audit, Board Service & Governance and compliance, Project execution.
Sri. A.V.S.S.Ch.B. Sekhar Babu	Independent	5	Present	0	0	0	0	0	Leadership, Financial, Secretarial, Audit, Board Service & Governance and compliance, merger & acquisition
Sri Grandhi Sreerama Krishna (up to 31st July 2023)	Independent	2	Present	0	0	0	0	0	Leadership, Financial, Audit, Board Service & Governance and compliance, merger & acquisition.
Sri Yugandhar Meka	Independent	5	Present	0	0	0	0	0	Leadership, Financial, Audit, Board Service & Governance and compliance, merger & acquisition, Project execution, International Business
Sri Sohrab Chinoy Kersasp (w.e.f. 16th September 2023)	Independent	3	NA	0	1	0	0	Ravileela Granites Limited - Independent Director	Leadership, Financial, Audit, Board Service & Governance and compliance, merger & acquisition, Project execution, International Business

(*) Sri Venkat Akkineni is husband of Smt Jyothsana Akkineni and brother-in-law of Sri Ashok Vemulapalli.
(**). Sri Ashok Vemulapalli is brother-in-law of Sri Venkat Akkineni and Smt.Jyothsana Akkineni.
(***) Smt Jyothsana Akkineni is wife of Sri Venkat Akkineni and sister-in law of Sri Ashok Vemulapalli

THE BOARD HAS IDENTIFIED THE FOLLOWING SKILLS /EXPERTISE/ COMPETENCIES FUNDAMENTAL FOR THE EFFECTIVE FUNCTIONING OF THE COMPANY WHICH ARE CURRENTLY AVAILABLE WITH THE BOARD:

Global Business	Understanding, of global business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions
Strategy and Planning	Appreciation of long-term trends, strategic choices, and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

None of the Non-Executive / Independent Directors held any Equity Shares of the Company as on 31st March, 2024 except Sri Ashok Vemulapalli having 35,779 Shares, Sri A.V.S.S.Ch.B. Sekhar Babu having 200 Shares and Sri K. Purushotham Naidu having 400 Shares.

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

During the year under review, subsequent to the sad demise of Sri Sreeramakrishna Grandhi, Chairman and Non-Executive Independent Director of the Company on 31st July, 2023, Sri Sohrab Chinoy Kersasp (DIN: 03300321) was appointed as Additional Director (Non-Executive & Independent) on the Board of the Company with effect from 16th September, 2023. The shareholders at the Extra-ordinary General Meeting (EGM) of the Company held on Monday, 11th December, 2023 through Video Conference ("VC")/Other Audio-Visual Means ("OAVM") approved the appointment of Sri Sohrab Chinoy Kersasp as Non-Executive & Independent Director of the Company w.e.f. 16th September 2023 for a term of 5 (five) consecutive years up to 15th September, 2028.

BOARD MEETINGS HELD DURING THE YEAR 2023-24:

During the Financial year 2023-24, Five Board Meetings were held on 24th May 2023, 29th July 2023, 16th September 2023, 3rd November 2023 and 9th February 2024.

BOARD COMMITTEES:

Audit Committee:

The Audit Committee comprises of three Independent Directors and one Non-Executive Director as detailed below: The Company Secretary acts as the Secretary of the Committee.

Sl. No.	Name of the Director	Designation	No. of Meetings held during the Member's tenure	No. of Meetings attended
1	Sri Chandrasekhar Babu AVVSS	Chairperson (Independent Director)	5	5
2	Sri Yugandhar Meka	Member (Independent Director)	5	5
3	Sri Sohrab Chinoy Kersasp (appointed w.e.f. 16th September 2023)	Member (Independent Director)	2	2
4	Sri Grandhi Sreeramakrishna (up to 31st July 2023)	Member (Independent Director)	2	2
5	Sri Ashok Vemulapalli	Member (Non-Executive & Non-Independent Director)	5	5

The terms of reference of the Audit Committee mandated by your Board of Directors, which are also in line with the Statutory and regulatory requirements, are.

a) Overview of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.

b) Recommending the appointment and removal of external auditors, fixation of audit fee and approval for payments of any other services.

c) Reviewing with management the annual financial statements before submission to the Board.

d) Reviewing with management, external and internal auditors, the adequacy of internal control system.

e) Reviewing the adequacy of internal audit reporting structure, coverage, and frequency of internal audit.

f) Discussions with internal auditors on any significant findings and follow-up thereon.

g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board.

h) Discussion with external auditors before the audit commences - nature and scope of audit as well as has post audit discussions to ascertain any area of concern.

i) Reviewing the Company's financial and risk management policies.

j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

During the financial year 2023-24, five meetings of the Audit Committee were held on 24th May 2023, 29th July 2023, 16th September 2023, 3rd November 2023 and 9th February 2024.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises of:

S.No.	Name of the Director	Designation
1	Sri Chandrasekhar Babu AVVSS	Chairperson (Independent Director)
2	Smt. Jyothsana Akkineni	Member (Executive & Non-Independent Director)
3	Sri Ashok Vemulapalli	Member (Non-Executive & Non-Independent Director)

The Share Transfer Committee deals with share transfers, complaints/grievances of the shareholders on a regular basis. All the complaints/grievances have generally been resolved to the satisfaction of the members concerned.

During the year, one Stakeholders Relationship Committee meeting was held 9th February, 2024.

Mrs. Vaishali Kohli was appointed as a Compliance Officer of the Company under Regulation 6 of SEBI Listing Regulations.

Details of Investor Complaints

Complaints at the beginning of the FY 2023-24	Received during the year	Resolved during the year	Complaints at the end of the FY 2023-24
- Nil -	1	- Nil -	1

Nomination and Remuneration Committee:

The Committee comprises of three Independent Directors as detailed below:

S.No.	Name of the Director	Designation
1	Sri Sohrab Chinoy Kersasp, (w.e.f. 16th September 2023)	Chairperson (Independent Director)
2	Sri Chandrasekhar Babu AVVSS	Member (Independent Director)
3	Sri Sreeramakrishna Grandhi (up to 31st July 2023)	Member (Independent Director)
4	Sri Yugandhar Meka	Member (Independent Director)
5	Sri Ashok Vemulapalli	Member (Non-Executive & Non-Independent Director)

The remuneration policy of the Company is based on the principle of attracting best available talent and is in line with the industry standards.

During the financial year 2023-24, two meetings of Nomination and Remuneration Committee were held on 24th May, 2023 and 16th September, 2023.

Performance evaluation criteria for Independent Directors:

Independent Directors have three key roles governance, control and strategic guidance. Some of the performance indicators, based on which the Independent Directors are evaluated, are:

(i) Contribution to and monitoring Corporate Governance practices.
(ii) Ability to contribute to address top management issues.
(iii) Active participation in long term strategic planning
(iv) Commitment to the fulfilment of obligations and responsibilities.

The performance evaluation of Independent Director is done by the Board annually based on criteria of attendance and contributions at Board/Committee meetings and also the roles played by them other than at meetings.

The NRC had specified criteria for performance evaluation of Directors, committees, and Board as a whole and recommend the same to the Board for evaluation.

In line with corporate governance guidelines, evaluation of all members is done on an annual basis. This evaluation is done by the entire Board led by Chairman of the Board with specific focus on the performance and effective functioning of the Board, committees of the Board and individual Directors and reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of Directors excluding the Directors being evaluated) held the performance evaluation of Independent Directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of Independent Directors.

Corporate Social Responsibility (CSR) Committee:

During the year, two meetings of CSR Committee meeting were held on 24th May, 2023 and 9th February, 2024

The Committee comprises of 5 Directors as detailed below:

S.No.	Name of the Director	Designation
1	Sri Chandrasekhar Babu AVVSS	Chairperson (Independent Director)
2	Sri Yugandhar Meka, (w.e.f. 24th May, 2023)	Member (Independent Director)
3	Smt. Jyothsana Akkineni	Member (Executive & Non-Independent Director)
4	Sri Ashok Vemulapalli	Member (Non-Executive & Non-Independent Director
5	Sri Purushotham Naidu Kotikalapudi	Member (Executive & Non-Independent Director)

The above committees do not have "Regular Chairperson" in terms of SEBI LODR.

Criteria of making payments to Non-Executive Directors

Keeping in view the size, scale and complexity of the Company's operations and the level of involvement of the non-executive directors in the supervision and control of the Company and their guidance for the growth of the Company as members of the Board and also as Chairman or Members of the relevant Committees of the Board, the Board and Shareholders decided that such remuneration/commission should be commensurate with their roles which have undergone significant qualitative changes.

Disclosures with respect to remuneration:

(i) Gross remuneration includes salary, taxable allowances, Commission, value of perquisites as per the Income Tax Rules, 1962 and Company's contribution to Provident Fund.

(ii) No Director was allowed any fixed or performance linked incentives.

(iii) There are neither specific contracts nor any severance fees. Terms of appointment are as decided by the Board and General Body.

(iv) The Company has no options outstanding as at the beginning of the year and has not granted any stock options during the financial year 2023-24

Details of remuneration and payments to Directors during the financial year 2023-24 are given below

Name of the Director	Sitting Fee – Board Committee (Rs.)	Salary, Commission & Perks (Rs.)	Other Transaction (Rs.)
Sri Venkat Akkineni	---	55,13,660	---
Sri Ashok Vemulapalli	1,90,000	---	---
Smt. Jyothsana Akkineni	---	---	
Sri K. Purushotham Naidu	---	20,68,279	---
Sri A.V.S.S.Ch.B. Sekhar Babu	1,90,000	---	---
Sri G. Sreeramakrishna	70,000	---	---
Sri Yugandhar Meka	1,90,000	---	---
Sri Sohrab Chinoy Kersasp	1,00,000	---	---

GENERAL BODY MEETINGS:

Location and time of last three Annual General Meetings are as under:

Year	Venue	Date	Time	Special Resolutions passed
2023	Through Video Conference	15 July 2023	11.00 A.M.	Re-appointment of Sri Venkat Akkineni as Managing Director of the Company.
2022	Through Video Conference	9 July 2022	11.00 A.M.	Re-appointment of Sri K. Purushotham Naidu as Director - Finance & Commercial of the Company.
2021	Through Video Conference	24 September 2021	10.00 A.M.	NIL

C.E.O / C.F.O. Certification:

The C.E.O. (Managing Director) and the C.F.O. certified to the Board on the prescribed matters as required under chapter IV of Securities and Exchange Board of India (Listing Obligations & Discloser Requirements Regulations, 2015, and the said Certificate was considered by the Board at its meeting held on 14th August 2024.

NO DISQUALIFICATION CERTIFICATE FROM PRACTISING COMPANY SECRETARY:

A certificate has been received from Krishna Rathi and Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company has 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 statutory authority, as stipulated under Regulation 34 of the Listing Regulations, is attached to this report.

MEANS OF COMMUNICATION:

The Quarterly, Half-yearly and Annual results are published by the Company in the Newspapers. Official news items are sent to BSE Limited, Mumbai.

LISTING ON STOCK EXCHANGES:

The securities of the Company are listed in BSE Limited, Mumbai. The listing fee for this Stock Exchange had been paid.

REGISTRARS AND TRANSFER AGENTS, SHARE TRANSFER SYSTEM:

XL Softech Systems Ltd, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad 500 034 are the Registrars of the Company. Share Transfers are registered and returned in the normal course within a period of 15 days from the date of receipt if the documents are clear in all respects. Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

MARKET PRICE DATA:

High/Low prices during the financial year 2023-24 on BSE Limited, Mumbai.

Month	High Rs. Ps.	Low Rs. Ps.
April 2023	357.00	300.00
May 2023	355.10	313.05
June 2023	439.00	315.55
July 2023	439.90	385.10
August 2023	487.90	409.00
September 2023	515.00	421.00

Month	High Rs. Ps.	Low Rs. Ps.
October 2023	460.00	401.10
November 2023	587.00	420.00
December 2023	544.80	482.00
January 2024	549.85	500.00
February 2024	554.60	424.70
March 2024	519.25	440.00

COMPARISON TO BROAD – BASED INDICES WITH BSE SENSEX

Month	ALUFLUORIDE LTD. PRICE Rs. Ps.	BSE SENSEX
April 2023	343.35	61112.44
May 2023	315.95	62622.24
June 2023	418.05	64718.56
July 2023	429.20	66527.67
August 2023	432.30	64831.41
September 2023	439.05	65828.41

Month	ALUFLUORIDE LTD. PRICE Rs. Ps.	BSE SENSEX
October 2023	425.30	63874.93
November 2023	523.00	66988.44
December 2023	510.10	72240.26
January 2024	518.60	71752.11
February 2024	454.10	72500.30
March 2024	466.55	73651.35

CATEGORIES OF SHARE HOLDING AS ON 31 MARCH 2024

Sl. No.	Category	No. of shares	%
1.	Promoters, Directors, relatives and associated companies	46,87,272	59.94
2.	Financial Institutions	1,00,100	1.28
3.	Mutual Funds	----	----
4.	Banks	----	----
5.	Foreign Institutional Investors	----	----
6.	Non- Resident Indians	1,59,369	2.04
7.	Private Bodies corporate	1,10,811	1.42
8.	Public	26,94,781	34.45
9.	Others	68,149	0.87
	Total	**78,20,482**	**100.00**

DISTRIBUTION OF SHAREHOLDINGS AS ON 31 MARCH 2024

No. of shares	No. of shareholders	No. of shares	%
Up to 500	13,303	12,12,424	15.50
501 to 1,000	447	3,36,877	4.31
1,001 to 2,000	240	3,47,505	4.44
2,001 to 3,000	78	1,92,073	2.46
3,001 to 4,000	24	81,978	1.05
4,001 to 5,000	24	1,12,525	1.44
5,001 to 10,000	33	2,34,988	3.00
10,001 and above	28	53,02,112	67.80
Total	**14,177**	**78,20,482**	**100.00**

DEMATERIALISATION OF SHARES AND LIQUIDITY:

Equity Shares of the Company have been dematerialized and are identified under ISIN-INE058F01019.

OTHER DISCLOSURES

A. RELATED PARTY TRANSACTION (REG. 23 OF SEBI LISTING REGULATIONS)

There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.

Policy on Related Party Transaction is available at the link http://www.alufluoride.com/images/Website-Regulations.pdf

Disclosures of transactions of the Company with the person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company - NIL

B. DETAILS OF NON - COMPLIANCE BY THE COMPANY, PENALTY, STRICTURES IMPOSED ON THE COMPANY BY THE STOCK EXCHANGE, OR SECURITIES AND EXCHANGE BOARD OF INDIA ('SEBI') OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS - (SCHEDULE V (C) 10(b) TO THE SEBI LISTING REGULATIONS)

The Company has complied with the requirements of listing agreement/regulations/guidelines/rules of the Stock Exchanges/ SEBI/Other Statutory Authorities. The Company was not imposed with any penalties or issued any strictures on any capital market related matters during the last three years.

There were no cases of non-compliance during the last three financial years.

C. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 - (SCHEDULE V (C) 10(l) TO THE SEBI LISTING REGULATIONS)

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

D. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the company and Directors to approach the Audit Committee of the Company.

Alufluoride Limited and its subsidiaries are committed to complying with the foreign and domestic laws that apply to them assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face penalties. In order to promote ethical standards, the company will maintain the workplace that facilitates reporting of potential violations of Company policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and without any fear of retaliation.

The policy covers malpractices and events which have taken place/suspected to take place involving:

01. Abuse of authority
02. Breach of Contact
03. Negligence causing substantial and specific danger to public health and safety.
04. Manipulation of Company data/records
05. Financial irregularities, including fraud or suspected fraud
06. Deficiencies in internal control and check.
07. Deliberate error in preparation of financial statements or misrepresentation of financial reports.
08. Any unlawful act whether civil or criminal.
09. Deliberate violation of law/regulation.
10. Perforation of confidential/proprietary information.

11. Wastage/misappropriation of company funds/assets.
12. Breach of company policy or failure to implement or comply with any approved company policy.
13. Leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information.

    All protected disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.

    In respect of all other protected disclosures, those concerning the employees at the levels of COO/ Director - Finance and above should be addressed to the Chairman of the Audit Committee of the company and those concerning all other employees should be addressed to the authorized officer appointed in this regard, i.e. The Compliance Officer at the Registered Office of the Company.

E. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART

During the review under review, the Company has paid an amount of Rs.3.00 lakhs towards Statutory Audit Fees and paid Rs.3.27 lakhs towards professional fee.

F. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

i. Company has an Non-Executive Chairperson.
ii. Quarterly and half yearly financial statements are published in the newspapers and are also posted on the Company's website.
iii. The Company's financial statement for the financial year ended 31st March 2024 does not contain any modified audit opinion.
iv. Internal Auditors directly report to the Audit Committee.
v. The Company or its subsidiaries have has no loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount
vi. The Company does not have any material subsidiaries.

G. The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46 (2) of the SEBI Listing Regulations.

H. There are no Equity Shares of the Company in the demat suspense or unclaimed suspense account.

Factory, Registered Office, and address for correspondence

The Compliance Officer
Alufluoride Limited
Mulagada, Mindi
Visakhapatnam - 530 012 AP

Annual General Meeting

Time : 11 A.M.
Date : 16th September 2024
Venue : Through Video Conferencing ("VC") facility / other audio visual means ("OAVM")

To
Alufluoride Limited
Mulagada, Mindi
Visakhapatnam - 530 012

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

In accordance with Regulation 26(3) and Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Directors and the Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics as on 31 March, 2024.

For Alufluoride Limited

VENKAT AKKINENI
Managing Director
DIN: 00013996

Date : 14 August 2024
Place : Hyderabad

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
Alufluoride Limited
Mulagada, Mindi
Visakhapatnam - 530 012

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Alufluoride Limited having CIN: L24110AP1984PLC005096 and having registered office at Mulagada Village, Mindi Post Visakhapatnam - 530012 (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 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 ended 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.

S.No.	Name of the Directors	DIN	Date of appointment in the Company
1.	Sri Venkata Narayana Rao Akkineni	00013996	14/08/1991
2.	Sri Ashok Vemulapalli	00730615	16/07/2002
3.	Smt. Jyothsana Akkineni	00150047	16/07/2002
4.	Sri Kotikalapudi Purushotham Naidu	01883663	25/09/2008
5.	Sri A.V.S.S.Ch.B. Sekhar Babu	00692448	26/10/2007
6.	Sri Grandhi Sreeramakrishna (up to 31.07.2023)	06921031	20/10/2014
7.	Sri Yugandhar Meka	00012265	31/07/2019
8.	Sri Sohrab Chinoy Kersasp (w.e.f. 16.09.2023)	03300321	16/09/2023

Ensuring the eligibility of 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 **Krishna Rathi & Associates**
Company Secretaries

Sd/-
Krishna Rathi
Proprietor
FCS No.: 9359
COP No. : 10079
UDIN: F009359F001027046

Date : 14th August, 2024
Place : Mumbai

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[pursuant to Regulation 34(3) and Schedule V Para-E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
Alufluoride Ltd.
Visakhapatnam.

1. We have examined the compliance of conditions of Corporate Governance by Alufluoride Limited, Visakhapatnam ("the Company") for the year ended 31st March, 2024 as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with stock exchange.
2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.
3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2024. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as specified under the applicable provisions of Listing Regulations.
6. We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Krishna Rathi & Associates**
Company Secretaries

Sd/-
Krishna Rathi
Proprietor
FCS No.: 9359
COP No. : 10079
UDIN: F009359F001027178

Date : 14th August, 2024
Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

TO
The Members of
Alufluoride Limited
Visakhapatnam, AP

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of ALUFLUORIDE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, the profit and total comprehensive income, changes in equity and its cash flows 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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter:

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.

Sl. No.	Key Audit matter	How the matter was addressed in our audit
1	Verification of capital work in progress and related capitalisation workings & estimation of decommissioning and restoration provision on leased land. Bifurcation of costs related to capital costs & regular expenses is a challenge. Bifurcation of unallocated capital expenditure to individual property, plant & equipment is a challenge.	Our audit procedures to verify the capital work in progress, verification of capitalisation of new property, plant & equipments including the following: • We have verified the detailed capitalisation workings including Bifurcation of unallocated capital expenditure to individual property, plant & equipments. • We tested the calculation of the decommissioning provisions with external factors for the expansion projects and checked the accuracy and relevance of the input data use.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board of Directors' Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon, the above reports are expected to be made available to us after the date of this report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the above specified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 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- A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, 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.

   c) The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, standalone Statement of Changes in Equity and the standalone Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      The remuneration paid to the Directors by the company is in accordance with the provisions of the sec.197.

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

i. The Company does not have any major pending litigations that would impact its financial position.

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 delays 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, except as disclosed in the note 5.43 (A) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(i.e.), 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, as disclosed in the note 5.43 (B) to the accounts, no funds have been received by the Company from any person(s) or entity(i. e), 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) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 5.14 (f) to the financial statements, the Board of Directors of the Company have recommended final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting., the same is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The company adheres to a policy of maintaining audit trail in accordance with statutory requirements for record retention.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Regn No. 000513S

(E S H MOHAN)
Partner
M No: 028134
UDIN: 24028134BKFFUY3627

Camp : Hyderabad
Date : 23rd May 2024

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

The **Annexure A** referred to in our Independent Auditor's report of even date, to the members of **ALUFLUORIDE LIMITED, VISAKHAPATNAM**, for the year ended 31 March 2024. We report that:

i) a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

b) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals. According to the information furnished to us, no material discrepancies have been noticed on such verification.

c) Except as as reported under note No. 5.01E of the standalone financial statements for the year under report, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.

d) The company has not revalued its Property, Plant & Equipment (including the Right of Use assets) or Intangible assets or both during the year.

e) As reported under note No. 5.01C, of the standalone financial statements for the year under report, and according to the information and explanations given to us, no proceedings have been initiated against the company for holding benami property under Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and rules made thereunder.

ii) a) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedures of the verification by the management are appropriate and no material discrepancies were noticed.

b) As reported under note No. 5.18(a), of the standalone financial statements for the year under report, the quarterly returns/statements filed by the company with banks are generally in agreement with the books of the company.

iii) The Company has not made investments in, provided any guarantee or security granted any loans or advances which are in the nature of loans, secured or unsecured to companies, firms, LLPs, or any other parties. Consequently, clauses 3 (iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable.

iv) The company has neither given any loans to the Directors or any other persons in whom the Director(s) is interested nor given/provided any guarantee/security in connection with any loan taken by Directors or such other persons as per the provisions of section 185 of the Companies Act, 2013. Further, the investment made by the company in an earlier year does not exceed the limits prescribed under section 186 of the Companies Act, 2013.

v) The Company has neither accepted any public deposits nor received any amounts that are deemed to be deposits in terms of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. The directions issued by the Reserve bank of India are not applicable. Consequently, the clause 3(v) of the order is not applicable to the Company.

According to the information and explanations given to us and on the basis of examination of the records of the Company, no order has been passed by Company Law Board or National Company Law Board or Reserve Bank of India or any Court or any other Tribunal during the year under report. Consequently, the clause 3(v) of the order is not applicable to the Company.

vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of goods and services tax, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or Cess and other material statutory dues which were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

b) As at 31st March 2024, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Goods and Services tax, Income tax, Service tax, duty of customs, duty of excise, value added tax and Cess, except the following:

Sl. No.	Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax demands	0.90	Asst.year 2008-09	Deputy Commissioner of Income Tax, Visakhapatnam

viii) According to the information and explanations given to us and on the basis of examination of the records of the Company, no transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) a) The Company has not defaulted in any repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

c) Term loans obtained during the year have been utilised for the purposes for which they were obtained.

d) The funds raised on a short-term basis have not been utilised for long term purposes.

e) The company has two wholly owned subsidiaries incorporated outside India. However, the company has neither borrowed or taken monies from third parties to invest, or lend to any of the two subsidiaries. Further the company has not raised during the year any funds from others by pledging its shares in any of these subsidiaries.

x) a) The Company has not made any initial public offer or further public offer (including debt instruments) during the year under review. Consequently, the clause 3(x)(a) of the order is not applicable.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year under review. Consequently, the clause 3(x)(b) of the order is not applicable.

xi) a) According to the information and explanations given to us, we report that no fraud by the Company or on the Company have been noticed or reported during the course of our audit.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed read with rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistle-blower complaints are received during the year under report.

xii) In our opinion, the company is not a Nidhi Company. Consequently, the clause 3(xii) of the order is not applicable.

xiii) According to the information and explanations given to us and on overall examination of the records of the Company, we report that all transactions with related parties are in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013 and the related party disclosures as required by relevant Indian Accounting Standards are disclosed in the financial statements.

xiv) a) The company has an internal audit system commensurate with the size and nature of its business.

b) The reports of the Internal Auditors for the period under audit were considered by us.

xv) The Company has not entered into any non-cash transactions with the Directors or persons connected with them during the year under report. Consequently, the clause 3(xv) of the order is not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Consequently, the clause 3(xvi) of the order is not applicable.

xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year under review. Consequently, the clause 3(xviii) of the order is not applicable.

xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

xx) a) In terms of the information and explanations given to us and based on the books of account/records examined by us, the company has no ongoing projects under CSR activities. Further there is no unspent balance to spent under CSR Activities as at the year.

b) In terms of the information and explanations given to us and based on the books of account/records examined by us, the company has not undertaken any ongoing projects towards CSR activities as per the provisions of section 135 of Companies Act. Accordingly, the clause 3(xx)(b) of the order is not applicable.

xxi) This paragraph is not applicable in case of standalone financial statements.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Regn No. 000513S

(E S H MOHAN)
Partner
M No: 028134
UDIN: 24028134BKFFUY3627

Camp: Hyderabad
Date : 23rd May 2024

Annexure “B” to the Independent Auditors’ Report

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ALUFLUORIDE LIMITED, VISAKHAPATNAM** ("the Company") as of 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential 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 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 over financial reporting 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 ICAI 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Regn No. 000513S

(E S H MOHAN)
Partner
M No: 028134
UDIN: 24028134BKFFUY3627

Camp: Hyderabad
Date : 23rd May 2024

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. in Lakhs)

Sl. No	Particulars	Note No	Figures at the end of Current Reporting year 31 March, 2024	Figures as at the end of Previous Reporting year 31 March, 2023
	ASSETS			
1	**Non-current assets**			
	(a) Property plant and equipment	5.01	**5,743.77**	5,781.30
	(b) Capital work-in-progress	5.02	**79.11**	212.72
	(c) Intangible Assets under development	5.02A	**11.20**	–––
	(d) Right of use assets	5.03	**564.85**	606.62
	(e) Financial assets			
	(i) Investments	5.04	**438.74**	164.94
	(ii) Others	5.05	**107.16**	104.86
	(f) Other non-current assets	5.06	**153.48**	183.15
	(g) Deferred tax Asset (Net)	5.17	**–––**	–––
2.	**Current assets**			
	(a) Inventories	5.07	**1,059.59**	1,597.85
	(b) Financial assets			
	(i) Trade receivables	5.08	**1,269.30**	1,372.23
	(ii) Cash and cash equivalents	5.09	**651.64**	176.81
	(iii) Bank balances other than above	5.10	**88.98**	30.83
	(iv) Investments	5.10A	**2,143.50**	1,015.26
	(iv) Others	5.11	**256.13**	178.84
	(c) Other current assets	5.12	**237.48**	98.51
	(d) Current Tax Asset(Net)	5.12A	**28.16**	–
	Total Assets		**12,833.09**	**11,523.92**
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	5.13	**782.05**	782.05
	(b) Other Equity	5.14	**7,854.94**	6,152.43
	LIABILITIES			
1.	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	5.15	**830.37**	1,489.88
	(ii) Lease Liabilities	5.03	**696.27**	697.71
	(b) Provisions	5.16	**337.87**	342.76
	(c) Deferred tax Liability (Net)	5.17	**144.68**	199.59

2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	5.18	**814.53**	839.58
(ii) Lease Liabilities	5.03	**73.50**	88.34
(iii) Trade payables			
A. Total outstanding dues of MSME	5.19	**26.96**	1.20
B. Total outstanding dues of other than MSME	5.19	**774.53**	508.60
(iv) Other financial liabilities	5.20	**290.45**	289.46
(b) Other current liabilities	5.21	**137.21**	47.28
(c) Provisions	5.22	**69.73**	57.48
(d) Current Tax Liabilities (Net)	5.23	——	27.56
Total Equity and Liabilities		**12,833.09**	**11,523.92**

Accompanying notes (note-1 to note-6) form an integral part of these standalone financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

Sl. No	Particulars	Note No	Figures for the Current Reporting year ending on 31 March, 2024	Figures for the Previous Reporting year ending on 31 March, 2023
I	**Revenue from Operations**	5.24	**16,190.76**	13,610.86
II	**Other Income**	5.25	**486.87**	280.62
III	**Total Income (I + II)**		**16,677.63**	13,891.48
IV	**Expenses:**			
	Cost of materials consumed	5.26	**10,011.73**	9,273.73
	Changes in inventories of finished goods and work in progress	5.27	**524.57**	(432.11)
	Employee benefit expense	5.28	**693.61**	605.03
	Finance cost	5.29	**312.83**	288.32
	Depreciation and amortization expense	5.30	**861.86**	741.46
	Other expenses	5.31	**1,819.16**	1,475.22
	Total expenses (IV)		**14,223.76**	11,951.66
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**2,453.87**	1,939.83
VI	**Exceptional items (Income/(Expense))**		—	(14.29)
VII	**Profit/(Loss) before tax (V-VI)**		**2,453.87**	1,925.54
VIII	**Tax expense**	5.32		
	(1) Current Tax		**720.04**	466.37
	(2) Adjustment of Tax expenses for earlier years		**(14.29)**	1.83
	(3) Deferred tax		**(66.09)**	68.94
IX	**Profit/(Loss) for the period from continuing operations (VII-VIII)**		**1,814.21**	1,388.40
X	**Profit/ (loss) from discontinued operations**		—	—
XI	**Tax expense of discontinued operations**		—	—
XII	**Profit/ (loss) from discontinuing operations (after tax)**		—	—
XIII	**Profit/(Loss) for the period (IX+XII)**		**1,814.21**	1,388.40
XIV	**Other Comprehensive Income**	5.33	**39.31**	26.11
XV	**Total Comprehensive Income for the period (XIII+XIV)**		**1,853.52**	1,414.51
XVI	**Earnings per equity share (for continuing operations)**	5.34		
	a) Basic		**23.20**	17.75
	b) Diluted		**23.20**	17.75
XVII	**Earnings per equity share (for discontinued operations)**			
	a) Basic		—	—
	b) Diluted		—	—
XVIII	**Earnings per equity share (for discontinued & continuing operations)**			
	a) Basic		**23.20**	17.75
	b) Diluted		**23.20**	17.75

Accompanying notes (note-1 to note-6) form an integral part of these standalone financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Date : 23 May, 2024
Place: Hyderabad

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

(Rs. in Lakhs)

Sl. No	Particulars	Figures for the Current Reporting year ending on 31 March, 2024	Figures for the Previous Reporting year ending on 31 March, 2023
A)	**Cash Flow from Operating Activities:**		
	Profit for the year before Tax		
	Profit from continuing operations	2,453.87	1,925.54
	Profit/(Loss) from discontinued operations	—	-
	Profit before tax	**2,453.87**	1,925.54
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation of property, plant and equipment	861.86	741.46
	Finance costs	312.82	288.32
	Excess provisions of earlier years written back	(8.38)	(19.71)
	Income from Fixed deposits	(9.38)	(6.41)
	Write off of property, plant & equipment	—	6.10
	Gain on sale of investments	(120.85)	(23.82)
	Operating Profit before Working Capital changes	**3,489.94**	2,911.48
	Movement in Working capital:		
	(Increase) / Decrease in Trade receivables	102.93	(22.16)
	(Increase) / Decrease in financial and non-financial assets	(283.07)	96.32
	(Increase) / Decrease in inventories	538.26	(315.24)
	Increase / (Decrease) in provisions	37.94	11.87
	Increase / (Decrease) in trade and other payables	390.99	16.76
	Cash generated from operations	**4,276.99**	2,699.03
	Income Tax (paid) / refund	(705.74)	(468.20)
	Net Cash generated in operations	**3,571.25**	2,230.83
B)	**Cash Flow from Investing Activities:**		
	Purchase of property, plant and equipment	(802.26)	(1,512.84)
	Proceeds from sale of fixed assets	—	---
	(Increase) / Decrease in Capital Work in progress	122.42	(34.48)
	Cash outflow for investment in Wholly owned subsidiary	(268.40)	---
	Net (Purchase) / sale of financial instruments	(987.47)	(255.35)
	Income from Fixed deposits	9.38	6.41
	Net cash flows used in investing activities	**(1,926.33)**	(1,796.26)
C)	**Cash Flow from Financing Activities:**		
	Finance Costs including payment of lease liability	(329.11)	(272.74)
	Receipt of Borrowings	108.99	778.30
	Repayment of Borrowings	(793.56)	(693.42)
	Dividend paid	(156.41)	(78.21)
	Net Cash flows used in Financing Activities	**(1,170.09)**	(266.06)
	Net increase / (decrease) in Cash & Cash equivalents (A + B + C)	**474.83**	168.51
	Opening balance of Cash & Cash equivalents	**176.81**	8.30
	Closing balance of Cash & Cash equivalents	**651.64**	176.81

Reconciliation of cash and cash equivalents as per cash flow statement with Balance sheet:

(Rs. in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Closing Cash and cash equivalents as per Balance sheet	**651.64**	176.81
Closing Cash and cash equivalents as per statement of cash flows	**651.64**	176.81
Difference	—	—

Particulars	Term Loans	Cash Credit Facility	Unsecured Loans	Total
Balance as on 31st March 2023	**2,329.46**	—	—	**2,329.46**
Add: Proceeds from fresh borrowings	108.99	—	—	108.99
Amortised interest/transaction costs using EIR	210.06	—	—	210.06
Less: Repayments of the borrowings	793.56	—	—	793.56
Interest paid for the period	210.06	—	—	210.06
Balance as on 31st March 2024	**1,644.89**	—	—	**1,644.89**

Note:

1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as noted under Companies Act, 2013.

2) Fixed deposits with original maturity of more than 3 months are grouped under "other bank balances" and is not considered as part of cash and cash equivalents in the statement of cash flows.

3) Cash and cash equivalents include cash on hand, deposits held at call with financial institutions/banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts, if any.

Accompanying notes (note-1 to note-6) form an integral part of these standalone financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Standalone Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital - As at 31.03.2024

(Rs.in Lakhs)

Balance at 01.04.2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2023	Changes in equity share capital during the current year	Balance as at 31.03.2024
782.05	-----	782.05	----	782.05

As at 31.03.2023

Rs.in Lakhs

Balance at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2022	Changes in equity share capital during the current year	Balance as at 31.03.2023
782.05	-----	782.05	----	782.05

B. Other Equity

As at 31-03-2024

Rs.in Lakhs

Particulars	Reserves and Surplus				Items of Other Comprehensive		Foreign Currency Translation Reserve	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurement gains/(losses) on the defined benefit obligations		
Balance at 01.04.2023		628.18	6.00	5,467.51	16.45	19.63	14.66	6,152.43
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at 01.04.2023	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year ended 31.03.2024	-	-	-	1,814.21	16.43	22.88	-	1,853.52
Foreign Currency Translation Reserve	-	-	-	-	-	-	5.41	5.41
Dividend	-	-	-	(156.41)	-	-	-	(156.41)
Transfer to retained earnings	-	-	-	-			-	-
Balance at 31.03.2024		628.18	6.00	7,125.30	32.88	**42.51**	**20.07**	**7,854.94**

As at 31-03-2023

Particulars	Reserves and Surplus				Items of Other Comprehensive		Foreign Currency Translation Reserve	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurement gains/(losses) on the defined benefit obligations		
Balance at 01.04.2022	-	628.18	6.00	4,157.31	10.40	-0.43	2.72	**4,804.18**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at 01.04.2022	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year ended 31.03.2023	-	-	-	1,388.40	6.06	20.06	-	1,414.51
Foreign Currency Translation Reserve	-	-	-	-	-	-	11.94	11.94
Dividend	-	-	-	(78.20)	-	-	-	(78.20)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Balance at 31.03.2023		628.18	6.00	5,467.51	16.45	19.63	**14.66**	**6,152.43**

Accompanying notes (note-1 to note-6) form an integral part of these standalone financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Notes to Standalone financial Statements

1. **Company Information**

   Alufluoride limited ("the company") is a leading manufacturer of Aluminum Fluoride was formed in the year 1984. The annual capacity of production is 15,000 MTs. The Company is a public limited company incorporated and domiciled in India and has its registered office at Mulagada, Mindi Visakhapatnam, Andhra Pradesh. The Company's shares are listed on Bombay stock exchange (BSE Limited). The company does not have any parent, or associate companies. The company has one wholly owned subsidiary in the name of M/s Alufluoride International Pte. Ltd, Singapore.

   The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on 23rd May, 2024.

2. **Statement of compliance and basis of preparation and presentation**

   2.1 Statement of compliance with Ind As

   These financial statements are the standalone financial statements prepared by the Company complying in all material aspects with the Indian Accounting Standards (Ind AS) notified under the provisions of the Companies Act , 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules as amended from time to time.

   2.2 Basis of measurement, functional currency

   These Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the Lakhs with two decimals, unless otherwise indicated.

   These Standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

   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.

   2.3 Basis for preparation and presentation

   The Standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Standalone financial statements.

   Any asset or liability is classified as current if it satisfies any of the following conditions:

   - the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
   - the asset is intended for sale or consumption;
   - the asset/liability is held primarily for the purpose of trading;
   - the asset/liability is expected to be realized/settled within twelve months after the reporting period
   - the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
   - in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

   All other assets and liabilities are classified as non-current.

   For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

3. **Summary of "Material Accounting Policies" (Material accounting policy information) related to preparation of the standalone financial statements are;**

   3.1 Revenue recognition:

   Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the transaction price (net of variable consideration) allocated to the performance obligations. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Amounts disclosed as revenue are inclusive of excise and duties, if any, but exclusive of Goods and Service tax (GST), which the company pays as principal and net of returns, trade allowances, rebates, and taxes collected on behalf of the government.

The Company earns revenue primarily from sale of "Aluminium fluoride". Revenue is recognized as and when the entity satisfies a performance obligation by transferring a promised goods or services and upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Other income is comprised primarily of interest income, dividend income, gain/loss on investments.

- Interest income is recognized using the effective interest method.
- Dividend income is recognized when the right to receive payment is established.

Contract asset and contract liability

- ➢ Contract assets are recognized when there is excess of revenue earned over billings on contracts. "Contract assets" the company classifies as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- ➢ Advances received from customers ("contract liability") is recognized when there is billings or receipts in excess of revenues.

Incremental costs of obtaining a contract are recognized as assets and amortized over the term of the contract.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

3.2 Property, Plant and Equipment:

All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes all costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Subsequent costs relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection.

Depreciation and Amortization

Property, Plant and Equipment are componentized and are depreciated separately over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on all the assets is charged under straight line method. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
Scrap value is taken as 5% of the cost of the asset for calculation of depreciation.

De-recognition of assets

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognized.

3.3 Inventories:

Inventories are valued at the lower of the cost (net of eligible input tax credits) or net realisable value (except by-products, waste and scrap which are valued at estimated net realisable value). Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- **Raw materials:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.
- **Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Stores and spares:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Stock of banked Solar power Units are valued at cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

In the opinion of the management, no value is attributable to Silica and the same is considered as a process waste and has no guaranteed market value (net realisable value), except for the quantities which are disposed off to parties with irregular quantities and prices. The excess Silica is disposed off and corresponding expenditure is charged to Profit & loss.

3.4 Non-Derivative Financial Instruments:

The 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value 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 or loss are recognised immediately in profit or loss. Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

A. Financial Assets

3.4.1 Initial Recognition:

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added/ deducted to/from the fair value on initial recognition. Regular purchase and sale of financial assets are accounted for on trade date.

3.4.2 Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost.
- Financial assets measured at fair value through other comprehensive income (FVTOCI).
- Financial assets at fair value through profit or loss (FVTPL).

I. Financial assets at amortized cost

A financial instrument is subsequently measured at amortized cost if it is

a. Held within a business model whose objective is to hold the asset in order to collect contractual cash flows and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The amortization of EIR is included in finance income in the profit or loss. The impairment losses and gain/loss on de-recognition are recognized in the profit or loss.

II. Equity assets measured at fair value through other comprehensive income.

Financial asset is measured at FVTOCI if both of the following conditions are met:

a. The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present the subsequent fair value changes in 'other comprehensive income' for its investments in equity instruments that are not held for trading. Fair value changes on the instrument, impairment losses & reversals and foreign exchange gain or loss are recognized in the OCI. Dividends are recognized in the Profit &Loss.

III. Financial assets at fair value through profit or loss

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL (residual category).

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.4.3 Reclassification of financial assets;

The company reclassifies its financial assets only when there is a change in entity's business model for managing its financial assets.

3.4.4 De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

a. The contractual rights to cash flows from the financial asset expires;

b. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

c. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

d. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on the basis that reflects the rights and obligations that the Company has retained control.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

3.4.5 Impairment of financial assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

a. Trade receivables

b. Financial assets measured at amortized cost (other than trade receivables)

c. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

B. Financial liabilities and equity instruments:

Debt and equity instruments issued by a Company entity 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.

i. 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 a Company entity are recognised at the proceeds received net of direct issue costs.

ii. Financial Liabilities: -

a. Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b. Subsequent measurement:

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

c. De-recognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the De-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

C. Offsetting of financial instruments: -

Financial assets and financial liabilities can be offset and the net amount can be reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.5 Leases:

The accounting policy adopted for lease are given below; When company is a lessee.

The Company's lease asset classes primarily consist of leases for land and buildings. 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;

(i) The contract involves the use of an identified asset.

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or company’s incremental borrowing rate, if that implicit rate cannot be readily determined. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments compromises of the following for determination lease liability:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company’s estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

When company is a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the leases.

Short-term leases and leases of low-value assets

The company has elected not to recognize right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognizes the lease payments associated with these leases as operating expenses on a straight-line basis over the lease term.

3.6 Employee Benefits include:

i. Short term employee benefits-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The company recognizes a liability and an expense for bonus only when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of obligation can be made.

(ii) Long term employee benefits-

Liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment benefits-

The company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity: and

b) Defined contribution plans such as provident and pension funds.

a) Defined Benefit Plans - The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

b) Defined Contribution Plans- The Company pays provident fund contributions to publicly administered provident funds as per local regulations. It has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.7 Foreign currency Transactions:

A. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, as finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

B. investment in wholly owned foreign subsidiaries are classified as non-integral foreign operations and exchange differences relates to investment are transferred to foreign Currency Translation Reserve.

3.8 Provisions and Contingencies:

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be reasonably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably.

When there is a possible obligation or a present obligation in respect of which, in the likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

3.9 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.10 Impairment of assets:

The company assesses, at each reporting date, whether there is an indication that an asset may have to be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.11 Taxes on Income:

Income tax expense comprises current and deferred income tax. Income-tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.12 Borrowing Costs:

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the Standalone financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Standalone financial statements.

Following are the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

4.1 Depreciation and impairment on property, plant and equipment:

Property, plant and equipment are depreciated on straight–line basis over the estimated useful lives in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable. The company reviews its carrying value of its Tangible Assets whenever there is objective evidence that the assets are impaired. In such situation asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre–tax discount rates which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realizations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

4.2 Leases:

The Company has taken the commercial properties under contractual agreements for its business operations. Its accounting involves significant management judgment for identification, classification and measurement of lease transactions at the time of lease commencement. The assessment of the lease liability and Right of Use asset under lease arrangements are based on the assumptions and estimates of the discount rate, lease term including judgment for exercise of options to extend or terminate the contract, dismantling and restoration costs, escalation in rentals etc. Further, these will be continuously monitored at each reporting period to reflect the changes in the agreements and management estimates.

4.3 Impairment allowances on trade receivables:

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit–worthiness of the trade receivables and historical write–off experience. If the financial conditions of the trade receivable were to deteriorate, actual write–offs would be higher than estimated.

4.4 Income taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

4.5 Defined benefit obligation (DBO):

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc.

as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.6 Provision for de-commissioning:

The company has recognised a provision for decommissioning obligations associated with the leased premises on which the plant is super structured. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

4.7 Provisions and Contingencies:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Standalone Statement of Depreciation for the year ended 31st March, 2024

Note 5.01 Property, Plant and Equipment as at March 31, 2024

(Rs.in Lakhs)

Sl No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2023	Additions	(Deletions/ Adjustments)	Total as on 31.03.2024	Up to 01.04.2023	For the year	On deletions	Total up to 31.03.2024	Balance as at 31.03.2024	Balance as at 31.03.2023
	TANGIBLE ASSETS										
1	Land	278.21	--	--	278.21	--	--	--	--	278.21	278.21
2	Buildings/Civil assets	1,044.39	31.55	--	1,075.94	216.96	50.90	--	267.86	808.08	827.43
3	Plant & Machinery	6,811.77	642.68	--	7,454.44	2,236.01	742.35	--	2,978.36	4,476.08	4,575.75
4	Furniture,Fixtures & Airconditioners	14.96	3.23	--	18.19	7.19	1.33	--	8.52	9.67	7.77
5	Computers	33.18	1.97	--	35.15	24.32	4.99	--	29.31	5.84	8.86
6	Vehicles	116.31	103.13	--	219.45	33.03	20.52	--	53.56	165.89	83.28
	Total	**8,298.82**	**782.56**	--	**9,081.38**	**2,517.52**	**820.09**	--	**3,337.61**	**5,743.77**	**5,781.30**

INTANGIBLE ASSETS (RIGHT TO USE ASSETS OF NOTE NO. 5.03)

1	Leasehold Land	697.80	--		697.80	107.36	26.84	--	134.20	563.61	590.45
2	Office accommodation	29.86	--	--	29.86	13.68	14.93	--	28.61	1.24	16.17
		727.66	--	--	**727.66**	**121.04**	**41.77**	--	**162.81**	**564.85**	**606.62**

Note 5.01 Property, Plant and Equipment as at March 31, 2023

(Amounts in Rs.)

Sl No.	Fixed Assets	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2022	Additions	(Deletions/ Adjustments)	Total as on 31.03.2023	Up to 01.04.2022	For the year	On deletions	Total up to 31.03.2023	Balance as at 31.03.2023	Balance as at 31.03.2022
	TANGIBLE ASSETS:										
1	Land	278.21	-	-	278.21	-	-	-	-	278.21	278.21
2	Buildings	786.66	257.73	-	1,044.39	176.84	40.12	-	216.96	827.43	609.82
3	Plant and Machinery	5,701.38	1,209.07	98.68	6,811.77	1,663.61	644.25	71.85	2,236.01	4,575.75	4,037.78
4	Furniture and Air conditioners	13.67	1.29	-	14.96	5.90	1.29	-	7.19	7.77	7.77
5	Computers	27.82	5.36	-	33.18	18.23	6.09	-	24.32	8.86	9.58
6	Vehicles	76.92	39.39	-	116.31	25.15	7.88	-	33.03	83.28	51.77
	Total	**6,884.66**	**1,512.84**	**98.68**	**8,298.82**	**1,889.73**	**699.63**	**71.85**	**2,517.52**	**5,781.30**	**4,994.93**

INTANGIBLE ASSETS (RIGHT TO USE ASSETS OF NOTE NO. 5.03))

1	Leasehold Land	697.80	-		697.80	80.44	26.91		107.35	590.45	617.36
2	Office accommodation	43.05	29.86	43.05	29.86	41.82	14.92	43.05	13.69	16.17	1.24
		740.85	**29.86**	**43.05**	**727.66**	**122.26**	**41.83**	**43.05**	**121.04**	**606.62**	**618.60**

Note 5.01A: Buildings of the value of Rs.1075.93 Lakhs (previous year Rs.1044.39 Lakhs) are constructed on Leasehold Land

Note 5.01B: During the year there is no temporarily idle property, plant and equipment

Note 5.01C: Except for the Property disclosed in Note No.5.01A, All the Property, plant & equipments are owned by the company. Further, no proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder

Note 5.01D: The company has not revalued its Property, plant & equipment (including Right of Use assets) and intangible assets during the year under report and the immediately preceeding previous year.

Note 5.01E: Except for the Property disclosed in note No.5.01A, the title deeds of all the immovable properties are held in the name of the company.

Notes to Standalone Financial Statements for the year ended 31st March, 2024

Note 5.02: Capital Work In Progress (CWIP)

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
Opening Capital Work in Progress	**212.72**		178.24	
Add: Additions during the year	**499.99**		1,286.26	
Less: Capitalised During the year	**(633.60)**		(1,252.60)	
Net Closing Capital Work in Progress before incidental expenditure		**79.11**		211.90
Expenditure Incidental to Construction awaiting allocation to Fixed Assets		—		0.82
Closing Capital Work in Progress		**79.11**		212.72

Note 5.02 (a) Expenditure Incidental to Construction awaiting allocation to Fixed Assets

Particulars	As at 31-03-2024		As at 31-03-2023	
a) **Balance at the beginning of the year**		**0.82**		0.10
b) **add: expenditure incurred during the year**				
Rates and Taxes	—		-	
Travelling & others	—		—	
Borrowing costs on Specific Borrowing for plant & machinery	—	—	26.78	26.78
c) **Less: Capitalised during the year**		**(0.82)**		(26.06)
d) **Total Expenditure Incidental to Construction awaiting allocation to Fixed Assets**		—		**0.82**

Note: The capitalization rate used to determine the amount of borrowing costs eligible for capitalization in previous year is 9.50%

Note: 5.02 (b) CWIP aging schedule as at 31.03.2024 (Rs.in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1. Projects in progress					
Installation of Boiler, additional Bag filter & Miscellaneous works	79.11	—	—	—	79.11
2. Projects temporarily suspended	—	—	—	—	—

CWIP aging schedule as at 31.03.2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1. Projects in progress					
Installation of Bag Filter & Building Lift	212.72	—	—	—	212.72
2. Projects temporarily suspended		—	—	—	—

Note:5.02C : CWIP completion schedule as at 31.03.2024

(Rs.in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Installation of Boiler, additional Bag filter & Miscellaneous works	79.11	—	—	—	Project completion is not over-due and also has not exceeded its initial estimated costs

CWIP Completion schedule as at 31.03.2023

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Installation of Bag Filter & Building Lift	212.72	–	–	–	Project completion is not over-due and also has not exceeded its initial estimated costs

Note:5.02A Intangible Assets Under Development

Particulars	As at 31-03-2024		As at 31-03-2023	
Balance at the beginning of the year	—		—	
Add: Additions during the year	11.20		—	
Less: Capitalised During the year	—		—	
Closing Intangible Assets Under Development		**11.20**		—

Note:5.02A (a) aging schedule of Intangible assets under development as at 31.03.2024

Particulars	Amount in development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1. Projects in progress					
Accounting software under development	11.20	—	—	—	11.20
2. Projects temporarily suspended	—	—	—	—	—

Note 5.03 Movement in Right of use assets is as follows:

(Rs.in Lakhs)

Particulars	Net Balance as at 01.04.2023	Additions	Disposals	Amortization	Net Balance as at 31.03.2024
Leasehold Land	590.45		—	26.84	563.61
Building	16.17		—	14.93	1.24
Total	**606.62**	**—**	**—**	**41.77**	**564.85**

Note 5.03A : The weighted average incremental borrowing rate applied to lease liabilities is 9.25%

Note 5.03B : Statement of movement in the lease liabilities during year ended March 31, 2024

Particulars	For 2023-24	For 2022-23
Balance at the beginning of the year	**786.05**	770.47
Add/(less): new lease contracts entered during year	-	29.86
Add : Finance cost accrued during the period	72.06	72.65
Less : Payment of lease liabilities	(88.34)	(86.93)
Balance at the end of the year	**769.78**	786.05

Note 5.03C: Statement of break-up of current and non-current lease liabilities as at March 31, 2024

(Rs. in Lakhs)

Particulars	For 2023-24	For 2022-23
Current lease liabilities	73.50	88.34
Non-current lease liabilities	696.27	697.71
Total	**769.77**	786.05

Note 5.03D: Statement of actual (undiscounted) maturities of lease liabilities as at March 31, 2024

Particulars	For 2023-24	For 2022-23
Less than one year	73.50	88.34
One year to five years	390.14	382.49
More than five years	1,403.89	1,485.05
Total	**1,867.53**	1,955.88

Note 5.04 Non-Current Investments (Fully paid up except otherwise stated) (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Investments designated at Fair Value through Other Comprehensive Income :				
a) Investments in Quoted Equity instruments		0.89		0.62
b) Investment in wholly owned subsidiaries		437.85		164.32
Total		**438.74**		164.94

Note 5.04 (A) Details of Quoted investments in equity shares (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Fair Value	No. of Shares	Fair Value
Vikas Lifes (Face Value of Rs.1/- each)	18,400	0.89	18,400	0.62
Total		**0.89**		0.62

Note 5.04 (B)(I) Reasons for Investments designated to measure at FVTOCI:

The company has made a irrevocable decision to consider equity instruments and mutual funds not held for trading to be recognised at fair value through other comprehensive income

Note 5.04 (C) Details of investment in wholly owned foreign subsidiary* (Rs.in Lakhs)

Particulars	Proportion of Ownership Interest/ Voting Rights	As at 31-03-2024		As at 31-03-2023	
		No. of Shares	At cost	No. of Shares	At cost
1. Alufluoride International Pte. Ltd - Singapore (5,25,000 equity shares of USD 1/- each)	100%	5,25,000	437.85	2,00,000	164.32
Total			**437.85**		164.32

* The company has a wholly owned subsidiary and the same are in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

Note 5.05 Other Non-Current Financial Assets

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Unsecured, considered good Deposits Recoverable:		107.16		104.86
Total		**107.16**		104.86

Note 5.06 Other Non Current Assets

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Unsecured, considered good				
Capital Advances		19.69		49.36
Deposits Recoverable		133.79		133.79
Total		**153.48**		183.15

Note 5.07 Inventories

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
a. Stock of Raw Material and components		375.86		426.76
b. Stock of Finished Goods- Regular		132.34		321.50
c. Stock of Banked Solar Power Units		212.89		223.53
d. Work-in Progress		27.10		351.88
e. Stock of stores and spares	301.76		264.02	
f. Stock of stores and spares in transit	8.66	310.42	9.18	273.20
g. Loose tools, Others		0.98		0.98
Total		**1,059.59**		1,597.85

Note 5.07 (A) The method of valuation of inventories has been stated in Note No.3.3

Note 5.08 Trade Receivables

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Unsecured, considered good				
Trade receivables		1,269.30		1,372.23
Total		**1,269.30**		1,372.23

Note 5.08A: Ageing for trade receivables - billed – current outstanding as at March 31, 2024 is as follows

Particulars	Outstanding for following periods from due date of payment as at 31-03-2024						
	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,252.72	16.58	–	–	–	–	1,269.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(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	–	–	–	–	–	–	–

Ageing for trade receivables - billed – current outstanding as at March 31, 2023 is as follows

Particulars	Outstanding for following periods from due date of payment as at 31-03-2023						
	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	887.97	483.91	–	0.36	–	–	1,372.24
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(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	–	–	–	–	–	–	–

Note 5.08B: There are no unbilled dues as at 31.03.2024 (Previous year: Nil)

Note 5.09 Cash and Cash Equivalents (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
a. Balances with Scheduled banks:				
In Current Accounts		632.87		12.46
In short term deposits		-		125.00
b. Debit balance in Cash Credit Account with Banks		18.65		39.14
c. Cash on hand		0.12		0.21
Total		**651.64**		176.81

Note 5.10 Bank balances other than cash and cash Equivalents (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Earmarked balances with banks (Unpaid Dividends)		19.31		12.19
Fixed deposits with banks **(Having original maturity period of more than 3 months and less than 12 months)**		69.67		18.64
		88.98		30.83

Note to 5.10: Fixed deposits with banks amounting to Rs.69.67 Lakhs (PY Rs.18.64 Lakhs) are kept with the bankers as margin monies towards Bank guarantees issued to suppliers of the company and the said fixed deposits cannot be utilised by the company till completion of the contracts entered with suppliers. Earmarked balances with banks are the amounts pertaining to unpaid dividend and these amounts can be utilised by the company only for paying unpaid dividends.

Note 5.10A Current Investments (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Investments designated at Fair Value through Other Comprehensive Income :				
Investments in Mutual Funds		2,143.50		1,015.26
Total		**2,143.50**		1,015.26

Note to 5.10A(1) Details of investments in Mutual Funds (Rs. in Lakhs)

Particulars	Details		Details	
	No. of Units	Fair Value	No. of Units	Fair Value
Nippon India Equity Saving Fund	43,07,861	629.93		
Kotak Equity Arbitrage Fund	-	-	8,71,175	277.16
Kotak Equity Saving Fund	14,31,849	336.02		
Kotak Low duration fund	-	-	8,284	236.57
Mirae Asset Cash management Fund	-	-	4,306	100.84
Nippon India Ultra Short duration fund	-	-	11,610	400.69
Nippon India Arbitrage Fund	17,63,310	430.18	-	-
Tata Arbitrage Fund	35,95,443	473.90	-	-
ICICI prudential Mutual Fund Collection	13,49,822	273.47		
Total		**2,143.50**		1,015.26

Note 5.11 Other Current Financial Assets (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Interest and other receivables		242.46		165.17
Income Tax refund receivable		13.67		13.67
		256.13		178.84

Note 5.12 Other Current Assets (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Unsecured, considered good				
Prepaid Expenses		16.66		14.93
Advances for supply of goods		193.33		62.23
Balances with Government Authorities		27.49		21.35
Total		**237.48**		98.51

Note 5.12A Current Tax Asset (Net) (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Prepaid Income Tax (Net of Provision for Income Tax)		28.16		—
Total		**28.16**		—

Note 5.13 : Equity Share Capital (Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Authorised				
Equity Shares of Rs.10 par value	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Issued				
Equity Shares of Rs.10 par value	78,20,482	782.05	78,20,482	782.05
Subscribed & Paid up				
Equity Shares of Rs.10 each fully paid	78,20,482	782.05	78,20,482	782.05
Total	**78,20,482**	**782.05**	78,20,482	782.05

5.13 (A) Rights, Preferences and restrictions attached to Equity Shares

Equity shares have a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholdings.

5.13(B) Reconciliation of the number of equity shares outstanding **No. of shares**

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the reporting period	78,20,482	78,20,482
Changes in equity shares during the year	—	—
Balance at the end of the reporting period	**78,20,482**	78,20,482

5.13 (C) Details of Shareholders holding More than 5% Equity Shares in the Company

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
PROMOTER'S HOLDING:				
a) Smt. V. Sunitha	17,32,383	22.15	17,32,383	22.15
b) Smt. V. Sarojini	8,41,885	10.77	8,41,885	10.77
c) M/s Kaiser Finance & Leasing (P) Ltd	7,86,975	10.06	7,86,975	10.06
d) Mr. Aditya Akkineni	4,80,506	6.14	4,80,506	6.14
	38,41,749	**49.12**	38,41,749	49.12

5.13 (D) Shareholding of Promoters

Shares held by promoters at the end of the year 31-03-2024			% Change during the year
Promoter Name	No. of Shares	% of total shares	
Smt. Sunitha Vemulapalli	17,32,383	22.15	0.00%
Smt. V Sarojini	8,41,885	10.77	0.00%
M/s Kaiser Finance & Leasing Private Limited	7,86,975	10.06	0.00%
Mr. Aditya Akkineni	4,80,506	6.14	0.00%
Ms. Annapurna Akkineni	2,65,917	3.40	0.00%
Mr. Venkata Narayana Rao Akkineni	2,30,000	2.94	0.00%
Mr. V Rohit	1,56,682	2.02	0.00%
Smt. Jyothsana Akkineni	61,731	0.79	0.00%
M/s Anar Enterprises Private Limited	55,100	0.70	0.00%
Mr. Ashok Vemulapalli	35,779	0.46	0.00%
M/s TriGeo Technologies Private Limited	26,089	0.33	0.00%
M/s Visakha Finance Limited	14,225	0.18	0.00%
Total	**46,87,272**	**59.94**	

Shares held by promoters at the end of the year 31-03-2023			% Change during the year
Promoter Name	No. of Shares	% of total shares	
Smt. Sunitha Vemulapalli	17,32,383	22.15	0.00%
Smt. V Sarojini	8,41,885	10.77	0.00%
M/s Kaiser Finance & Leasing Private Limited	7,86,975	10.06	0.00%
Mr. Aditya Akkineni	4,80,506	6.14	0.00%
Ms. Annapurna Akkineni	2,65,917	3.40	0.00%
Mr. Venkata Narayana Rao Akkineni	2,30,000	2.94	0.00%
Mr. V Rohit	1,56,682	2.02	0.00%
Smt. Jyothsana Akkineni	61,731	0.79	0.09%
M/s Anar Enterprises Private Limited	55,100	0.70	0.00%
Mr. Ashok Vemulapalli	35,779	0.46	0.00%
M/s TriGeo Technologies Private Limited	26,089	0.33	0.00%
M/s Visakha Finance Limited	14,225	0.18	0.00%
Total	**46,87,272**	**59.94**	

Note 5.14 Other Equity

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
a) General Reserve		6.00		6.00
b) Retained Earnings		7,125.30		5,467.51
c) Share Premium		628.18		628.18
d) Foreign Currency Translation Reserve		20.07		14.66
e) Other Comprehensive Income:				
Equity Instruments through Other Comprehensive Income		32.88		16.45
Re-measurement of Defined benefit plans		42.51		19.63
Total		**7,854.94**		6,152.43

Note 5.14 (a) Refer Statement of changes in Equity for Movement in balances of reserves

Note 5.14 (b) General Reserve

The General Reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

Note 5.14 (c) Retained Earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company.

Note 5.14 (d) Foreign Currency Translation Reserve relates to exchange differences for investment in Wholly owned foreign subsidiaries as the same are classified as non-integral foreign operations.

Note 5.14 (e) Other Comprehensive Income

Other Comprehensive Income (OCI) represents the balance in equity for items to be accounted under OCI and comprises of:

items that will not be reclassified to profit and loss

a. The Company has made an irrevocable election to present the subsequent fair value changes of investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value including tax effects. The company transfers restated fair value amounts from this reserve to retained earnings when the relevant financial instruments are disposed.

b. The actuarial gains and losses along with tax effects arising on defined benefit obligations have been recognised in OCI.

Note 5.14 (f): In respect of the year ended 31st March, 2024, the Board of Directors has proposed a dividend of Rs.3/- per equity share, subject to approval by the shareholders at the ensuing Annual General Meeting after which dividend would be accounted and paid out of the retained earnings available for distribution in accordance with the provisions of the Act and for the year ended 31st March, 2023, the Company paid dividend of Rs.2/- per equity share as approved by the Shareholders in its respective Annual General Meeting.

Note 5.15 Non Current financial Liabilities-Borrowings (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
a) Term Loans				
i) Term Loans from ICICI Bank	-	-	829.61	1,462.70
ii) Term Loans from PNB*	778.83	748.98	-	-
b) Vehicle Loans				
i) Vehicle Loans from ICICI Bank	16.39	28.07	9.97	27.18
ii) Vehicle Loan from NBFC	19.31	53.32	-	-
Total	**814.53**	**830.37**	839.58	1,489.88

* During the year, term loans previously held with ICICI Bank are foreclosed and the same are transferred to Punjab National Bank (PNB)

Note 5.15A Security for term loans from PNB:

a) Exclusive charge on inventories, Book debts of the company, both present and future of the Company.
b) Exclusive charge on plant and machinery equipments of the company.
c) Unconditional and irrevocable corporate guarantee given by M/s Anar Enterprises Private Limited.

Repayment terms (Commencing from March, 2024):

Term loan-I is repayable in 17 equal monthly instalments of Rs.49.78 Lakhs and 2nd Term Loan is repayable in 52 equal monthly instalments of Rs.14.94 Lakhs from December, 2023 to July 2027 & Rs.15.93 Lakhs from August, 2027 to March, 2028.

Note 5.15B Security for Vehicle loans:

Loan taken for purchase of vehicles are exclusive charge on the respective vehicles purchased.

Repayment terms: Vehicles loans from ICICI bank are repayable in 40 monthly instalments commencing from April, 2023 with monthly EMIs of Rs.1.64 LakhsVehicle loan from NBFC are repayable in 48 monthly instalments commencing from September, 2023 with monthly EMI of Rs.2.05 Lakhs.

Note 5.15C: The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs.in Lakhs)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
A. Current assets			
Financial assets			
Trade receivables	5.08	**1,269.30**	1,372.24
Non-financial assets			
Inventories	5.07	**1,059.59**	1,597.85
B. Non-current assets			
- Plant and Equipment	5.01	**4,476.09**	4,575.75
- Vehicles	5.01	**165.89**	83.28

Note 5.16 Non Current Provisions

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
(a) Provision for employee benefits:				
Gratuity	93.55		106.40	
Compensated Absences	19.48	113.03	28.43	134.83
(b) Provision for De-commissioning Liability		**224.84**		207.93
Total		**337.87**		342.76

Note 5.17 Deferred Tax Assets / (Liability) (Net)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Deferred Tax Assets		**347.12**		414.55
Less: Deferred Tax Liabilities		**(491.80)**		(614.14)
Net Deferred Tax Assets/(Liabilities)		**(144.68)**		(199.59)

Note 5.17(A): Components, movement of Deferred Tax Assets/(Liabilities) as at 31st March, 2024 are given below

Particulars	As at 31-03-2023	(Charge)/Credit Recognised in Profit or Loss	Charge / (Credit) Recognised in Other Comprehensive Income	As at 31-03-2024
Deferred Tax Assets: Provision for Post retirement and other employee benefits:				
Provision for Gratuity	45.52	(3.53)	(3.67)	38.32
Provision - Leave encashment	10.48	1.23	(4.03)	7.68
Provision for De-commissioning liability	60.55	(3.96)	-	56.59
Lease Liabilities	228.90	(35.15)	-	193.75
Adjustment as per ICDS-5	69.10	(18.33)	-	50.77
Deferred Tax (Liabilities):				
Timing difference with respect to depre ciation on Property, Plant & Equipment:	(435.14)	89.00	-	(346.14)
Timing difference with respect to Inve stments designated at FVTOCI	(2.35)	2.35	(3.48)	(3.48)
Timing difference with respect to right to use Asset	(176.65)	34.47	-	(142.17)
Net Deferred Tax Assets/(Liabilities)	**(199.59)**	**66.08**	(11.17)	(144.68)

Note 5.17 (B): The company has adequate profits in the past and the management is of the view that there will be taxable profits in the future. In view of the above the company has recognised deferred tax asset in the books of account.

Note 5.18 Current Financial Liabilities-Borrowings (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Secured				
ICICI cash Credit* (Secured by the exclusive charge on currents assets, stocks and book debts of the company)	-	-	-	-
Current maturities of long term borrowings		814.53		839.58
Total		**814.53**		839.58

* Debit balance in Cash Credit Shown under Cash and Cash equivalents in Note No - 5.09

Note 5.18(a) Details of differences between Books of account and statements submitted to bank during FY 2023-24

Name of Bank	Particulars of Securities provided	Quarter ending	Amount as per Books of account in lakhs	Amount as reported in quarterly statements in lakhs	Amount of difference in lakhs	Reasons for material discrepancies
ICICI Bank	Finished Goods	June	112.28	112.52	(0.24)	Value revised During quaterly limited review carried out
ICICI Bank	Creditors	June	613.60	598.02	15.58	Advances given reduced from creditors in stock statement
ICICI Bank	Consumable Stores/Spares	September	294.12	294.24	(0.12)	Value revised During quaterly limited review carried out
ICICI Bank	Finished Goods	September	29.49	28.75	0.74	Value revised During quaterly limited review carried out
ICICI Bank	Creditors	September	860.71	861.02	(0.31)	Value revised During quaterly limited review carried out

5.18 (b) There are minor differences between books and details submitted to bank for the month of March, 2024, however revised quarterly statement for the month of March 2024 is submitted to bank; the changes are due to updation of figures during statutory audit.

Note 5.19 Trade Payables (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
(A) Total outstanding dues of Micro and Small Enterprises		26.96		1.20
(B) Total outstanding dues other than Micro and Small Enterprises		774.53		508.60
Total		**801.49**		509.80

Note 5.19 (A) Trade Payables ageing schedule as at 31-03-2024

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	26.96	—	—	—	—	26.96
(ii) Others	446.09	328.44	—	—	—	774.53
(iii) Disputed dues – MSME	—	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—	—
Total	**473.05**	**328.44**	**0.00**	**0.00**	—	**801.49**

Trade Payables aging schedule as at 31-03-2023

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	—	1.20	—	—	—	1.20
(ii) Others	488.52	20.08	—	—	—	508.60
(iii) Disputed dues – MSME	—	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—	—
Total	**488.52**	**21.28**	**0.00**	**0.00**	—	**509.80**

Note 5.19 (B): There are no unbilled dues as at 31.03.2024 (Previous year: Nil)

Note 5.19 (C): Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information available with the company regarding the status of suppliers,

(Rs.in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Principal amount and interest due thereon remaining unpaid but not due as at year end - Principal	**26.96**	1.20
Interest	NIL	NIL
(b) Interest paid in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year not due as at year end	NIL	NIL
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	NIL	NIL
(d) Interest accrued and remaining unpaid at the end of the year	NIL	NIL
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

Note 5.20 Other Current Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Capital creditors		110.61		160.51
Interest accrued but not due on term loans		1.07		0.67
Amounts payable to employees and others		149.40		102.82
Unclaimed dividends		19.31		12.19
Outstanding expenses		10.06		13.27
Total		**290.45**		289.46

Note 5.21 Other Current Liabilities

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Advances received against sales		0.38		2.08
Statutory Dues and Taxes payable		136.83		45.19
Total		**137.21**		47.28

Note 5.22 Current Provisions

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Provision for employee benefits:				
Gratuity		58.70		49.91
Compensated Absences		11.03		7.57
Total		**69.73**		57.48

Note 5.23 Current Tax Liabilities (Net)

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Provision for Income Tax (Net of Prepaid Taxes)		—		27.56
Total		**—**		27.56

Note 5.24 Revenue From Operations

(Rs.in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Aluminium Fluoride:		
Sale of total production	16,190.76	13,610.86
Total	**16,190.76**	13,610.86

Disclosures prescribed under Ind As 115 are given below

Note: 5.24 (A) Revenue disaggregation by industry vertical is as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fixed price manufacturing contracts	16,190.76	13,610.86
Total	**16,190.76**	13,610.86

Note: 5.24 (B) Revenue disaggregation by geography is as follows:

(Rs.in Lakhs)

Revenue earned from states in India (*)	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Indigenous Sales		
a. Odisha	9,889.56	7,910.45
b. Uttar Pradesh	446.66	797.06
c. Madhya Pradesh	1,998.99	2,337.48
d. Chhattisgarh	3,661.35	2,294.84
e. Maharashtra	194.20	57.98
f. Karnataka	-	213.05
Total	**16,190.76**	13,610.86

Note: 5.24 (C) Reconciliation of revenue recognized with the contracted price is as follows

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contracted price with customers	16,190.76	13,610.86
Less: Amounts adjusted for Discounts, rebates, refunds etc	-	-
Revenue recognised in the statement of profit and loss	**16,190.76**	13,610.86

Note: 5.24 (D) Changes in advances received from customers (Contract liability) are as follows:

(Rs.in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	2.08	1.35
Amounts received during the year	72.86	70.67
Less: revenue recognised during the year	74.56	69.94
Balance at the end of the year	**0.38**	2.08

Note: There are no advances received by the Company for sale of Aluminium Fluoride

Note: 5.24 (E) The details in respect of percentage of revenues generated from top customers are as follows:

Particulars	(in %) For the year ended March 31, 2024	(in %) For the year ended March 31, 2023
Revenue From Sales		
Revenue from top customer	52.51	41.04
Revenue from 2nd top customer	22.61	30.1
Total of other customers generating more than 10% revenue	20.40	16.86

The Company deals with largest corporates in India and the Company believes 100% reliance of recovery of its receivables.

Note 5.25 Other Income

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
a) Interest Income:				
Financial assets at amortised cost	5.37		4.12	
Financial assets measured at fair value	4.01	9.38	2.29	6.41
b) Other non operating income:				
Sale of silica	47.55		28.16	
Sale of Coal Fines	2.10		-	
Sale of Scrap	15.29		43.98	
Gain on sale / redemption of investments	120.85		23.81	
Excess provisions made in earlier years written back	8.38		19.71	
Revenue from solar units	280.59		150.73	
Employee notice pay recovery	0.14		0.17	
Gain on exchange rate variation	0.22		-	
Interest on income tax refunds	-		7.60	
Income on Dividend	0.99		-	
Miscellaneous Income	1.37	477.49	0.05	274.21
Total		**486.87**		280.62

Note 5.26 Cost of Materials Consumed

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
Raw Materials, Packing Materials Consumed				
Opening Stock		426.76		515.76
Add: Purchases		9,960.83		9,184.73
Less: Closing stock		375.86		426.76
Total consumption		**10,011.73**		9,273.73
Taken to Profit & Loss account		**10,011.73**		9,273.73

Note 5.26 (A) Details of Raw materials consumed

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
Raw materials consumed				
Hydrofluosilicic Acid		2,296.24		2,139.85
Alumina Hydrate		5,678.82		5,183.17
Hydrated Lime		152.10		66.67
Packing Materials		77.39		84.25
Coal		495.50		663.73
Furnace oil		1,311.68		1,136.07
Total		**10,011.73**		9,273.73

Note 5.27 Change in Inventories of Finished Goods

(Amount in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
A) Closing Stock				
Finished Goods		372.34		896.92
Total (A)		**372.34**		896.92
B) Opening Stock				
Finished Goods		896.92		464.81
Total (B)		**896.92**		464.81
(Increase)/Decrease in stocks (B-A)		524.57		(432.11)
Total		**524.57**		(432.11)

Note 5.28 Employee Benefit Expenses

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
Payment & Benefits to Employees:				
Salaries & Wages		426.54		384.53
Remuneration to Wholetime Directors		165.42		129.08
Company's Contribution to Gratuity Fund		23.96		23.90
Company's Contribution to PF and other Funds		40.64		43.30
Staff welfare		37.04		24.23
Total		**693.61**		**605.03**

Note 5.28 (A) Employee benefit plans:

The disclosures of Employee Benefits as per Indian Accounting Standard 19 "Employees' Benefits" are given hereunder:

a) **Defined Contributions Plans:** Contributions to Defined Contribution plans, recognized as expense for the year, are as under:

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Employer's Contributions to Provident and Pension Funds	**40.64**	28.06

b) **Defined Benefit Plans:** General Description of the Post Employment defined Benefit Plans;

i) **Gratuity:**

The company provides for gratuity to the employees as per Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is payable on retirement/resignation The gratuity plan is a Unfunded plan and the company provides liability in the books of account based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

ii) **Compensated Absence:**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. Encashment of accumulated earned leave, subject to maximum permissible limits as per the terms of appointment, will be paid to the employee on separation.

Note 5.28 (B) Statement showing Reconciliation of opening and closing balances of Defined Benefit obligations, Plan assets

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023	**For the Year ended 31st March, 2024**	For the Year ended 31st March, 2023
A) Change in Fair value of the defined benefit obligation:				
Liability at the beginning of the year	156.32	143.63	35.99	47.89
Interest Cost	11.12	10.02	2.53	3.35
Current Service Cost	12.84	13.88	6.12	10.06
Benefits paid	(8.77)	(6.29)	(2.82)	(1.92)
Actuarial loss / (gain) on obligation	(19.26)	(4.92)	(11.31)	(23.38)
Liability at the end of the year	**152.26**	156.32	**30.51**	35.99
B) Change in Fair value of plan asset				
Fair value of plan assets at the beginning of the year	—	—	—	—
changes during the year	—	—	—	—
Fair value of plan assets at the end of the year	—	—	—	—
(C) Net Defined Benefit obligation at year end (A-B)	**152.26**	156.32	**30.51**	35.99

Note 5.28 (C) Expenses recognized during the year in the Statement of Profit & Loss under employee benefit expenses.

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023	**For the Year ended 31st March, 2024**	For the Year ended 31st March, 2023
Interest Cost	11.12	10.02	2.53	3.35
Current Service Cost	12.84	13.88	6.12	10.06
Expected return on plan assets	—	—	—	—
Expenses recognized in the statement of Profit & Loss	**23.96**	**23.90**	**8.65**	**13.41**

Note 5.28 (D) Amount to be recognized in statement of other comprehensive income

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023	**For the Year ended 31st March, 2024**	For the Year ended 31st March, 2023
Remeasurements of the net defined benefit liability/ (asset)				
Actuarial (gains) / losses	**(19.26)**	(4.92)	**(11.31)**	(23.38)

Note 5.28 (E) Actuarial (Gain) / Loss arising from;

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023	**For the Year ended 31st March, 2024**	For the Year ended 31st March, 2023
Change in Demographic assumptions	—	—	—	—
Change in Financial assumptions	(19.26)	(4.92)	(11.31)	(23.38)

Note 5.28 (F) Significant estimates: Actuarial assumptions

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Discount Rate: Gratuity (Unfunded)	7.05%	7.32%
Compensated absences (Unfunded)	7.05%	7.32%
Salary Escalation Rate: Gratuity (Unfunded)	8.00%	8.00%
Compensated absences (Unfunded)	8.00%	8.00%
Employee Attrition Rate: Gratuity (Unfunded)	6.00%	6.00%
Compensated absences (Unfunded)	6.00%	6.00%
Mortality rate during employment: Gratuity (Unfunded) Compensated absences (Unfunded)	Indian Assured Lives Mortality (2012-14) Ultimate 58 Years	

Note 5.28 (G) Significant estimates : Sensitivity analysis

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

Particulars	Change of assumption (+increase / -decrease)	Effect on Gratuity Valuation (Rs.)	Effect on Compensated absences (Rs.)
Projected benefits obligation on current assumptions as on 31-03-2024			
Impact on present value of defined benefit obligation if discount rate increase by	+1%	146.06	28.92
Impact on present value of defined benefit obligation if discount rate decrease by	-1%	159.26	32.35
Impact on present value of defined benefit obligation if salary increase by	+1%	166.05	34.98
Impact on present value of defined benefit obligation if salary decrease by	-1%	140.71	26.91
Impact on present value of defined benefit obligation if employees attrition is	+1%	154.35	32.07
Impact on present value of defined benefit obligation if employees attrition is	-1%	149.53	28.52
Impact on present value of defined benefit obligation if mortality rate is	+1%	152.72	30.51
Impact on present value of defined benefit obligation if mortality rate is	-1%	151.79	30.51
Projected benefits obligation on current assumptions as on 31-03-2023			
Impact on present value of defined benefit obligation if discount rate increase by	+1%	149.74	33.97
Impact on present value of defined benefit obligation if discount rate decrease by	-1%	163.68	38.30
Impact on present value of defined benefit obligation if salary increase by	+1%	173.05	35.99
Impact on present value of defined benefit obligation if salary decrease by	-1%	142.32	30.52
Impact on present value of defined benefit obligation if employees attrition is	+1%	167.69	40.55
Impact on present value of defined benefit obligation if employees attrition is	-1%	141.26	29.68
Impact on present value of defined benefit obligation if mortality rate is	+1%	158.91	37.04
Impact on present value of defined benefit obligation if mortality rate is	-1%	153.57	34.87

Note 5.28 (H) Expected contribution to the defined benefit plan in future years

(Rs. in Lakhs)

Particulars	Gratuity		Compensated absences	
	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
Expected outflow in 1st year	5.26	4.71	0.59	0.85
Expected outflow from 2 to 5 years	91.30	76.97	10.57	8.55
Expected outflow from 6 to 10 years	50.15	43.94	6.11	5.82
Expected outflow more than 10 years	189.61	168.59	54.41	53.20

Note: As per the enterprise's accounting policy actuarial gains and losses are recognized immediately during the same year itself.

Note: The above information is certified by the Actuary.

Note 5.29 Finance Charges

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Unwinding of discount on De-commissioning provision		16.90		15.63
Interest expense on lease liability		72.06		72.65
Interest paid to banks on - CC loan		0.61		3.74
Interest paid to banks on - Term Loans ((Net of interest capitalised Rs. Nil (previous year Rs.26.77 Lakhs)		209.45		186.12
Bank charges		13.80		10.18
Total		**312.83**		288.32

Note 5.30 Depreciation and Amortisation expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Depreciation and amortisation of property, plant and equipment		820.09		699.63
Amortization of Right to use assets		41.77		41.83
Total		**861.86**		741.46

Note 5.31 Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
Power, Fuel & water				
Power and fuel Charges	528.34		493.15	
Water Charges	92.73	621.07	83.20	576.35
Repairs & Maintenance				
Plant & Machinery	417.86		326.60	
Others	119.31	537.18	97.46	424.06
Other Manufacturing Expenses		140.54		81.37
Rates and Taxes		12.48		7.91
Insurance		18.97		15.28
Postage & Telephone expenses		5.07		6.13
Auditors' Remuneration				
For Statutory Audit Fees	3.00		3.00	
For Limited review	0.45		0.45	
For certification charges	0.42		1.20	
For Tax matters	2.00		—	
For Tax Audit Fee	0.40	6.27		4.65
Selling expenses		299.71		199.29
Corporate Social Responsibility (CSR) Expenses		15.72		13.00
Legal and professional charges		60.12		37.13
Loss on Exchange rate variation		—		—
Security charges		13.80		12.43
Travelling and conveyance		34.79		24.24
Fixed assets written off		—		6.10
Miscellaneous Expenses		53.46		67.28
Total		**1,819.16**		1,475.22

Note 5.31 A CSR Expenses
Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Amount required to be spent during the year (excluding previous shortfall)	15.72	12.52
(b) Amount of expenditure actually incurred	15.72	13.00
(c) Short fall / (excess) at the end of the Year (Including previous year)	0.00	(0.48)
(d) Total of Previous year shortfall	—	—
(e) Reasons for Shortfall	—	Excess spent during the year
(f) Nature of CSR activities	Refer note 5.31 B given below	Refer note 5.31 B given below
(g) Details of related party transactions	Nil	Nil

Note 5.31 B CSR Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Amount spent during the year on				
i) Rural development projects		**6.65**	—	13.00
ii) Promoting education, special education and employment enhancing vocation skills		**5.00**	–	---
iii) Promoting Health care, including Preventive health checkup		**4.7**		—
Total amount spent		**15.72**	—	13.00

Note 5.31C: Nature of CSR expenditure incurred by company

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Amount spent during the year on				
i) Construction/Acquisition of asset		—		—
ii) Other than (i) above:		15.72		13.00
Total amount spent		**15.72**		**13.00**

Note 5.32 Components of Tax Expenses recognised in profit and loss account

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Current Tax:				
Current tax on profit for the year		720.04		466.37
Deferred tax				
Decrease/(increase) in deferred tax assets		59.74		(5.37)
(decrease)/increase in deferred tax liabilities		(125.82)		74.31
Total deferred tax expenses/(benefit)		(66.08)		68.94
Tax for earlier year				
Tax pertaining to previous years		(14.29)		1.83
Total Tax expense recognised in the current year		**639.66**		537.14

Note 5.32 (A) Reconciliation of Income tax expenses for the year with accounting profit;

(Rs. in Lakhs)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Profit before tax	2,453.87	1,939.83
Computed tax expense	617.64	564.88
Less: Depreciation as per IT rules	(207.08)	(279.10)
Add: Effect of expenses that are not deductible in determining taxable profit		
Depreciation as per Companies Act, 2013	216.93	215.91
Effect of deferred tax, other adjustments	33.15	33.79
Addition of CSR expenses	3.96	3.79
Actuarial gains/(loss) recognised in OCI	7.70	8.24
Adjustment as per ICDS	(18.33)	(12.19)
Taxation pertaining to earlier years	(14.29)	1.83
Tax expense as per the Statement of Profit and Loss	**639.66**	537.14

i) The tax rate used for the years ended 31st March, 2024 and 31st March, 2023 in reconciliations above is the corporate tax rate of 25.168 % (Previous year 29.12 %) payable by corporate entities in India on taxable profits under the Income Tax Act, 1961

ii) Pursuant to section 115BAA of the Income Tax Act, 1961, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess (New tax rate @ 25.168%). The company has decided to opt for the new tax rate from the financial year 2023-24.

Note 5.32 (B) Tax Expenses / (Income) recognised in other comprehensive income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On remeasurement of defined benefits plan	7.70	8.24
On Fair valuation of equity, mutual funds	3.48	0.85
Total	**11.17**	9.09

Note 5.33 Other Comprehensive Income for the Year

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Actuarial measurement of Defined Benefit Plans	30.57	28.30
b. Restatement of Equity, mufual fund Investments measured through FVTOCI	19.91	6.90
c. Deferred Tax effect On the Above	(11.17)	(9.09)
Total Income/(Loss)	**39.31**	26.11

Note 5.34 Calculation of Earnings Per Share (EPS) is as follows:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects all dilutive potential equity shares.

A) Profit attributable to equity holders is as follows:

(Rs. in Lakhs)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Net Profit/(Loss) attributable to equity holders: Continuing operations Discontinued operation	 **1,814.21** --	 1,388.40 --
Net Profit/(Loss) attributable to equity holders adjusted for the effect of dilution	**1,814.21**	1,388.40

B) Weighted average number of equity shares is as follows:

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Weighted average number of Equity shares for calculating basic EPS Equity shares allocated during the year	**78,20,482** --	78,20,482 --
Weighted average number of Equity shares for calculation of diluted EPS	**78,20,482**	78,20,482

C) Calculation of EPS

Earnings per equity share (for continuing operations)	For the year ended 31-03-2024	For the year ended 31-03-2023
a) Basic b) Diluted	**23.20** **23.20**	17.75 17.75
Earnings per equity share (for discontinuing operations)		
a) Basic b) Diluted	— —	— —

Note 5.35 Segment information

Operating segments are identified and reported taking into account the different risk and return, organization structure and internal reporting system. Segmental reporting as per Ind AS-108 as notified by MCA is not applicable, as the Company is engaged in manufacture of a single line of product.

Note 5.36 Impairment of Assets

The company assesses, at each reporting date, whether there is an indication that an asset may have to be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Note 5.37 Earnings & Expenditure in foreign currency on account of:

(Rs. in Lakhs)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
A) Earnings in foreign currency:	—	—
B) **Expenditure in foreign currency:**		
CIF value of imports for :		
Capital goods	150.91	—
Components and spare parts	30.49	—

Note: 5.38 Details of imported and indigenous raw materials and spares consumed (Rs. in Lakhs)

Particulars	For the year ended 31-03-2024		For the year ended 31-03-2023	
	Amount	%	Amount	%
Raw Materials				
Imported	10,011.73	100.00	9,273.73	100.00
Indigenous	—	—	—	—

Note 5.39 Movements in provisions (Rs. in Lakhs)

Particulars	Provision for decommissioning liability
As at 31-03-2023	**207.93**
Addition during the year	—
Charged/ (credited) to profit/loss account	16.91
Unused amounts reversed	—
Amounts used during the year	—
As at 31-03-2024	**224.84**

Provision for decommissioning liability:

This provision has been created for estimated costs of dismantling and removing the debris and restoring the site in respect of leased premises on which the plant is super structured.

Note 5.40 As per Indian Accounting Standard 24 "Related parties disclosure" the disclosure of Related parties as defined in the Standard are given hereunder:

A) List of Related Parties:

Name of the Related Party	Relationship
1) M/s Anar Enterprises Private Ltd, 2) M/s Kaiser Finance & Leasing Private Ltd, 3) M/s Visakha Finance Ltd.	Entities in which Key management personnel and/or Close relatives have significant interest
4) Sri Venkat Akkineni	Key management personnel - Managing Director
5) Smt. Jyothsana Akkineni	Key management personnel - Executive Director and wife of Managing Director
6) Sri K. Purushotham Naidu	Key management personnel - Director (Finance) & CFO.
7) Smt. Vaishali Kohli	Key management personnel - Company Secretary
8) Mr. Aditya Akkineni	Son of Managing Director
9) Ms. Annapurna Akkineni	Daughter of Managing Director
10) Alufluoride International Pte. Ltd, Singapore	Wholly Owned Subsidiary
11) Sri Yugandhar Meka Sri AVVSS Ch.B.Sekhar Babu Sri Ashok Vemulapalli Sri G. Sreeramakrishna (Till 31.07.2023) Sri Sohrab Chinoy Kersasp (From 16.09.2023)	Non- Executive & Independent Directors of the company

B) Transactions with the Related Parties

(Rs. in Lakhs)

Particulars	Name of the related party	Transactions total during	
		2023-24	2022-23
1. Remuneration paid	Sri Venkat Akkineni	144.71	108.40
	Sri K.Purushotham Naidu	20.68	20.68
	Sri Aditya Akkineni	14.58	-
	Smt. Vaishali Karan Kohli	2.08	1.95
2. Investment in Equity	Aluflouride International Pte. Ltd, Singapore	273.53	-
3. Sitting fees paid to Independent Directors	Sri Yugandhar Meka	1.90	1.80
	Sri A. Chandrasekhar	1.90	1.90
	Sri Ashok Vemulapalli	1.90	1.90
	Sri G. Sreerama Krishna	0.70	1.30
	Sri Sohrab Chinoy Kersasp	1.00	-
4 Dividend paid	M/s. Anar Enterprises Private Ltd,	1.10	0.55
	M/s Kaiser Finance & Leasing Pvt.Ltd	0.00	0.01
	M/s.Visakha Finance Ltd	0.28	0.14
	Sri Venkat Akkineni	4.60	2.30
	Smt.Jyothsana Akkineni	1.23	0.55
	Sri K.Purushotham Naidu	0.01	0.00
	Sri Aditya Akkineni	9.61	4.81
	Ms.Annapurna Akkineni	5.32	2.66
	Sri AVVS Sekahr Babu	0.00	0.00
	Sri Ashok Vemulapalli	0.72	0.36

C) Outstanding Balances at the end of the year

(Rs. in Lakhs)

Particulars	Outstanding at	
	31-03-2024	31-03-2023
Sri Venkat Akkineni	92.56	46.15
Sri K.Purushotham Naidu	1.72	2.47
Sri Aditya Akkineni	1.48	-
Smt. Vaishali Karan Kohli	0.13	0.13

E) Compensation to Key Management Personnel

The remuneration and other benefits to key management personnel during the year was as follows:

(Rs. in Lakhs)

Particulars	For 2023-24	For 2022-23
i) Short-Term employee benefits	174.87	137.92
ii) Post employment benefits (As per Actuary report)	29.99	29.11
iii) Other long term benefits	—	—
iv) Share based payments	—	—
v) Termination benefits	—	—
Total	**204.86**	167.03

Note 5.41 Recent accounting pronouncements:

For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note 5.42: Other additional Regulatory information

a) Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

b) No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.

c) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act, 2013.

d) The company has not granted any Loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

e) There are no transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 5.43:

As at 31.03.2024, the company has invested US$ 5,25,000, INR equivalent Rs.432.45 Lakhs/- in Alufluoride International Pte Limited, Singapore. The company was allotted 5,25,000 ordinary shares of the face value of US$ 1 each fully paid up. Accordingly, Alufluoride International Pte Limited, Singapore has become the 100 per cent owned subsidiary of the company. An MOU was signed between Alufluoride Limited, Visakhapatnam and Jordan Phosphate Mines Company PLC, Jordan and Indo Jordan Chemical Company, Jordan (Joint Venture Partners) to set up a green field Aluminium Fluoride manufacturing facility at Jordan. In furtherance of the objectives of the MOU, Alufluoride International Pte Ltd., Singapore proposes to invest up to 67 percent of the capital of the new company and the balance 33% will be invested by the above Joint Venture Partners.

A) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries)

B) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 5.44 Additional Regulatory Information- Ratios

(Rs. in Lakhs)

Ratio type	Numerator	Denominator	For the year ended 31st March 2024	For the year ended 31st March 2023	% variance	Reasons for variance above 25%
Current Ratio (in times)	Total Current assets	Total Current liabilities	1.64	1.86	(12)	Nil
Debt-Equity Ratio (in times)	Total debt, debt consists of borrowings and lease liabilities	Total equity	0.27	0.44	(40)	Due to decrease in term loans on repayments during the year
Debt Service Coverage Ratio (in times)	Earnings before interest, tax, depriciation & non cash expenditure, income	Debt service = Interest and lease payments + Principal repayments	3.22	3.04	6	Nil
Return on Equity Ratio (in %)	Total comprhehensive income	Average total equity	23.81%	14.57%	63	Increased capacity utilisation during the year over previous year resulted in increased profit
Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory	7.93	6.14	29	Increased capacity utilisation during the year over previous year resulted in increased profit
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	12.26	10.00	23	Nil
Trade payables turnover ratio (in times)	Net credit purchases	Average Trade Payables	15.19	16.06	(5)	Nil
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	11.53	8.53	35	Due to increased revenue from operations during the year
Net profit ratio (in %)	Total comprhehensive income	Revenue from operations	11.45%	10.39%	10	Nil
Return on Capital employed (in %)	Earnings before interest and tax	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	26.54%	23.39%	13	Nil
Return on investment (in %) (In equity & Mutual Funds)	Income generated from invested funds & change in market value of investments	Average Invested funds	3.74%	1.89%	98	Increase in income from investments during the year

Note 5.45 Contingent Liabilities not provided for in respect of: (Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A) Claims against the company not acknowledged as debt		
(i) Disputed Income Tax demands pending with Assessing officer for AY 2008-09	0.90	1.27
(ii) Disputed dues payable towards expansion project to foreign service provider	25.00	26.87
(iii) Demand towards cross subsidy charges raised by APEPDCL on solar power units generated disputed by the company.	–	37.54
B) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances):	240.75	241.22
C) Letter of Credit issued by the company to the supplier as a performance bank guarantee	11.08	22.17
D) Bank guarantees issued by the company to customers as a performance bank guarantee	478.89	105.89

Note 5.46 Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year figures.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Note No. 6 Financial Instruments:

Note No. 6.1 Capital Management

A) The primary objective of the company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder's value. The company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the company.

B) Capital Structure of the company is as follows: (Rs. in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
Equity Share Capital	782.05	782.05
Other equity	7,854.94	6,152.43
Total Equity	8,636.99	6,934.48
Borrowings	1,644.89	2,329.46
Total Debt	1,644.89	2,329.46
Debt to Equity ratio	0.19	0.34

Note No. 6.2 Categories of Financial Instruments

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets measured at Amortised Cost				
Trade receivables	1,269.30	1,269.30	1,372.24	1,372.24
Bank balances (other than those in cash and cash equivalents)	88.98	88.98	30.83	30.83
Other current and non-current financial assets	256.14	256.14	178.84	178.84
Financial Assets measured at Fair Value through Profit and Loss Account (FVTPL)				
Other Non-Current Financial Assets	107.16	107.16	104.86	104.86
Cash and cash equivalents	651.64	651.64	176.81	176.81
Designated Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)				
Investment in Equity Instruments and mutual funds	2,144.39	2,144.39	1,015.88	1,015.88
Financial Liabilities (Current and Non–Current)				
Financial Assets measured at Amortised Cost				
Borrowings	1,644.89	1,644.89	2,329.46	2,329.46
Lease Liability	769.78	769.78	786.05	786.05
Trade payables	801.49	801.49	509.80	509.80
Other financial liabilities	290.45	290.45	289.46	289.46

Note No. 6.3 Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A) The following methods and assumptions were used to estimate the fair values

The fair value of cash and cash equivalents, trade receivables and payables, financial liabilities and assets approximate their carrying amount largely due to the short–term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/ amortised cost in the financial statements approximate their fair values. The investments are designated and recognised through Other Comprehensive Income and the fair value is measured at the quoted market value

B) Fair value hierarchy

Level 1: 1 hierarchy includes 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 other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

C) Statement showing the fair value hierarchy of the financial assets and liabilities measured at fair value on a recurring basis as at March 31, 2024:

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	Fair value measurement at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Trade receivables	1,269.30 (1,372.24)	— —	1,269.30 (1,372.24)	— —
Other current & Non-current financial assets	363.29 (283.70)	— —	363.29 (283.70)	— —
Investment in Equity Instruments and mutual funds	2,144.39 (1,015.88)	2,144.39 (1,015.88)		— —
Financial Liabilities				
Borrowings	1,644.89 (2,329.46)	— —	1,644.89 (2,329.46)	— —
Lease Liability	769.78 (786.05)	— —	769.78 (786.05)	— —
Trade payables	801.49 (509.80)	— —	801.49 (509.80)	— —
Other financial liabilities	290.45 (289.46)	— —	290.45 (289.46)	— —

Note: Figures in round brackets ( ) indicate figures as at March 31, 2023
During the above periods, there were no transfers between Level 1 and Level 2

Note No-6.4 Financial risk management framework

A) The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management framework aims at,

i) Improve financial risk awareness and risk transparency
ii) Identify, control and monitor key risks
iii) Identify risk accumulations
iv) Provide management with reliable information on the Company's risk situation
v) Improve financial returns

B) The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

This note explains the sources of Company's risk from financial instruments and the method adopted to overcome the risk:

Nature of Risk	Exposure arising from	Measurement	Risk Management
a) Credit risk	Cash and cash equivalents, trade receivables, deposits, investments in securities & mutual funds	Aging analysis/ credit ratings, expected credit loss	Lower credit period & diversification of bank deposits
b) Liquidity risk	Trade payables, Other liabilities	Rolling cash flows forecasts	Committed credit periods for payments
c) Market risk-Commercial risk	Price variations of raw materials, sales	Sensitivity analysis	Fixed contracts on sales and purchases
d) Market risk-Security investments prices	Price variations of investments in securities	Sensitivity analysis	Portfolio diversification

a) Credit risk:

i) Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), from cash and cash equivalents, deposits with banks. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis

ii) Financial assets that are neither past due nor impaired

"Cash and cash equivalents, deposits with banks, security deposits, investments in securities & mutual funds are neither past due nor impaired. "Cash and cash equivalents, deposits are held with banks which are reputed and credit worthy banking institutions. Hence the expected credit loss is negligible. "Investments in investments in securities & mutual funds are actively traded in the stock markets and and there is no collateral held against these because the counterparties are entities with high credit ratings assigned by the various credit rating agencies. Hence the expected credit loss is negligible"

iii) Financial assets that are past due but not impaired

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The average credit period on sales of products is less than 30 days. All trade receivables are reviewed and assessed for default on a quarterly basis. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows:

Aging	Expected Credit Loss (%)
Less than 3 Months	0
3 Months to 6 Months	1
6 Months to 1 Year	2
1 Year to 3 Years	5
More than 3 Years	100

Age of receivables for calculating expected credit loss under simplified approach

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
No Due & Less than 3 Months	1,265.33	887.97
3 Months to 6 Months	3.97	483.91
6 Months to 1 Year	-	-
1 Year to 3 Years	-	0.35
More than 3 Years	-	-
(Expected Credit losses)	-	
Net carrying amount	**1,269.30**	1,372.24

Note: Since all the receivables are within the credit period except of Rs.35,471/- (Previous year Rs.83,588) ageing between 1 year to 3 years (previous year 6 months to 1 year); there is a negligible expected credit loss.

b) Liquidity risk

i) Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time or at a reasonable price. The groups' objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit line to meet obligations. Due to the dynamic nature of underlying business, company maintains flexibility in funding by maintaining availability under committed credit lines.

ii) Maturities of financial liabilities

The following table shows the estimated maturity analysis for non-derivative financial liabilities

(Rs. in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Trade payables		
Not Due	473.05	488.52
Less than 3 Months	326.53	19.01
3 Months to 6 Months	0.20	2.24
6 months to 1 Year	1.70	0.03
More than 1 Year	-	-
Other financial liabilities		
On Demand payable	290.45	289.46
Less than 3 Months	-	-
More than 3 months	-	-
Borrowings		
Less than 1 Year	814.53	839.58
More than 1 Year	830.37	1,489.88
Lease Liabilities		
On Demand payable		
less than 1 year	73.50	88.34
More than 1 Year	696.28	697.71

c) Market risk-Commercial risk

i) Interest Rate Risk -

The groups' main interest rate risk arises from long term borrowings with variable rates, which expose the group to cash flow interest rate risk.

Sensitivity to changes in interest rates

(Rs. in Lakhs)

Particulars	Impact on Profit	
	As at 31st March 2024	As at 31st March 2023
Sensitivity Analysis of Borrowings		
Rate of Interest Increase by 0.5%		
Borrowings	**8.22**	11.65
	8.22	11.65
Rate of Interest Decrease by 0.5%		
Borrowings	**(8.22)**	(11.65)
	(8.22)	(11.65)

i) **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure/liability will fluctuate because of changes in foreign exchange rates. Since holding Company's operations are being carried out in India and since all the material balances are denominated in its functional currency and there are no foreign currency borrowings, liabilities, the group does not carry any material exposure to currency fluctuation risk. The groups' exposure to foreign currencies is immaterial and hence no sensitivity analysis is presented

ii) **Commercial risk**

The commercial risk is the risk due to the change in market prices of raw materials and finished goods and it is measured though sensitivity analysis by taking variance of 5%

1) **Selling price risk**

(Rs. in Lakhs)

Particulars	Impact on Profit	
	As at 31st March 2024	As at 31st March 2023
Increase in Selling Prices @ 5%		
Aluminium fluoride	**809.54**	680.54
	809.54	680.54
Decrease in Selling Prices @ 5%		
Aluminium fluoride	**(809.54)**	(680.54)
	(809.54)	(680.54)

2) **Raw material risk**

(Rs. in Lakhs)

Particulars	Impact on Profit	
	As at 31st March 2024	As at 31st March 2023
Increase in RM Cost @ 5%		
Hydrofluosilicic Acid	**114.81**	106.99
Alumina Hydrate	**283.94**	259.16
Hydrated Lime	**7.61**	3.33
Packing Materials	**3.87**	4.21
Furnace oil	**65.58**	56.80
Coal	**24.78**	33.19
Decrease in RM Cost @ 5%		
Hydrofluosilicic Acid	**(114.81)**	(106.99)
Alumina Hydrate	**(283.94)**	(259.16)
Hydrated Lime	**(7.61)**	(3.33)
Packing Materials	**(3.87)**	(4.21)
Furnace oil	**(65.58)**	(56.80)
Coal	**(24.78)**	(33.19)

d) Market risk-Security investments prices

The price risk arises from the investments held by the company which has been classified in the financial statements as financial asstes through other comprehensive income and the same are held for receiving contractual cash flows and for sale. The company has adopted a policy of diversification of portfolio for mitigating the price risk.

ii) Equity Price Sensitivity Analysis:

The sensitivity analysis below have been determined based on the exposure to equity price risks for Investments in equity shares (including investments in equity oriented mutual funds) of companies.

If equity prices had been 5% higher/lower, profit for the year ended 31st March, 2024 would increase/ decrease by Rs.107.21 Lakhs (for the year ended 31st March, 2023: increase / decrease by Rs.50.79 Lakhs) as a result of the change in fair value of equity investments which are designated as FVTOCI.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co., Chartered Accountants FRN No: 000513S	**YUGANDHAR MEKA** Chairman DIN:00012265	**VENKAT AKKINENI** Managing Director DIN: 00013996
E S H MOHAN Partner Membership No.028134	**VAISHALI KOHLI** Company Secretary M. No. ACS63818	**K. PURUSHOTHAM NAIDU** Director & Chief Financial Officer DIN: 01883663

Place: Hyderabad

Date : 23 May, 2024

INDEPENDENT AUDITOR'S REPORT

TO
The Members of
Alufluoride Limited
Visakhapatnam, AP

Report on the Consolidated Ind AS financial statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of ALUFLOURIDE LIMITED ("the Holding Company") and its subsidiary incorporated outside India (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year ended on that date, and notes to the Consolidated Ind AS financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS fWe conducted our audit of the Consolidated Ind AS 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 Responsibilities for the Audit of the Consolidated Ind AS 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS 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.

Sl. No.	Key Audit matter	How our audit addressed the Key Audit Matter
1	Verification of capital work in progress and related capitalisation workings & estimation of decommissioning and restoration provision on leased land. Bifurcation of costs related to capital costs & regular expenses is a challenge. Bifurcation of unallocated capital expenditure to individual property, plant & equipment is a challenge.	Our audit procedures to verify the capital work in progress, verification of capitalisation of new property, plant & equipments including the following: ➢ We have verified the detailed capitalisation workings including Bifurcation of unallocated capital expenditure to individual property, plant & equipments. ➢ We tested the calculation of the decommissioning provisions with external factors for the expansion projects and checked the accuracy and relevance of the input data use.

Other Matters

a) The company has prepared the consolidated financials of M/s Alufluoride International Pte Limited, Singapore, by consolidating the unaudited stand-alone financials of M/s Jordanian Renewable Aluminium Manufacturing Company and that of audited stand-alone financials of M/s Alufluoride International Pte Limited, Singapore. Further, these consolidated financial statements of holding company are prepared by consolidating the consolidated financials of M/s Alufluoride International Pte Limited, Singapore.

b) We did not audit the financial statements of the wholly owned subsidiary companies i. e. **Alufluoride International Pte Ltd-Singapore, Singapore** situated outside India, included in the consolidated financial statements, whose financial statements reflect total net assets of Rs.434.42 Lakhs as at 31st March 2024, and total revenues of Rs.1.26 Lakhs for the year ended March 31, 2024 and total comprehensive loss of Rs.(62.72) Lakhs for the year ended March 31, 2024, as considered in the consolidated statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial statements/financial information certified by the Management.

Information 0ther than the Consolidated Ind AS financial statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon, the above reports are expected to be made available to us after the date of this report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the above specified reports, if we conclude that there is a material misstatement of this "other information", we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.

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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group responsible for assessing the Group'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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS 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 Ind AS 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS 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 included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in para (a) of the "Other matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS 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 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- A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. 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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, is not in excess of the limits laid down under Section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any major pending litigations that would impact its financial position.

   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 delays 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, except as disclosed in the note 5.43 (A) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(i.e.), 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, as disclosed in the note 5.43 (B) to the accounts, no funds have been received by the Company from any person(s) or entity(i. e), 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) contain any material misstatement.

v. The final dividend paid by the holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 5.14 (f) to the financial statements, the Board of Directors of the holding Company have recommended final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting., the same is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, performed by us on the holding company, which has used an accounting software for maintaining its books of account 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The holding company adheres to a policy of maintaining audit trail in accordance with statutory requirements for record retention

The financial statements of foreign subsidiary have not been audited by us under the provisions of the Act. Accordingly, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of the foreign subsidiary.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Reg. No. 000513S

(E S H MOHAN)
Partner
Membership No.028134
UDIN: 24028134BKFFUZ8673

Camp : Hyderabad
Date : 23.05.2024

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

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

Clause (xxi): According to the information and explanations given to us, in respect of the subsidiary company incorporated outside India namely M/s Alufluoride International Pte Ltd-Singapore and included in the consolidated financial statements, the Companies (Audit Report) Order reporting is not applicable to them and their auditors has not issued the same.

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

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

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the Internal Financial Controls with reference to the financial statements of ALUFLOURIDE LIMITED (hereinafter referred to as "Holding Company"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements issued by the Institute of Chartered Accountants of India ("the 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 the financial statements of the holding Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements (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. 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 the 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 system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls with reference to the financial statements included obtaining an understanding of Internal Financial Controls with reference to the 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 system over financial reporting of the holding Company.

Meaning of Internal Financial Controls with reference to the financial statements

A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 the financial statements

Because of the inherent limitations of Internal Financial Controls with reference to the 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 the financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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 and to the best of our information and according to the explanations given to us, the holding Company, have, in all material respects, an adequate internal financial controls system over financial reporting and such Internal Financial Controls with reference to the financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements issued by the Institute of Chartered Accountants of India.

For **BRAHMAYYA & CO.,**
Chartered Accountants
Firm Regn No. 000513S

(E S H MOHAN)
Partner
Membership No.028134
UDIN: 24028134BKFFUZ8673

Camp: Hyderabad
Date : 23 May, 2024

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2024

(Rs. in Lakhs)

Sl. No	Particulars	Note No	Figures at the end of Current Reporting year 31 March, 2024	Figures as at the end of Previous Reporting year 31 March, 2023
	ASSETS			
1	**Non-current assets**			
	(a) Property plant and equipment	5.01	**5,746.10**	5,781.30
	(b) Capital work-in-progress	5.02	**268.05**	212.72
	(c) Intangible Assets under development	5.02A	**11.20**	—
	(d) Right of use assets	5.03	**663.61**	606.62
	(e) Financial assets			
	(i) Investments	5.04	**0.89**	0.62
	(ii) Others	5.05	**107.16**	104.86
	(f) Other non-current assets	5.06	**153.48**	183.15
	(g) Deferred tax Asset (Net)	5.17	**—**	—
2	**Current assets**			
	(a) Inventories	5.07	**1,059.59**	1,597.85
	(b) Financial assets			
	(i) Trade receivables	5.08	**1,269.30**	1,372.24
	(ii) Cash and cash equivalents	5.09	**774.22**	221.90
	(iii) Bank balances other than above	5.10	**88.98**	30.83
	(iv) Investments	5.10A	**2,143.50**	1,015.26
	(iv) Others	5.11	**260.30**	182.04
	(c) Other current assets	5.12	**255.13**	98.51
	(d) Current Tax Asset(Net)	5.12A	**28.16**	—
	Total Assets		**12,829.67**	11,407.90
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	5.13	**782,05**	782.05
	(b) Other equity	5.14	**7,670.92**	6,016.35
	Minority Interest	5.14(g)	**67.97**	5.31
	LIABILITIES			
	1 **Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	5.15	**830.37**	1,489.88
	(ii) Lease Liabilities	5.03	**787.77**	697.71
	(b) Provisions	5.16	**337.88**	342.76
	(c) Deferred tax Liability (Net)	5.17	**144.68**	199.59

(Rs. in Lakhs)

Sl. No	Particulars	Note No	Figures at the end of Current Reporting year 31 March, 2024	Figures as at the end of Previous Reporting year 31 March, 2023
2	**Current liabilities**			
(a)	Financial liabilities			
	(i) Borrowings	5.18	**814.53**	839.58
	(ii) Lease Liabilities	5.03	**81.03**	88.34
	(iii) Trade payables			
	A. Total outstanding dues of MSME	5.19	**26.96**	1.20
	B.Total outstanding dues of other than MSME	5.19	**774.53**	508.60
	(iv) Other financial liabilities	5.20	**303.71**	304.21
(b)	Other current liabilities	5.21	**137.54**	47.28
(c)	Provisions	5.22	**69.73**	57.48
(d)	Current Tax Liabilities (Net)	5.23	**––**	27.56
	Total Equity and Liabilities		**12,829.67**	11,407.90

Accompanying notes (note-1 to note-6) form an integral part of these consolidated financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

(Rs. in Lakhs)

Sl. No	Particulars	Note No	Figures for the Current Reporting year ending on 31 March, 2024	Figures for the Previous Reporting year ending on 31 March, 2023
I	**Revenue from Operations**	5.24	**16,190.76**	13,610.86
II	**Other income**	5.25	**488.13**	280.62
III	**Total Income (I + III)**		**16,678.89**	13,891.48
IV	**Expenses:**			
	Cost of materials consumed	5.26	**10,011.73**	9,273.73
	Changes in inventories of finished goods and work in progress	5.27	**524.57**	(432.11)
	Employee benefit expense	5.28	**719.11**	635.54
	Finance cost	5.29	**315.12**	290.42
	Depreciation and amortization expense	5.30	**863.21**	741.46
	Other expenses	5.31	**1,854.00**	1,596.61
	Total expenses (IV)		**14,287.74**	12,105.65
V	**Profit/(loss) before exceptional items and tax (III-IV)**		**2,391.15**	1,785.83
VI	**Exceptional items (Income/(Expense))**		—	—
VII	**Profit/(Loss) before tax (V-VI)**		**2,391.15**	1,785.83
VIII	**Tax expense**	5.32		
	(1) Current Tax		**720.04**	466.37
	(2) Adjustment of Tax expenses for earlier years		**(14.29)**	1.83
	(3) Deferred tax		**(66.09)**	68.94
IX	**Profit/(Loss) for the period from continuing operations (VII-VIII)**		**1,751.49**	1,248.69
X	**Profit/ (loss) from discontinued operations**		—	—
XI	**Tax expense of discontinued operations**		—	—
XII	**Profit/ (loss) from discontinuing operations (after tax)**		—	—
XIII	**Profit/(Loss) for the period (IX+XII)**		**1,751.49**	1,248.69
XIV	**Other comprehensive income**	5.33	**39.31**	26.11
XV	**Total comprehensive Income for the period (XIII+XIV)**		**1,790.80**	1,274.80
XVI	**Profit/(Loss) for the period attributable to**			
	Owners of the company		**1,766.26**	1,281.82
	Non - controlling interests		**(14.77)**	(33.13)
			1,751.49	1,248.69

(Rs. in Lakhs)

Sl. No	Particulars	Note No	Figures for the Current Reporting year ending on 31 March, 2024	Figures for the Previous Reporting year ending on 31 March, 2023
XVII	**Total comprehensive Income for the period attributable to**			
	Owners of the company		**1,805.57**	1,307.93
	Non - controlling interests		**(14.77)**	(33.13)
			1,790.80	1,274.80
XVI	**Earnings per equity share (for continuing operations)**	5.34		
	a) Basic		**22.59**	16.39
	b) Diluted		**22.59**	16.39
XVII	**Earnings per equity share (for discontinued operations)**			
	a) Basic	—	—	
	b) Diluted		**—**	—
XVIII	**Earnings per equity share (for discontinued & continuing operations)**			
	a) Basic		**22.59**	16.39
	b) Diluted		**22.59**	16.39

Accompanying notes (note-1 to note-6) form an integral part of these consolidated financial statements

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Consolidated Statement of Cash Flows for the year ended 31st March, 2024

(Rs. in Lakhs)

Sl. No	Particulars	Figures for the Current Reporting year ending on 31 March, 2024	Figures for the Previous Reporting year ending on 31 March, 2023
A)	**Cash Flow from Operating Activities:**		
	Profit for the year before Tax		
	Profit for the year before Tax		
	Profit from continuing operations	2,391.15	1,785.82
	Profit/(Loss) from discontinued operations	––	––
	Profit before tax	**2,391.15**	1,785.82
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation of property, plant and equipment	863.21	741.46
	Finance costs	315.12	290.42
	Excess provisions of earlier years written back	(8.38)	(19.71)
	Income from investments	(9.38)	(6.41)
	Write off of property, plant & equipment	––	6.10
	Gain on sale of investments	(120.85)	(23.82)
	Operating Profit before Working Capital changes	**3,430.87**	2,773.86
	Movement in Working capital:		
	(Increase) /Decrease in Trade receivables	102.93	(22.16)
	(Increase) /Decrease in financial and non-financial assets	(301.68)	93.12
	(Increase) /Decrease in inventories	538.26	(315.24)
	Increase /(Decrease) in provisions	37.93	11.87
	Increase /(Decrease) in trade and other payables	395.16	25.88
	Cash generated from operations	4,203.48	2,567.34
	Income Tax (paid)/refund	(705.74)	(468.20)
	Net Cash generated in operations	**3,497.73**	2,099.14
B)	**Cash Flow from Investing Activities:**		
	Purchase of property,plant and equipments	(806.01)	(1,512.84)
	Proceeds from sale of fixed assets	-	-
	(Increase)/Decrease in Capital Work in progress	(66.53)	(34.48)
	Net (Purchase)/sale of financial instruments	(987.47)	(267.75)
	Income from Fixed deposits	9.38	6.41
	Net cash flows used in investing activities	**(1,850.63)**	(1,808.66)
C)	**Cash Flow from Financing Activities:**		
	Finance Costs including payment of lease liability	(331.23)	(274.84)
	Shares acquisition by minority interest holders	77.44	38.45
	Receipt of Borrowings	108.99	778.30
	Repayment of Borrowings	(793.56)	(693.42)
	Dividend paid	(156.41)	(78.22)
	Net Cash flows used in Financing Activities	**(1,094.77)**	(229.73)
	Net increase/(decrease) in Cash & Cash equivalents (A + B + C)	**552.33**	60.76
	Opening balance of Cash & Cash equivalents	**221.89**	161.13
	Closing balance of Cash & Cash equivalents	**774.22**	221.89

Reconciliation of cash and cash equivalents as per cash flow statement with Balance sheet:

(Rs. in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Closing Cash and cash equivalents as per Balance sheet	774.22	221.89
Closing Cash and cash equivalents as per statement of cash flows	774.22	221.89
Difference	—	–

Particulars	Term Loans	Cash Credit Facility	Unsecured Loans	Total
Balance as on 31st March 2023	**2,329.46**	—	—	2,329.46
Add: Proceeds from fresh borrowings	108.99	—	—	108.99
Amortised interest/transaction costs using EIR	315.12	—	—	315.12
Less: Repayments of the borrowings	793.56	—	—	793.56
Interest paid for the period	315.12	—	—	315.12
Balance as on 31st March 2024	**1,644.89**	—	—	1,644.89

Note:

1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as noted under Companies Act, 2013.

2) Fixed deposits with original maturity of more than 3 months are grouped under "other bank balances" and is not considered as part of cash and cash equivalents in the statement of cash flows.

3) Cash and cash equivalents include cash on hand, deposits held at call with financial institutions/banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts, if any.

Accompanying notes (note-1 to note-6) form an integral part of these consolidated financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital - As at 31.03.2024

(Rs.in Lakhs)

Balance at 01.04.2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2023	Changes in equity share capital during the current year	Balance as at 31.03.2024
782.05	---	782.05	---	782.05

As at 31.03.2023

Rs.in Lakhs

Balance at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2022	Changes in equity share capital during the current year	Balance as at 31.03.2023
782.05	---	782.05	---	782.05

B. Other Equity

As at 31.03.2024

(Rs.in Lakhs)

	Reserves and Surplus				Items of Other Comprehensive Income		Foreign Currency Translation Reserve	Total Other Equity
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurement gains/(losses) on the defined benefit obligations		
Balance at 01.04.2023		628.18	6.00	5,331.83	16.45	19.63	14.26	6,016.35
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at 01.04.2023	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year ended 31.03.2024	-	-	-	1,766.26	16.43	22.88	-	1,805.57
Foreign Currency Translation Reserve	-	-	-	-	-	-	5.41	5.41
Dividend	-	-	-	(156.41)	-	-	-	(156.41)
Transfer to retained earnings	-	-	-	-			-	-
Balance at 31.03.2024		628.18	6.00	6,941.68	32.88	42.51	19.67	7,670.92

As at 31.03.2023

(Rs.in Lakhs)

	Reserves and Surplus				Items of Other Comprehensive Income			
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Remeasurement gains/(losses) on the defined benefit obligations	Foreign Currency Translation Reserve	Total Other Equity
Balance at 01.04.2022	-	628.18	6.00	4,128.22	10.40	-0.43	2.72	**4,775.09**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-
Restated balance at 01.04.2022	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year ended 31.03.2023	-	-	-	1,281.81	6.06	20.06	-	1,307.93
Foreign Currency Translation Reserve	-	-	-	-	-	-	11.54	11.54
Dividend	-	-	-	(78.20)	-	-	-	(78.20)
Transfer to retained earnings	-	-	-	-	-	-	-	-
Balance at 31.03.2023		628.18	6.00	5,331.83	16.45	19.63	**14.26**	**6,016.35**

Accompanying notes (note-1 to note-6) form an integral part of these consolidated financial statements.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Notes to Consolidated financial Statements

1. **Group Information**

Alufluoride limited ("the holding company") is a leading manufacturer of Aluminum Fluoride was formed in the year 1984. The annual capacity of production is 15,000 MTs. The holding company is a public limited company incorporated and domiciled in India and has its registered office at Mulagada, Mindi Visakhapatnam, Andhra Pradesh. The holding company shares are listed on Bombay stock exchange (BSE Limited). The holding company has incorporated a foreign wholly owned subsidiary in the name of M/s Alufluoride International PTE Ltd, Singapore. Holding company and the foreign subsidiary company constitute the group.

M/s Alufluoride Limited, Visakhapatnam (Holding company) has entered into an MOU with Jordan Phosphate Mines Company PLC, Jordan & Indo Jordan Chemical Company, Jordan (minority interest holders) to set up a green field Aluminium Fluoride manufacturing facility at Jordan. Accordingly, a company named M/s Jordanian Renewable Aluminium Fluoride Manufacturing Company was formed on 3rd November, 2022 in Jordan.

The holding company i.e Alufluoride Ltd has invested in 100% share capital of Alufluoride International Pte Limited, Singapore and in turn M/s Alufluoride International Pte Limited, Singapore has invested 67% of the capital of the new company in Jordan and the balance 33% has been invested by the minority interest holders.

Accordingly, consolidated financials of M/s Alufluoride International Pte Limited, Singapore are prepared by consolidating the financials of M/s Jordanian Renewable Aluminium Manufacturing Company and those of financials of M/s Alufluoride International Pte Limited, Singapore have been consolidated with the M/s Alufluoride Ltd (holding company) financials and these consolidated financial statements of holding company are prepared.

These Consolidated financial statements for the year ended March 31, 2024 were approved by the holding company's Board of Directors and authorized for issue on 23rd May, 2024.

2. **Statement of compliance and basis of preparation and presentation**

2.1 Statement of compliance with Ind As

These financial statements are the Consolidated financial statements prepared by the holding company and its subsidiaries complying in all material aspects with the Indian Accounting Standards (Ind AS) notified under the provisions of the Companies Act , 2013 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2 Basis of measurement, functional currency

These Consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest Lakhs with two decimals, unless otherwise indicated.

These Consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies.

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

2.3 Basis for preparation and presentation

The Consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated financial statements.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/ settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/ settled within twelve months after the reporting period.

- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

3. Summary of Material Accounting Policies (Material Accounting Policy Information) related to preparation of the Consolidated financial statements are;

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of Alufluoride Limited (the holding company) and its wholly owned foreign subsidiary.

3.1 Principles of consolidation:

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the holding company has control. The holding company controls an entity when the holding company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the holding company. They are de-consolidated from the date that control ceases.

The holding company combines the financial statements of its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, under consolidated statement of changes in equity and balance sheet respectively.

3.2 Foreign currency translation:

3.2.1 Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is holding company functional and presentation currency.

3.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to the part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

3.2.3 Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyper inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet.
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.3 Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the transaction price (net of variable consideration) allocated to the performance obligations. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Amounts disclosed as revenue are inclusive of excise and duties, if any, but exclusive of Goods and Service tax (GST), which the company pays as principal and net of returns, trade allowances, rebates, and taxes collected on behalf of the government.

The Company earns revenue primarily from sale of “Aluminium fluoride”. Revenue is recognized as and when the entity satisfies a performance obligation by transferring a promised goods or services and upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the group expects to receive in exchange for those products or services.

Other income is comprised primarily of interest income, dividend income, gain/loss on investments.

- Interest income is recognized using the effective interest method.
- Dividend income is recognized when the right to receive payment is established.

Contract asset and contract liability

- Contract assets are recognized when there is excess of revenue earned over billings on contracts. “Contract assets” the Group classifies as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
- Advances received from customers (“contract liability”) is recognized when there is billings or receipts in excess of revenues.

Incremental costs of obtaining a contract are recognized as assets and amortized over the term of the contract.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

The Group disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

3.4 Property, Plant and Equipment:

All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes all costs directly attributable to bringing the asset to the location and condition necessary for its intended use. Subsequent costs relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection.

3.4.1 Depreciation and Amortization

Property, Plant and Equipment are componentized and are depreciated separately over their estimated useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on all the assets is charged under straight line method. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Scrap value is taken as 5% of the cost of the asset for calculation of depreciation

3.4.2 De-recognition of Tangible assets

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognized.

3.5 Inventories:

Inventories are valued at the lower of the cost (net of eligible input tax credits) or net realisable value (except by-products, waste and scrap which are valued at estimated net realisable value). Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Stock of banked Solar power Units are valued at cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

In the opinion of the management, no value is attributable to Silica and the same is considered as a process waste and has no guaranteed market value (net realisable value), except for the quantities which are disposed off to parties with irregular quantities and prices. The excess Silica is disposed off and corresponding expenditure is charged to Profit & loss.

3.6 Non-Derivative Financial Instruments:

The 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value 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 or loss are recognised immediately in profit or loss. Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

A. Financial Assets

3.6.1 Initial Recognition:

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added/ deducted to/from the fair value on initial recognition. Regular purchase and sale of financial assets are accounted for on trade date.

3.6.2 Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost.
- Financial assets measured at fair value through other comprehensive income (FVTOCI).
- Financial assets at fair value through profit or loss (FVTPL).

I. **Financial assets at amortized cost**

A financial instrument is subsequently measured at amortized cost if it is

a. Held within a business model whose objective is to hold the asset in order to collect contractual cash flows and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The amortization of EIR is included in finance income in the profit or loss. The impairment losses and gain/loss on de-recognition are recognized in the profit or loss.

II. **Equity assets measured at fair value through other comprehensive income.**

Financial asset is measured at FVTOCI if both of the following conditions are met:

a. The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has made an irrevocable election to present the subsequent fair value changes in 'other comprehensive income' for its investments in equity instruments that are not held for trading. Fair value changes on the instrument, impairment losses & reversals and foreign exchange gain or loss are recognized in the OCI. Dividends are recognized in the Profit &Loss.

III. **Financial assets at fair value through profit or loss**

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL (residual category).

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.6.3 Reclassification of financial assets;

The Group reclassifies its financial assets only when there is a change in entity's business model for managing its financial assets.

3.6.4 De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

a. The contractual rights to cash flows from the financial asset expires;

b. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

c. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

d. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability.

The financial asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has retained control.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

3.6.5 Impairment of financial assets:

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

a. Trade receivables

b. Financial assets measured at amortized cost (other than trade receivables)

c. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

B. Financial liabilities and equity instruments:

Debt and equity instruments issued by a Group entity 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.

i. 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 a Group entity are recognised at the proceeds received net of direct issue costs.

ii. Financial Liabilities: -

a. Initial recognition and measurement:

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b. Subsequent measurement:

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss

c. De-recognition of financial liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the De-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

C. Offsetting of financial instruments: -

Financial assets and financial liabilities can be offset and the net amount can be reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.7 Leases:

The Group has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17. The accounting policy adopted for lease are given below;

When Group is a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. 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;

i) The contract involves the use of an identified asset

ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) 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. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or Group's incremental borrowing rate, if that implicit rate cannot be readily determined. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments compromises of the following for determination lease liability:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognizes the lease payments associated with these leases as operating expenses on a straight-line basis over the lease term.

3.8 Employee Benefits include:

(i) Short term employee benefits-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The Group recognizes a liability and an expense for bonus only when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of obligation can be made.

(ii) Long term employee benefits-

Liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment benefits-

The Group operates the following post-employment schemes:

a) Defined benefit plans such as gratuity: and

b) Defined contribution plans such as provident and pension funds.

a) **Defined Benefit Plans -** The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

b) **Defined Contribution Plans-** The holding company pays provident fund contributions to publicly administered provident funds as per local regulations. It has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

3.9 Foreign currency Transactions:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, as finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income

3.10 Provisions and Contingencies:

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be reasonably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably.

When there is a possible obligation or a present obligation in respect of which, in the likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

3.11 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

3.12 Taxes on Income:

Income tax expense comprises current and deferred income tax. Income-tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. 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 settle the liability simultaneously.

3.13 Borrowing Costs:

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the Consolidated financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Following are the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year:

4.1 Depreciation and impairment on property, plant and equipment:

Property, plant and equipment are depreciated on straight–line basis over the estimated useful lives in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable. The Group reviews its carrying value of its Tangible Assets whenever there is objective evidence that the assets are impaired. In such situation asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre–tax discount rates which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realizations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

4.2 Leases:

The Group has taken the commercial properties under contractual agreements for its business operations. Its accounting involves significant management judgment for identification, classification and measurement of lease transactions at the time of lease commencement. The assessment of the lease liability and Right of Use asset under lease arrangements are based on the assumptions and estimates of the discount rate, lease term including judgment for exercise of options to extend or terminate the contract, dismantling and restoration costs, escalation in rentals etc. Further, these will be continuously monitored at each reporting period to reflect the changes in the agreements and management estimates.

4.3 Impairment allowances on trade receivables:

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit–worthiness of the trade receivables and historical write–off experience. If the financial conditions of the trade receivable were to deteriorate, actual write–offs would be higher than estimated.

4.4 Income taxes:

The Group's tax jurisdiction is India. Significant judgments are involved in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

4.5 Defined benefit obligation (DBO):

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.6 Provision for de-commissioning:

The Group has recognised a provision for decommissioning obligations associated with the leased premises on which the plant is super structured. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

4.7 Provisions and Contingencies:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/against the Group as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Camp: Hyderabad
Date : 23 May, 2024

Consolidated Statement of Depreciation for the year ended 31st March, 2024

Note 5.01 Property, Plant and Equipment as at March 31, 2024

(Rs.in Lakhs)

Sl No.	Fixed Assets	Gross Cost				Depreciation				Net Block	
		As on 01.04.2023	Additions	Deletions/ Adjustments	Total as on 31.03.2024	Up to 01.04.2023	For the year	On deletions	Total upto 31.03.2024	Balance as at 31.03.2024	Balance as at 31.03.2023
	TANGIBLE ASSETS:	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	278.21	-	-	**278.21**	-	-	-	-	**278.21**	278.21
2	Buildings/Civil assets	1,044.39	31.55	-	**1,075.94**	216.96	50.90	-	267.86	**808.08**	827.43
3	Plant & Machinery	6,811.77	642.69	-	**7,454.44**	2,236.01	742.34	-	2,978.35	**4,476.09**	4,575.75
4	Furniture,Fixtures & Airconditioners	14.96	3.23	-	**18.19**	7.19	1.33	-	8.52	**9.67**	7.77
5	Computers	33.18	5.73	-	**38.90**	24.32	6.42	-	30.74	**8.16**	8.86
6	Vehicles	116.31	103.14	-	**219.45**	33.03	20.52	-	53.56	**165.89**	83.28
	Total	**8,298.82**	**786.34**	**-**	**9,085.13**	**2,517.52**	**821.52**	**-**	**3,339.03**	**5,746.10**	**5,781.30**

INTANGIBLE ASSETS (RIGHT TO USE ASSETS OF NOTE NO.5.03)

1	Leasehold Land	697.80	102.02		**799.82**	107.35	30.10	-	137.46	**662.36**	590.45
2	Office accommodation	29.86	-	-	**29.86**	13.69	14.93	-	28.61	**1.25**	16.17
		727.66	**102.02**	**-**	**829.68**	**121.04**	**45.03**	**-**	**166.07**	**663.61**	**606.62**

Note 5.01 Property, Plant and Equipment as at March 31, 2023

(Rs. in Lakhs)

Sl No.	Fixed Assets	Gross Cost				Depreciation				Net Block	
		As on 01.04.2022	Additions	Deletions/ Adjustments	Total as on 31.03.2023	Up to 01.04.2022	For the year	On deletions	Total upto 31.03.2023	Balance as at 31.03.2023	Balance as at 31.03.2022
	TANGIBLE ASSETS:	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	278.21	-	-	**278.21**	-	-	-	-	**278.21**	278.21
2	Buildings	786.66	257.73	-	**1,044.39**	176.84	40.12	-	216.96	**827.43**	609.82
3	Plant and Machinery	5,701.38	1,209.07	98.68	**6,811.77**	1,663.60	644.25	71.85	2,236.01	**4,575.75**	4,037.78
4	Furniture and Air conditioners	13.67	1.29	-	**14.96**	5.90	1.29	-	7.19	**7.77**	7.77
5	Computers	27.81	5.36	-	**33.18**	18.23	6.08	-	24.32	**8.86**	9.58
6	Vehicles	76.92	39.38	-	**116.31**	25.15	7.88	-	33.03	**83.28**	51.77
	Total	**6,884.66**	**1,512.84**	**98.68**	**8,298.82**	**1,889.73**	**699.63**	**71.85**	**2,517.52**	**5,781.30**	**4,994.93**

INTANGIBLE ASSETS (RIGHT TO USE ASSETS OF NOTE NO.5.03)

1	Leasehold Land	697.80	-		697.80	80.44	26.91		107.35	590.45	617.36
2	Office accommodation	43.05	29.86	43.05	29.86	41.81	14.92	43.05	13.68	16.17	1.23
		740.85	**29.86**	**43.05**	**727.66**	**122.26**	**41.83**	**43.05**	**121.04**	**606.62**	**618.60**

Note 5.01A : Buildings of the value of Rs.1075.93 Lakhs (previous year Rs.1044.39 Lakhs) are constructed on Leasehold Land

Note 5.01B : During the year there is no temporarily idle property, plant and equipment

Note 5.01C : Except for the Property disclosed in Note No.5.01A, All the Property, plant & equipments are owned by the holding company. Further, no proceedings have been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) and the rules made thereunder

Note 5.01D : The holding company has not revalued its Property, plant & equipment (including Right of Use assets) and intangible assets during the year under report and the immediately preceeding previous year.

Note 5.01E : Except for the Property disclosed in note No.5.01A, the title deeds of all the immovable properties are held in the name of the company.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

Note 5.02 : Capital Work in Progress

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Rs.	Rs.	Rs.	Rs.
Opening Capital Work in Progress	**212.72**		178.24	
Add: Additions during the year	688.93		1,286.26	
Less: Capitalised During the year	(633.60)		(1,252.60)	
Net Closing Capital Work in Progress before incidental expenditure		268.05		211.90
Expenditure Incidental to Construction awaiting allocation to Fixed Assets		—		0.82
Closing Capital Work in Progress		**268.05**		212.72

Note 5.02(a): Expenditure Incidental to Construction awaiting allocation to Fixed Assets

Particulars	As at 31-03-2024		As at 31-03-2023	
	Rs.	Rs.	Rs.	Rs.
a) Balance at the beginning of the year	**—**	**0.82**	—	0.11
b) add: expenditure incurred during the year				
Rates and Taxes	—	—	—	—
Travelling & others	—	—	—	—
Borrowing costs on Specific Borrowing for plant & machinery	—	—	26.78	26.78
c) Less: Capitalised during the year		**(0.82)**		(26.06)
d) Total Expenditure Incidental to Construction awaiting allocation to Fixed Assets		**—**		0.82

Note : The capitalization rate used to determine the amount of borrowing costs eligible for capitalization is 9.50%.

Note: 5.02(b) CWIP aging schedule as at 31.03.2024

(Rs.in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1. Projects in progress Installation of Boiler, additional Bag filter & Miscellaneous works, Jordan project	268.05	—	—	—	268.05
2. Projects temporarily suspended	—	—	—	—	—

CWIP aging schedule as at 31.03.2023

(Rs.in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1. Projects in progress					
Installation of Bag Filter & Building Lift	212.72	—	—	—	212.72
2. Projects temporarily suspended	—	—	—	—	—

Note:5.02 (c) CWIP completion schedule as at 31.03.2024

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Installation of Boiler, additional Bag filter & Miscellaneous works, Jordan project	268.05	--	--	--	Project completion is not over-due and also has not exceeded its initial estimated costs

CWIP completion schedule as at 31.03.2023

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Installation of Bag filter & Building lift	212.72	--	--	--	Project completion is not over-due and also has not exceeded its initial estimated costs

Note:5.02A Intangible Assets Under Development

Particulars	As at 31-03-2024		As at 31-03-2023	
	Rs.	Rs.	Rs.	Rs.
Balance at the beginning of the year	--	--	--	--
Add: Additions during the year	11.20	--	--	--
Less: Capitalised During the year	--	--	--	--
Closing Intangible Assets Under Development		**11.20**		**-**

Note:5.02A (a) aging schedule of Intangible assets under development as at 31.03.2024

(Rs.in Lakhs)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1. Projects in progress					
Accounting software under development	11.20	—	—	—	11.20
2. Projects temporarily suspended	—	—	—	—	—

Note 5.03 Movement in Right of use assets is as follows:

(Rs. in Lakhs)

Particulars	Balance as at 01-04-2023	Additions	Disposals	Amortization	Balance as at 31-03-2024
Leasehold Land	590.45	102.02	—	30.10	662.36
Building	16.17	—	—	14.93	1.25
Total	**606.62**	**102.02**	**—**	**45.03**	**663.61**

Note 5.03A: The weighted average incremental borrowing rate applied to lease liabilities is 9.25%

Note 5.03B: Statement of movement in the lease liabilities during the year ended March 31, 2024

(Rs.in Lakhs)

Particulars	For 2023-24	For 2022-23
Balance at the beginning of the year	**786.05**	770.47
Add/(less): new lease contracts entered during year	99.02	29.86
Add: Finance cost accrued during the period	72.06	72.65
Less: Payment of lease liabilities	(88.34)	(86.93)
Balance at the end of the year	**868.80**	786.05

Note 5.03C: Statement of break-up of current and non-current lease liabilities as at March 31, 2024

(Rs.in Lakhs)

Particulars	For 2023-24	For 2022-23
Current lease liabilities	81.03	88.34
Non-current lease liabilities	787.77	697.71
Total	**868.80**	786.05

Note 5.03D: Statement of actual (undiscounted) maturities of lease liabilities as at March 31, 2024

(Rs.in Lakhs)

Particulars	For 2023-24	For 2022-23
Less than one year	**81.03**	88.34
One year to five years	**390.14**	382.49
More than five years	**1,403.89**	1,485.04
Total	**1,875.06**	1,955.88

Note 5.04 Non-Current Investments (Fully paid up except otherwise stated)

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Investments designated at Fair Value through				
Investments in Quoted Equity instruments		**0.89**		0.62
Total		**0.89**		0.62

Note 5.04 (A) Details of Quoted investments in equity shares

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares	Fair Value	No. of Shares	Fair Value
Vikas Life (Face Value of Rs.1/- each)	**18,400**	**0.89**	18,400	0.62
Total		**0.89**		0.62

Note 5.04 (B) (1) Reasons for Investments designated to measure at FVTOCI:

The company has made an irrevocable decision to consider equity instruments and mutual funds not held for trading to be recognised at fair value through Other Comprehensive Income.

Note 5.05 Other Non-Current Financial Assets

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Unsecured, considered good				
Deposits Recoverable:		107.16		104.86
		107.16		104.86

Note 5.06 Other Non Current Assets

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Unsecured, considered good				
Capital Advances		19.69		49.36
Deposits Recoverable		133.79		133.79
		153.48		183.15

Note 5.07 Inventories

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
a. Stock of Raw Material and components		375.86		426.76
b. Stock of Finished Goods- Regular		159.45		321.50
c. Stock of Banked Solar Power Units		212.89		223.53
d. Work-in Progress		—		351.88
e. Stock of stores and spares	301.76		265.00	
f. Stock of stores and spares in transit	8.65	310.41	9.18	274.18
g. Loose tools, Others		0.98		—
Total		**1,059.59**		1,597.85

Note 5.07 (A) The method of valuation of inventories has been stated in Note No.3.3

Note 5.08 Trade Receivables

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Unsecured, considered good				
Trade receivables		1,269.30		1,372.24
		1,269.30		1,372.24

Note 5.08A: Ageing for trade receivables - billed – current outstanding as at March 31, 2024 is as follows

Particulars	Outstanding for following periods from due date of payment as at 31-03-2024						
	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,252.72	16.58	–	–	–	–	1269.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(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	–	–	–	–	–	–	–

Ageing for trade receivables - billed – current outstanding as at March 31, 2023 is as follows

Particulars	Outstanding for following periods from due date of payment as at 31-03-2023						
	Not due	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	887.97	483.91	-	0.36	-	-	1,372.24
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
(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	–	–	–	–	–	–	–

Note 5.08B: There are no unbilled dues as at 31.03.2024 (Previous year: Nil)

Note 5.09 Cash and Cash Equivalents (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
a. Balances with Scheduled banks:				
In Current Accounts		638.85		52.89
In Foreign Bank Accounts		104.14		4.49
b. Debit balance in Cash Credit Account with Banks		18.64		39.14
c. Cash on hand		0.82		0.37
d. Other Short term deposits		11.76		125.01
Total		**774.21**		221.90

Note 5.10 Bank balances other than cash and cash Equivalents (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Earmarked balances with banks (Unpaid Dividends)		19.31		12.19
Fixed deposits with banks **(Having original maturity period of more than 3 months and less than 12 months)**		69.67		18.63
		88.98		30.83

Note to 5.10: Fixed deposits with banks amounting to Rs.69.67 Lakhs (PY Rs.18.63 Lakhs) are kept with the bankers as margin monies towards Bank guarantees issued to suppliers of the holding company and the said fixed deposits cannot be utilised by the holding company till completion of the contracts entered with suppliers. Earmarked balances with banks are the amounts pertaining to unpaid dividend and these amounts can be utilised by the holding company only for paying unpaid dividends.

Note 5.10A Current Investments (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Investments designated at Fair Value through Other Comprehensive Income:		2,143.50		1,015.26
Total		**2,143.50**		1,015.26

Note to 5.10A(1) Details of investments in Mutual Funds (Rs.in Lakhs)

Particulars	Details		Details	
	No. of Units	Fair Value (Rs)	No. of Units	Fair Value (Rs)
Nippon India Equity Saving Fund	43,07,861	629.93		
Kotak Equity Arbitrage Fund	-	-	871,175	277.16
Kotak Equity Saving Fund	14,31,849	336.02		
Kotak Low duration fund	-	-	8,284	236.57
Mirae Asset Cash management Fund	-	-	4,306	100.84
Nippon India Ultra Short duration fund	-	-	11,610	400.69
Nippon India Arbitrage Fund	17,63,310	430.18	-	-
Tata Arbitrage Fund	35,95,443	473.90	-	-
ICICI prudential Mutual Fund Collection	13,49,822	273.47		
Total		**2,143.50**		1,015.26

Note 5.11 Other Current Financial Assets (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Interest and other receivables		242.46		168.37
Income Tax refund receivable		13.67		13.67
Amounts Due from related parties		4.17		-
		260.30		182.04

Note 5.12 Other Current Assets (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Unsecured, considered good				
Prepaid Expenses		16.66		14.93
Advances for supply of goods		193.33		62.23
Balances with Government Authorities		45.14		21.35
Total		**255.13**		98.51

Note 5.12A Current Tax Asset (Net) (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Prepaid Income Tax (Net of Provision for Income Tax)		**28.16**		—
Total		**28.16**		—

Note 5.13: Equity Share Capital (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.10 par value	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Issued				
Equity Shares of Rs.10 par value	78,20,482	782.05	78,20,482	782.05
Subscribed & Paid up				
Equity Shares of Rs.10 each fully paid	78,20,482	782.05	78,20,482	782.05
Total	**78,20,482**	**782.05**	78,20,482	782.05

5.13 (A) Rights, Preferences and restrictions attached to Equity Shares

Equity shares have a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholdings.

5.13(B) Reconciliation of the number of equity shares Outstanding **No. of shares**

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the reporting period	78,20,482	78,20,482
Changes in equity shares during the year	—	—
Balance at the end of the reporting period	**78,20,482**	78,20,482

5.13 (C) Details of Shareholders holding More than 5% Equity Shares in the Company

Particulars	As at 31-03-2024		As at 31-03-2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
NAME OF THE SHAREHOLDER				
a) Smt. V. Sunitha	17,32,383	22.15	17,32,383	22.15
b) Smt. V. Sarojini	8,41,885	10.77	8,41,885	10.77
c) M/s Kaiser Finance & Leasing (P) Ltd	7,86,975	10.06	7,86,975	10.06
d) Mr. Aditya Akkineni	4,80,506	6.14	4,80,506	6.14
	38,41,749	**49.12**	**38,41,749**	49.12

5.13 (D) Shareholding of Promoters

Shares held by promoters at the end of the year 31-03-2024			% Change during the year
Particulars	No. of Shares	% of total shares	
Smt. Sunitha Vemulapalli	17,32,383	22.15	0.00%
Smt. V Sarojini	8,41,885	10.77	0.00%
M/s Kaiser Finance & Leasing Private Limited	7,86,975	10.06	0.00%
Mr. Aditya Akkineni	4,80,506	6.14	0.00%
Ms. Annapurna Akkineni	2,65,917	3.4	0.00%
Mr. Venkata Narayana Rao Akkineni	2,30,000	2.94	0.00%
Mr. V Rohit	1,56,682	2.02	0.00%
Smt. Jyothsana Akkineni	61,731	0.79	0.00%
M/s Anar Enterprises Private Limited	55,100	0.7	0.00%
Mr. Ashok Vemulapalli	35,779	0.46	0.00%
M/s TriGeo Technologies Private Limited	26,089	0.33	0.00%
M/s Visakha Finance Limited	14,225	0.18	0.00%
Total	**46,87,272**	**59.94**	

Shares held by promoters at the end of the year 31-03-2023			% Change during the year
Particulars	No. of Shares	% of total shares	
Smt. Sunitha Vemulapalli	17,32,383	22.15	0.00%
Smt. V Sarojini	8,41,885	10.77	0.00%
M/s Kaiser Finance & Leasing Private Limited	7,86,975	10.06	0.00%
Mr. Aditya Akkineni	4,80,506	6.14	0.00%
Ms. Annapurna Akkineni	2,65,917	3.4	0.00%
Mr. Venkata Narayana Rao Akkineni	2,30,000	2.94	0.00%
Mr. V Rohit	1,56,682	2.02	0.00%
Smt. Jyothsana Akkineni	61,731	0.79	0.09%
M/s Anar Enterprises Private Limited	55,100	0.7	0.00%
Mr. Ashok Vemulapalli	35,779	0.46	0.00%
M/s TriGeo Technologies Private Limited	26,089	0.33	0.00%
M/s Visakha Finance Limited	14,225	0.18	0.00%
Total	**46,87,272**	**59.94**	

Note 5.14 Other Equity

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
a) General Reserve		6.00		6.00
b) Retained Earnings		6,941.68		5,331.83
c) Share Premium		928.18		628.18
d) Foreign Currency Translation Reserve		19.67		14.26
e) Other Comprehensive Income:				
Equity Instruments through Other Comprehensive Income		32.88		16.45
Re-measurement of Defined benefit plans		42.51		19.63
Total		**7,670.92**		6,016.35

Note 5.14 (a) Refer Statement of changes in Equity for Movement in balances of reserves

Note 5.14 (b) General Reserve

The General Reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by transfer from
one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

Note 5.14 (c) Retained Earnings

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the group.

Note 5.14 (d) Foreign Currency Translation Reserve relates to exchange differences for investment in Wholly owned foreign subsidiary as the same are classified as non-integral foreign operations

Note 5.14 (e) Other Comprehensive Income

Other Comprehensive Income (OCI) represents the balance in equity for items to be accounted under OCI and comprises of:

items that will not be reclassified to profit and loss

a. The group has made an irrevocable election to present the subsequent fair value changes of investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value including tax effects. The company transfers restated fair value amounts from this reserve to retained earnings when the relevant financial instruments are disposed.

b. The actuarial gains and losses along with tax effects arising on defined benefit obligations have been recognised in OCI.

Note 5.14 (f): In respect of the year ended 31st March, 2024, the Board of Directors of the holding company has proposed a dividend of Rs. 3/- per equity share, subject to approval by the shareholders at the ensuing Annual General Meeting after which dividend would be accounted and paid out of the retained earnings available for distribution in accordance with the provisions of the Act and for the year ended 31st March, 2023, the holding Company paid dividend of Rs.2/- per equity share as approved by the Shareholders in its respective Annual General Meeting.

Note 5.14 (g) Minority Interest

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	**Rs.**	Details	Rs.
Opening Minority Interest		5.31		38.45
Additional investment of minority interest		77.44		--
Adjustment of share in Profit or (Loss)		(14.78)		(33.14)
Adjusted Minority Interest		**67.97**		5.31

Note 5.14 (h): Holding company i.e Alufluoride Limited, Visakhapatnam has entered into an MOU with Jordan Phosphate Mines Company PLC, Jordan & Indo Jordan Chemical Company, Jordan (minority interest holders) to set up a green field Aluminium Fluoride manufacturing facility at Jordan. Accordingly, a company named M/s Jordanian Renewable Aluminium Fluoride Manufacturing Company was formed on 3rd November, 2022 in Jordan.

The holding company i.e Alufluoride Ltd has invested in 100% share capital of Alufluoride International Pte Limited, Singapore and in turn M/s Alufluoride International Pte Limited, Singapore has invested 67 percent of the capital of Jordanian Renewable Aluminium Fluoride Manufacturing Company in Jordan and the balance 33% has been invested by the minority interest holders.

Accordingly, consolidated financials of M/s Alufluoride International Pte Limited, Singapore are prepared by consolidating the unaudited stand-alone financials of M/s Jordanian Renewable Aluminium Manufacturing Company, and that of audited stand-alone financials of M/s Alufluoride International Pte Limited, Singapore. Further, these consolidated financial statements of holding company are prepared by consolidating the consolidated financials of M/s Alufluoride International Pte Limited, Singapore.

Note 5.15 Non Current financial Liabilities-Borrowings

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
<u>Secured</u>				
a) Term Loans				
i) Term Loans from ICICI Bank	--	--	829.61	1,462.70
ii) Term Loans from PNB*	778.83	748.98	--	--
b) Vehicle Loans				
i) Vehicle Loans from ICICI Bank	16.39	28.07	9.97	27.18
ii) Vehicle Loan from NBFC	19.31	53.32	--	--
Total	**814.53**	**830.37**	839.58	1,489.88

* During the year, term loans previously held with ICICI Bank are foreclosed and the same are transferred to Punjab National Bank (PNB)

Note 5.15A

Security for term loans from PNB:

a) Exclusive charge on inventories, Book debts of the company, both present and future of the holding Company
b) Exclusive charge on plant and machinery equipments of the holding company
c) Unconditional and irrevocable corporate guarantee given by M/s Anar Enterprises Private Limited.“"

Repayment terms (Commencing from March, 2024):

Term loan-I is repayable in 17 equal monthly instalments of Rs.49.78 Lakhs and 2nd Term Loan is repayable in 52 equal monthly instalments of Rs.14.94 Lakhs from December, 2023 to July 2027 & Rs.15.93 Lakhs from August, 2027 to March, 2028.

Note 5.15B

Security for Vehicle loans: Loan taken for purchase of vehicles are exclusive charge on the respective vehicles purchased.

Repayment terms:

Vehicles loans from ICICI bank are repayable in 40 monthly instalments commencing from April, 2023 with monthly EMIs of Rs.1.64 Lakhs“Vehicle loan from NBFC are repayable in 48 monthly instalments commencing from September, 2023 with monthly EMI of Rs.2.05 Lakhs.

Note 5.15C: The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
A. Current assets			
Financial assets			
Trade receivables	5.08	1,269.30	1,372.24
Non-financial assets			
Inventories	5.07	1,059.59	1,597.85
B. Non-current assets			
Plant and Equipment	5.01	4,476.09	4,575.75
Vehicles	5.01	165.89	83.28

Note 5.16 Non Current Provisions

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
(a) Provision for employee benefits:				
Gratuity	93.55		106.41	
Compensated Absences	19.49	113.04	28.43	134.83
(b) Provision for De-commissioning Liability		224.84		207.93
Total		**337.88**		342.76

Note 5.17 Deferred Tax Assets/ (Liability) (Net)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Deferred Tax Assets		347.12		414.55
Less: Deferred Tax Liabilities		(491.80)		(614.14)
Net Deferred Tax Assets / (Liabilities)		**(144.68)**		(199.59)

Note 5.17 (A):
Components, movement of Deferred Tax Assets/(Liabilities) as at 31st March, 2024 are given below

Particulars	As at 31-03-2023	(Charge)/Credit Recognised in Profit or Loss	Charge / (Credit) Recognised in Other Comprehensive Income	As at 31-03-2024
Deferred Tax Assets:				
Provision for Post retirement and other employee benefits:				
Provision for Gratuity	45.52	(3.53)	(3.67)	**38.32**
Provision - Leave encashment	10.48	1.23	(4.03)	**7.68**
Provision for De-commissioning liability	60.55	(3.96)	-	**56.59**
Lease Liabilities	228.90	(35.15)	-	**193.75**
Adjustment as per ICDS-5	69.10	(18.33)	-	**50.77**
Deferred Tax (Liabilities):				
Timing difference with respect to depreciation on Property, Plant & Equipment:	(435.14)	89.00	-	**(346.14)**
Timing difference with respect to Investments designated at FVTOCI	(2.35)	2.35	(3.48)	**(3.48)**
Timing difference with respect to Right To Use Asset	(176.65)	34.47	-	**(142.18)**
Net Deferred Tax Assets/(Liabilities)	**(199.59)**	**66.08**	**(11.18)**	**(144.68)**

Note 5.17 (B): The group has adequate profits in the past and the management is of the view that there will be taxable profits in the future. In view of the above the company has recognised deferred tax asset in the books of account.

Note 5.18 Current Financial Liabilities-Borrowings

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Secured				
ICICI cash Credit* (Secured by the stocks and book debts of the company)	–	–	–	–
Current maturities of long term borrowings		814.53		839.58
Total		**814.53**		839.58

* Debit balance in Cash credit Shown under Cash and cash equivalents in Note no-5.09

Note 5.18 (a) Details of differences between Books of account and statements submitted to bank during FY 2023-24

Name of Bank	Particulars of Securities provided	Quarter ending	Amount as per Books of account in lakhs	Amount as reported in quarterly statements	Amount of difference in lakhs	Reasons for material discrepancies
ICICI Bank	Finished Goods	June	112.28	112.52	(0.24)	Value revised During quaterly limited review carriedout
ICICI Bank	Creditors	June	613.60	598.02	15.58	Advances given reduced from creditors in stock statement
ICICI Bank	Consumable Stores/ Spares	September	294.12	294.24	(0.12)	Value revised During quaterly limited review carriedout
ICICI Bank	Finished Goods	September	29.49	28.75	0.74	Value revised During quaterly limited review carriedout
ICICI Bank	Creditors	September	860.71	861.02	(0.31)	Value revised During quaterly limited review carriedout

5.18 (b) There are minor differences between books and details submitted to bank for the month of March, 2024, however revised quaterly statement for the month of March, 2024 is submitted to bank; the changes are due to updation of figures during statutory audit.

Note 5.19 Trade Payables

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
(A) Total outstanding dues of Micro and Small Enterprises		26.96		1.20
(B) Total outstanding dues other than Micro and Small Enterprises		774.53		508.60
Total		**801.49**		509.80

Note 5.19 (A) Trade Payables ageing schedule as at 31-03-2024

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	26.96	---	---	---	---	26.96
(ii) Others	446.10	328.44	---	---	---	774.53
(iii) Disputed dues – MSME	---	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---	---
Total	**473.06**	**328.44**	**---**	**---**	**---**	**801.49**

Trade Payables ageing schedule as at 31-03-2023

(Rs.in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	---	1.20	---	---	---	1.20
(ii) Others	488.52	20.08	---	---	---	508.60
(iii) Disputed dues – MSME	---	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---	---
Total	**488.52**	**21.28**	**---**	**---**	**---**	509.80

Note 5.19 (B): There are no unbilled dues as at 31.03.2024 (Previous year: Nil)

Note 5.19(C): Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation.

(Rs.in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
(a) Principal amount and interest due thereon remaining unpaid but not due as at year end - Principal	26.96	1.20
Interest	NIL	NIL
(b) Interest paid in terms of Section 16 of MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year not due as at year end	NIL	NIL
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	NIL	NIL
(d) Interest accrued and remaining unpaid at the end of the year	NIL	NIL
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

Note 5.20 Other Current Financial Liabilities

(Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Capital creditors		**110.61**		160.51
Interest accrued but not due on term loan		**1.07**		0.68
Amounts payable to employees and others		**157.42**		123.84
Unclaimed dividends		**19.32**		12.19
Outstanding expenses		**15.29**		6.99
Total		**303.71**		304.21

Note 5.21 Other Current Liabilities (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Advances received against sales		0.38		2.09
Statutory Dues and Taxes payable		136.83		45.19
Others		0.33		
Total		**137.54**		47.28

Note 5.22 Current Provisions (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details	Rs.	Details	Rs.
Provision for employee benefits:				
Gratuity		58.70		49.91
Compensated Absences		11.03		7.57
Total		**69.73**		**57.48**

Note 5.23 Current Tax Liabilities (Net) (Rs.in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Details		Details	
Provision for Income Tax (Net of Prepaid Taxes)		--		27.56
Total		**--**		27.56

Note 5.24 Revenue From Operations (Rs.in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Aluminium Fluoride:		
Sale of total production (Including out of trial run in previous year)	16,190.76	13,610.86
Less: Sale of trial run production	--	
Taken to Profit & Loss account	**16,190.76**	13,610.86

Disclosures prescribed under Ind As 115 are given below

Note: 5.24 (A) Revenue disaggregation by industry vertical is as follows: (Rs.in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Fixed price manufacturing contracts	16,190.76	13,610.86
Total	**16,190.76**	13,610.86

Note: 5.24 (B) Revenue disaggregation by geography is as follows: (Rs.in Lakhs)

Revenue earned from states in India (*)	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Indigenous Sales		
a. Odisha	9,889.56	7,910.45
b. Uttar Pradesh	446.66	797.06
c. Madhya Pradesh	1,998.99	2,337.49
d. Chhattisgarh	3,661.35	2,294.84
e. Maharashtra	194.21	57.98
f. Karnataka	-	213.05
Total	**16,190.76**	13,610.86

Note: 5.24 (C) Reconciliation of revenue recognized with the contracted price is as follows

(Amount in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contracted price with customers	16,190.76	13,610.86
Less: Amounts adjusted for Discounts, rebates, refunds etc–	––	–
Revenue recognised in the statement of profit and loss	**16,190.76**	13,610.86

Note: 5.24 (D) Changes in advances received from customers (Contract liability) are as follows:

(Rs.in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	2.08	1.35
Amounts received during the year	72.85	70.67
Less: revenue recognised during the year	74.55	69.94
Balance at the end of the year	**0.38**	2.08

Note: There are no advances received by the company for sale of Aluminium Fluoride

Note: 5.24 (E) The details in respect of percentage of revenues generated from top customers are as follows:

Particulars	For the year ended March 31, 2024 (in %)	For the year ended March 31, 2023 (in %)
Revenue From Sales		
Revenue from top customer	52.51	41.04
Revenue from 2nd top customer	22.61	30.15
Total of other customers generating more than 10% revenue	20.40	16.86

The holding Company deals with largest corporates in India and the company believes 100% reliance of recovery of its receivables.

Note 5.25 Other Income

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
a) **Interest Income:**				
Financial assets at amortised cost	5.37		4.12	
Financial assets measured at fair value	4.01	9.38	2.29	6.41
b) **Other non operating income:**				
Sale of silica	47.55		28.16	
Sale of Coal Fines	2.10		--	
Sale of Scrap	15.29		43.98	
Gain on sale / redemption of investments	120.85		23.81	
Excess provisions made in earlier years written back	8.38		19.71	
Revenue from solar units	280.59		150.73	
Employee notice pay recovery	0.14		0.17	
Gain on exchange rate variation	0.22		--	
Interest on income tax refunds	-		7.60	
Income on Dividend	0.99		-	
Miscellaneous Income	2.64	478.75	0.05	274.21
Total		**488.13**		280.62

Note 5.26 Cost of Materials Consumed

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
Raw Materials, Packing Materials Consumed				
Opening Stock		426.76		515.76
Add: Purchases		9,960.83		9,184.73
Less: Closing stock		375.86		426.76
Total consumption		**10,011.73**		9,273.73
Taken to Profit & Loss account		**10,011.73**		9,273.73

Note 5.26 (A) Details of Raw materials consumed

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
Raw materials consumed				
Hydrofluosilicic Acid		2,296.24		2,139.85
Alumina Hydrate		5,678.82		5,183.17
Hydrated Lime		152.10		66.67
Packing Materials		77.39		84.25
Coal		495.50		663.73
Furnace oil		1,311.68		1,136.06
Total		**10,011.73**		**9,273.73**

Note 5.27 Change in Inventories of Finished Goods

(Amount in Lakhs)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
A) Closing Stock				
Finished Goods		372.35		896.92
Total (A)		**372.35**		896.92
B) Opening Stock				
Finished Goods		896.92		464.81
Total (B)		**896.92**		464.81
(Increase) / Decrease in stocks (B-A)		524.57		(432.11)
Total		524.57		(432.11)

Note 5.28 Employee Benefit Expenses

(Rs.in Lakhs)

Particulars		For the Year ended March 31, 2024		For the Year ended March 31, 2023
Payment & Benefits to Employees:				
Salaries & Wages		452.05		415.04
Remuneration to Wholetime Directors		165.42		129.08
Company's Contribution to Gratuity Fund		23.96		23.90
Company's Contribution to PF and other Funds		40.64		43.30
Staff welfare		37.04		24.22
Total		**719.11**		635.54

Note 5.28 (A) Employee benefit plans:

The disclosures of Employee Benefits as per Indian Accounting Standard 19 "Employees' Benefits" are given hereunder:

a) Defined Contributions Plans:

Contributions to Defined Contribution plans, recognized as expense for the year, are as under:

(Rs.in Lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Employer's Contributions to Provident and Pension Funds	40.64	28.06

b) Defined Benefit Plans:

General Description of the Post Employment defined Benefit Plans;

i) Gratuity:

The holding company provides for gratuity to the employees as per Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity is payable on retirement/resignation The gratuity plan is a Unfunded plan and the company provides liability in the books of account based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

ii) Compensated Absence:

The holding Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur. Encashment of accumulated earned leave, subject to maximum permissible limits as per the terms of appointment, will be paid to the employee on separation.

Note 5.28 (B) Statement showing Reconciliation of opening and closing balances of Defined Benefit obligations, Plan assets

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	**For the Year Ended 31st March, 2024**	For the Year Ended 31st March, 2023
A) Change in Fair value of the defined benefit obligation:				
Liability at the beginning of the year	156.32	143.63	35.99	47.89
Interest Cost	11.12	10.02	2.53	3.35
Current Service Cost	12.84	13.88	6.12	10.06
Benefits paid	(8.77)	(6.29)	(2.82)	(1.92)
Actuarial loss / (gain) on obligation	(19.26)	(4.92)	(11.31)	(23.39)
Liability at the end of the year	152.26	156.32	30.51	35.99
B) Change in Fair value of plan asset				
Fair value of plan assets at the beginning of the year	—	—	—	—
changes during the year	—	—	—	—
Fair value of plan assets at the end of the year	—	—	—	—
(C) Net Defined Benefit obligation at year end (A-B)	**152.26**	**156.32**	**30.51**	35.99

Note 5.28 (C). Expenses recognized during the year in the Statement of Profit & Loss under employee benefit expenses

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	**For the Year Ended 31st March, 2024**	For the Year Ended 31st March, 2023
Interest Cost	11.12	10.02	2.53	3.35
Current Service Cost	12.84	13.88	6.12	10.06
Expected return on plan assets	-	-	-	-
Expenses recognized in the statement of Profit & Loss	**23.96**	**23.90**	**8.65**	13.41

Note 5.28 (D) Amount to be recognized in statement of other comprehensive income

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	**For the Year Ended 31st March, 2024**	For the Year Ended 31st March, 2023
Remeasurements of the net defined benefit liability/ (asset) Actuarial (gains) / losses	**(19.26)**	(4.92)	(11.31)	(23.38)

Note 5.28 (E) Actuarial (Gain)/Loss arising from;

(Rs.in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	**For the Year Ended 31st March, 2024**	For the Year Ended 31st March, 2023
Change in Demographic assumptions	—	—	—	—
Change in Financial assumptions	**(19.26)**	(4.92)	(11.31)	(23.38)

Note 5.28 (F) Significant estimates: Actuarial assumptions

Particulars	**For the Year Ended 31st March, 2024**	For the Year Ended 31st March, 2023
Discount Rate: Gratuity (Unfunded)	7.05%	7.32%
Compensated absences (Unfunded)	7.05%	7.32%
Salary Escalation Rate: Gratuity (funded)	8.00%	8.00%
Compensated absences (Unfunded)	8.00%	8.00%
Employee Attrition Rate: Gratuity (Unfunded)	6.00%	6.00%
Compensated absences (Unfunded)	6.00%	6.00%
Mortality rate during employment:		
Gratuity (Unfunded) Compensated absences (Unfunded)	Indian Assured Lives Mortality (2012-14) Ultimate 58 Years	

Note 5.28 (G) Significant estimates : Sensitivity analysis

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

Particulars	Change of assumption (+ increase / -decrease)	Effect on Gratuity Valuation (Rs.)	Effect on Compensated absences (Rs.)
Projected benefits obligation on current assumptions as on 31-03-2024			
Impact on present value of defined benefit obligation if discount rate increase by	+1%	146.06	28.92
Impact on present value of defined benefit obligation if discount rate decrease by	-1%	159.26	32.35
Impact on present value of defined benefit obligation if salary increase by	+1%	166.05	34.98
Impact on present value of defined benefit obligation if salary decrease by	-1%	140.71	26.91
Impact on present value of defined benefit obligation if employees attrition is	+1%	154.35	32.07
Impact on present value of defined benefit obligation if employees attrition is	-1%	149.53	28.52
Impact on present value of defined benefit obligation if mortality rate is	+1%	152.72	30.51
Impact on present value of defined benefit obligation if mortality rate is	-1%	151.79	30.51
Projected benefits obligation on current assumptions as on 31-03-2023			
Impact on present value of defined benefit obligation if discount rate increase by	+1%	149.74	33.97
Impact on present value of defined benefit obligation if discount rate decrease by	-1%	163.68	38.30
Impact on present value of defined benefit obligation if salary increase by	+1%	173.05	35.99
Impact on present value of defined benefit obligation if salary decrease by	-1%	142.32	30.52
Impact on present value of defined benefit obligation if employees attrition is	+1%	167.69	40.55
Impact on present value of defined benefit obligation if employees attrition is	-1%	141.26	29.68
Impact on present value of defined benefit obligation if mortality rate is	+1%	158.91	37.04
Impact on present value of defined benefit obligation if mortality rate is	-1%	153.57	34.87

Note 5.28 (H) Expected contribution to the defined benefit plan in future years

(Rs. in Lakhs)

Particulars	Gratuity (Unfunded)		Compensated absences (Unfunded)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Expected outflow in 1st year	5.26	4.71	0.59	0.85
Expected outflow from 2 to 5 years	91.30	76.97	10.57	8.55
Expected outflow from 6 to 10 years	50.15	43.94	6.11	5.82
Expected outflow more than 10 years	189.61	168.59	54.41	53.20

Note: As per the enterprise's accounting policy actuarial gains and losses are recognized immediately during the same year itself.

Note: The above information is certified by the Actuary.

(Rs. in Lakhs)

Note 5.29 Finance Charges

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Unwinding of discount on De-commissioning provision		16.90		15.63
Interest expense on lease liability		73.52		72.64
Interest paid to banks on - CC loan		0.61		3.74
Loan processing charges		–		3.34
Interest paid to banks on - Term Loans (Net of interest capitalised Rs. Nil (previous year Rs.26.77 Lakhs)		209.45		186.12
Bank charges		14.64		8.95
Total		**315.12**		290.42

Note 5.30 Depreciation and Amortisation expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Depreciation and amortisation of property, plant and equipment		821.44		699.63
Amortization of Right to use assets		41.77		41.83
Total		**863.21**		741.46

Note 5.31 Other Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Power, Fuel & water				
Power and fuel Charges	528.34		493.15	
Water Charges	92.73	621.07	83.20	576.35
Repairs & Maintenance				
Plant & Machinery	417.86		326.60	
Others	119.31	537.18	97.46	424.06
Other Manufacturing Expenses		140.53		81.37
Rates and Taxes		12.47		7.91
Insurance		18.97		15.28
Postage & Telephone expenses		5.07		6.13
Auditors' Remuneration				
For Statutory Audit Fees	3.00		3.00	
For Limited review	0.45		0.45	
For certification charges	0.42		1.20	
For Tax matters	2.00		-	
For Tax Audit Fee	0.40	6.27		4.65
Selling expenses		299.71		199.29
Corporate Social Responsibility (CSR) Expenses		15.72		13.00
Legal and professional charges		74.05		98.09
Loss on Exchange rate variation		0.43		--
Security charges		13.80		12.43
Travelling and conveyance		40.27		46.53
Fixed assets written off		-		6.10
Miscellaneous Expenses		68.46		105.42
Total		**1,854.00**		1,596.61

Note 5.31 A CSR Expenses
Corporate Social Responsibility

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Amount required to be spent during the year (excluding previous shortfall)	15.72	12.52
(b) Amount of expenditure actually incurred	15.72	13.00
(c) Short fall / (excess) at the end of the Year (Including previous year)	0.00	(0.48)
(d) Total of Previous year shortfall	––	––
(e) Reasons for Shortfall	––	Excess spent during the year
(f) Nature of CSR activities	Refer note 5.31B given below	Refer note 5.31B given below
(g) Details of related party transactions	Nil	Nil

Note 5.31 B CSR Expenses

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Amount spent during the year on				
i) Rural development projects	––	**6.65**	––	13.00
ii) Eradicating hunger, poverty and malnutrition, making available safe drinking water and promoting health care including preventive health care	––	**5.00**	––	---
iii) Promoting Health care, including Preventive health checkup	––	**4.07**	––	––
Total amount spent	––	**15.72**	––	13.00

Note 5.31 C: Nature of CSR expenditure

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Amount spent during the year on				
i) Construction/Acquisition of asset		––		––
ii) Other than (i) above:		15.72		13.00
Total amount spent		**15.72**		13.00

Note 5.32 Components of Tax Expense recognised in profit and loss account

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Details	Rs.	Details	Rs.
Current Tax:				
Current tax on profit for the year		720.04		466.37
Deferred tax				
Decrease/(increase) in deferred tax assets		59.74		(5.37)
(decrease)/increase in deferred tax liabilities		(125.83)		74.31
Total deferred tax expenses/(benefit)		**(66.09)**		**68.94**
Tax for earlier year				
Tax pertaining to previous years		(14.29)		1.83
Total Tax expense recognised in the current year		**639.66**		537.14

Note 5.32 (A) Reconciliation of Income tax expense for the year with accounting profit;

(Rs. in Lakhs)

Particulars	For the year ended 31-03-2024	For the year ended 31-03-2023
Profit before tax	**2,453.87**	1,949.38
Computed tax expense	617.64	567.66
Less: Depreciation as per IT rules	**(207.08)**	(279.10)
Add: Effect of expenses that are not deductible in determining taxable profit		
Depreciation as per Companies Act, 2013	216.93	215.91
Effect of deferred tax, other adjustments	**33.15**	31.01
Addition of CSR expenses	**3.96**	3.79
Actuarial gains/(loss) recognised in OCI	**7.70**	8.24
Adjustment as per ICDS	**(18.33)**	(12.19)
Taxation pertaining to earlier years	**(14.29)**	1.83
Tax expense as per the Statement of Profit and Loss	**639.66**	537.14

i) The tax rate used for the years ended 31st March, 2024 and 31st March, 2023 in reconciliations above is the corporate tax rate of 25.168 % (Previous year 29.12 %) payable by corporate entities in India on taxable profits under the Income Tax Act, 1961

ii) Pursuant to section 115BAA of the Income Tax Act, 1961, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess (New tax rate @ 25.168%). The holding company has decided to opt for the new tax rate from the financial year 2023-24.

Note 5.32(B) Tax Expenses /(Income) recognised in other comprehensive income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On remeasurement of defined benefits plan	7.69	8.24
On Fair valuation of equity, mutual funds	3.48	0.85
Total	**11.17**	9.09

Note 5.33 Other Comprehensive Income for the Year

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Actuarial measurement of Defined Benefit Plans	**30.57**	28.30
b. Restatement of Equity Investments measured through FVTOCI	**19.91**	6.90
c. Deferred Tax effect on the above	**(11.17)**	(9.09)
Total Income/(Loss)	**39.31**	26.11

Note 5.34 Calculation of Earnings Per Share (EPS) is as follows:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects all dilutive potential equity shares.

A) Profit attributable to equity holders is as follows:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit/(Loss) attributable to equity holders:		
Continuing operations	1,766.26	1,281.82
Discontinued operation	—	—
Net Profit/(Loss) attributable to equity holders adjusted for the effect of dilution	**1,766.26**	1,281.82

B) Weighted average number of equity shares is as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average number of Equity shares for calculating basic EPS	78,20,482	78,20,482
Equity shares allocated during the yearbasic EPS	—	—
Weighted average number of Equity shares for calculation of diluted EPS	78,20,482	78,20,482

C) Calculation of EPS

Earnings per equity share (for continuing operations)	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Basic	22.59	16.39
b) Diluted	22.59	16.39
Earnings per equity share (for discontinuing operations)		
a) Basic	—	—
b) Diluted	—	—

Note 5.35 Segment information

Operating segments are identified and reported taking into account the different risk and return, organization structure and internal reporting system. Segmental reporting as per Ind AS-108 as notified by MCA is not applicable, as the Company is engaged in manufacture of a single line of product.

Note 5.36 Impairment of Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may have to be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

According to an internal technical assessment carried out by the group, there is no impairment in the carrying cost of cash generating units of the group in terms of Indian Accounting Standard 36 'Impairment Of Assets'

Note 5.37 Earnings & Expenditure in foreign currency on account of:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A) Earnings in foreign currency:	—	—
B) Expenditure in foreign currency: CIF value of imports for :		
Capital goods	150.91	—
Components and spare parts	30.49	—

Note: 5.38 Details of imported and indigenous raw materials consumed

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Amoun in Rs.	%	Amoun in Rs.	%
Raw Materials				
Indigenous	**10,011.73**	**100.00**	9,273.73	100.00
Imported	—	—	—	—

Note 5.39 Movements in provisions

(Rs. in Lakhs)

Particulars	Provision for decommissioning liability
As at 31-03-2023	207.94
Addition during the year	—
Charged/ (credited) to profit/loss account	16.90
Unused amounts reversed	—
Amounts used during the year	—
As at 31-03-2024	**224.84**

Provision for decommissioning liability:

This provision has been created for estimated costs of dismantling and removing the debris and restoring the site in respect of leased premises on which the plant is super structured.

Note 5.40 As per Indian Accounting Standard 24 "Related parties disclosure" the disclosure of Related parties as defined in the Standard are given hereunder:

A) List of Related Parties:

Name of the Related Party	Relationship
1) M/s Anar Enterprises Private Ltd, 2) M/s Kaiser Finance & Leasing Private Ltd, 3) M/s Visakha Finance Ltd,	Entities in which Key management personnel and/or Close relatives have significant interest
4) Sri Venkat Akkineni	Key management personnel - Managing Director
5) Smt. Jyothsana Akkineni	Key management personnel - Executive Director and wife of Managing Director
6) Sri K. Purushotham Naidu	Key management personnel - Director (Finance) & CFO.
7) Smt. Vaishali Kohli	Key management personnel - Company Secretary
8) Mr. Aditya Akkineni	Son of Managing Director
9) Ms. Annapurna Akkineni	Daughter of Managing Director
10) Alufluoride International PTE Ltd, Singapore	Wholly Owned Subsidiary
11) Sri Yugandhar Meka Sri A.V.V.S.S.Ch.B. Sekhar Babu Sri Ashok Vemulapalli Sri G. SreeramaKrishna (Till 31.07.2023) Sri Sohrab Chinoy Kersasp (From 16.09.2023)	Non- Executive & Independent Directors of the company

B) Transactions with the Related Parties

(Rs. in Lakhs)

Particulars	Name of the related party	Transactions total during	
		2023-24	2022-23
1. Remuneration paid	Sri Venkat Akkineni Sri K.Purushotham Naidu Sri Aditya Akkineni Smt. Vaishali Kohli	144.71 20.68 14.58 2.08	108.40 20.68 — 1.95
2. Investment in Equity	Aluflouride International PTE LTD, Singapore	273.53	—
3. Sitting fees paid to Independent Directors	Sri Yugandhar Meka Sri A.V.V.S.S.Ch.B. Sekhar Babu Sri Ashok Vemulapalli Sri G. Sreeramakrishna Sri Sohrab Chinoy Kersasp	1.90 1.90 1.90 0.70 1.00	1.80 1.90 1.90 1.30 —
4. Dividend paid	M/s. Anar Enterprises Private Ltd, M/s Kaiser Finance & Leasing Pvt.Ltd M/s. Visakha Finance Ltd. Sri Venkat Akkineni Smt. Jyothsana Akkineni Sri K.Purushotham Naidu Sri Aditya Akkineni Ms.Annapurna Akkineni Sri AVVS Sekahr Babu Sri Ashok Vemulapalli	1.10 0.00 0.28 4.60 1.23 0.01 9.61 5.32 0.00 0.72	0.55 0.01 0.14 2.30 0.55 0.00 4.81 2.66 0.00 0.36

C) Outstanding balances:

(Rs. in Lakhs)

Name of the related party	Outstanding as at	
	31.03.2024	31.03.2023
Sri Venkat Akkineni	92.56	46.15
Sri K.Purushotham Naidu	1.72	2.47
Sri Aditya Akkineni	1.48	—
Smt. Vaishali Kohli	0.13	0.13

D) Compensation to Key management personnel

The remuneration and other benefits to key management personnel during the year was as follows

(Rs. in Lakhs)

Particulars	For 2023-24	For 2022-23
i) Short-Term employee benefits	174.87	137.92
ii) Post employment benefits (As per Actuary report)	29.99	29.11
iii) Other long term benefits	—	—
iv) Share based payments	—	—
v) Termination benefits	—	—
Total	**204.86**	167.03

Note 5.41 Recent accounting pronouncements

For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note 5.42: Other additional Regulatory information

a) Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

b) No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.

c) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237 of the Companies Act, 2013.

d) The company has not granted any Loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

e) There are no transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

"Note 5.43:

As at 31.03.2024, the company has invested US$ 5,25,000, INR equivalent Rs.432.45 Lakhs/- in Alufluoride International Pte Limited, Singapore. The company was allotted 5,25,000 ordinary shares of the face value of US$ 1 each fully paid up. Accordingly, Alufluoride International Pte Limited, Singapore has become the 100 per cent owned subsidiary of the company. An MOU was signed between Alufluoride Limited, Visakhapatnam and Jordan Phosphate Mines Company PLC, Jordan and Indo Jordan Chemical Company, Jordan (Joint Venture Partners) to set up a green field Aluminium Fluoride manufacturing facility at Jordan. In furtherance of the objectives of the MOU, Alufluoride International Pte Ltd., Singapore proposes to invest up to 67 percent of the capital of the new company and the balance 33% will be invested by the above Joint Venture Partners

A) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries)

B) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 5.44: Additional Regulatory Information- Ratios

Ratio type	Numerator	Denominator	For the year ended 31st March 2024	For the year ended 31st March 2023	% variance	Reasons for variance above 25%
Current Ratio (in times)	Total Current assets	Total Current liabilities	1.69	1.87	(9)	Nil
Debt-Equity Ratio (in times)	Total debt, debt consists of borrowings and lease liabilities	Total equity	0.28	0.45	(37)	Due to decrease in term loans on repayments during the year
Debt Service Coverage Ratio (in times)	Earnings before interest, tax, depriciation & non cash expenditure, income	Debt service = Interest and lease payments + Principal repayments	4.03	2.90	39	
Return on Equity Ratio (in %)	Total comphrehensive income	Average total equity	23.48%	13.31%	76	Increased capacity utilisation during the year over previous year resulted in increased profit
Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory	7.93	6.14	29	Increased capacity utilisation during the year over previous year resulted in
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	12.26	10.00	23	Nil
Trade payables turnover ratio (in times)	Net credit purchases	Average Trade Payables	15.19	16.06	(5)	Nil
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	10.60	8.35	27	Due to increased revenue from operations during the year
Net profit ratio (in %)	Total comphrehensive income	Revenue from operations	11.06%	9.37%	18	Nil
Return on Capital employed (in %)	Earnings before interest and tax	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	26.42%	22.26%	19	Nil
Return on investment (in %) (In equity & Mutual Funds)	Income generated from invested funds & change in market value of investments	Average Invested funds	4.45%	2.23%	99	Increase in income from investments during the year

Note 5.45 Contingent Liabilities not provided for in respect of:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A) Claims against the company not acknowledged as debt		
(i) Disputed Income Tax demands pending with Assessing officer for AY 2008-09	**0.90**	1.27
(ii) Disputed dues payable towards expansion project to foreign service provider	**25.00**	26.87
(iii) Demand towards cross subsidy charges raised by APEPDCL on solar power units generated disputed by the company.	**–**	37.54
B) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances):	**240.75**	241.22
C) Letter of Credit issued by the company to the supplier as a performance bank guarantee	**11.08**	22.17
D) Bank guarantees issued by the company to customers as a performance bank guarantee	**478.89**	105.89

Note 5.46

Previous year's figures have been regrouped and rearranged wherever necessary to make them comparable with the current year figures.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024

Note No. 6 Financial Instruments:

Note No. 6.1 Capital Management

A) The primary objective of the holding company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder's value. The company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the company.

B) Capital Structure of the Company is as follows:

(Rs. in Lakhs)

Particulars	As at 31-03-2024	As at 31-03-2023
Equity Share Capital	**782.05**	782.05
Other equity	**7,670.92**	6,016.35
Total Equity	**8,452.97**	6,798.40
Borrowings	**1,644.89**	2,329.46
Total Debt	**1,644.89**	2,329.46
Debt to Equity ratio	**0.19**	0.34

Note No. 6.2 Categories of Financial Instruments

(Rs. in Lakhs)

Particulars	As at 31-03-2024		As at 31-03-2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets measured at Amortised Cost				
Financial Assets measured at Amortised Cost				
Trade receivables	1,269.30	1,269.30	1,372.24	1,372.24
Bank balances (other than those in cash and cash equivalents)	88.98	88.98	30.83	30.83
Other current and non-current financial assets	260.30	260.30	182.04	182.04
Financial Assets measured at Fair Value through Profit and Loss Account (FVTPL)				
Other Non-Current Financial Assets	107.16	107.16	104.86	104.86
Cash and cash equivalents	774.22	774.22	221.90	221.90
Designated Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)				
Investment in Equity Instruments and mutual funds	2,144.39	2,144.39	1,015.88	1,015.88
Financial Liabilities (Current and Non–Current)				
Financial Assets measured at Amortised Cost				
Borrowings	1,644.89	1,644.89	2,329.46	2,329.46
Lease Liability	868.80	868.80	786.05	786.05
Trade payables	801.49	801.49	509.80	509.80
Other financial liabilities	303.71	303.71	304.20	304.20

Note No. 6.3 Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

A) The following methods and assumptions are used to estimate the fair values

The fair value of cash and cash equivalents, trade receivables and payables, financial liabilities and assets approximate their carrying amount largely due to the short–term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/ amortised cost in the financial statements approximate their fair values. The investments are designated and recognised through Other Comprehensive Income and the fair value is measured at the quoted market value.

B) Fair value hierarchy

Level 1: Level 1 hierarchy includes inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that theentity can access at the measurement date

Level 2: Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

C) Statement showing the fair value hierarchy of the financial assets and liabilities measured at fair value on a recurring basis as at March 31, 2024:

(Rs. in Lakhs)

	As at 31st March, 2024	Fair value measurement at reporting date using		
		Level 1	Level 2	Level 3
Financial Assets				
Trade receivables	1,269.30	—	1,269.30	—
	(1,372.24)	—	(1,372.24)	—
Other current & Non-current financial assets	367.46	—	367.46	—
	(286.90)	—	(286.90)	
Investment in Equity Instruments and mutual funds	2,144.39	2,144.39	—	—
	(1,015.88)	(1,015.88)	—	—
Financial Liabilities				
Borrowings	1,644.89	—	1,644.89	—
	(2,329.46)	—	(2,329.46)	—
Lease Liability	868.80	—	868.80	—
	(786.05)	—	(786.05)	
Trade payables	801.49	—	801.49	—
	(509.80)	—	(509.80)	—
Other financial liabilities	303.71	—	303.71	—
	(304.20)	—	304.20)	—

Note: Figures in round brackets ( ) indicate figures as at March 31, 2023
During the above periods, there were no transfers between Level 1 and Level 2

Note No-6.4 Financial risk management framework

A) The Holding Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The risk management framework aims at,

i) Improve financial risk awareness and risk transparency
ii) Identify, control and monitor key risks
iii) Identify risk accumulations
iv) Provide management with reliable information on the Company's risk situation
v) Improve financial returns

B) The company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

This note explains the sources of company's risk from financial instruments and the method adopted to overcome the risk:

Nature of Risk	Exposure arising from	Measurement	Risk Management
a) Credit risk	Cash and cash equivalents, trade receivables, deposits, investments in securities & mutual funds	Aging analysis/ credit ratings, expected credit loss	Lower credit period & divercification of bank deposits
b) Liquidity risk	Trade payables, Other liabilities	Rolling cash flows forecasts	Committed credit periods for payments
c) Market risk-Commercial risk	Price variations of raw materials, sales	Sensitivity analysis	Fixed contracts on selling and purchases
d) Market risk-Security investments prices	Price variations of investments in securities	Sensitivity analysis	Portfolio diversification

a) Credit risk:

i) Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), from cash and cash equivalents, deposits with banks. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

ii) Financial assets that are neither past due nor impaired

Cash and cash equivalents, deposits with banks, security deposits, investments in securities & mutual funds are neither past due nor impaired. Cash and cash equivalents, deposits are held with banks which are reputed and credit worthy banking institutions. Hence the expected credit loss is negligible. Investments in investments in securities & mutual funds are actively traded in the stock markets and and there is no collateral held against these because the counterparties are entities with high credit ratings assigned by the various credit rating agencies. Hence the expected credit loss is negligible

iii) Financial assets that are past due but not impaired

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The average credit period on sales of products is less than 30 days. All trade receivables are reviewed and assessed for default on a quarterly basis. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows:

Age of receivables for calculating expected credit loss under simplified approach

Particulars	As at 31st March 24	As at 31st March 23
No Due & Less than 3 Months	1,265.33	887.97
3 Months to 6 Months	3.97	483.91
6 Months to 1 Year	–	–
1 Year to 3 Years	–	0.35
More than 3 Years	–	–
(Expected Credit losses)		–
Net carrying amount	**1,269.30**	1,372.24

Note: Since all the recivables are within the credit period; there is a negligible expected credit loss

b) Liquidity risk

i) Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit line to meet obligations. Due to the dynamic nature of underlying business, company maintains flexibility in funding by maintaining availability under committed credit lines.

ii) Maturities of financial liabilities

The following table shows the estimated maturity analysis for non-derivative financial liabilities

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade payables		
Not Due	473.05	488.52
Less than 3 Months	326.53	19.01
3 Months to 6 Months	0.20	2.24
6 months to 1 Year	1.70	0.03
More than 1 Year	–	–
Other financial liabilities		
On Demand payable	303.71	304.20
Less than 3 Months		
More than 3 months		
Borrowings		
Less than 1 Year	814.53	839.58
More than 1 Year	830.37	1,489.88
Lease Liabilities		
On Demand payable		
less than 1 year	81.03	88.34
More than 1 Year	787.77	697.71

c) Market risk-Commercial risk

i) Interest Rate Risk -

The groups' main interest rate risk arises from long term borrowings with variable rates, which expose the group to cash flow interest rate risk.

Sensitivity to changes in interest rates

(Rs. in Lakhs)

Particulars	Impact on Profit	
	As at 31st March, 2024	As at 31st March, 2023
Sensitivity Analysis of Borrowings		
Rate of Interest Increase by 0.5%		
Borrowings	**8.22**	11.65
	8.22	11.65
Rate of Interest Decrease by 0.5%		
Borrowings	**(8.22)**	(11.65)
	(8.22)	(11.65)

i) Foreign currency risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure/liability will fluctuate because of changes in foreign exchange rates. Since Company's operations are being carried out in India and since all the material balances are denominated in its functional currency and there are no foreign currency borrowings, liabilities, the Company does not carry any material exposure to currency fluctuation risk. The Company's exposure to foreign currencies is immaterial and hence no sensitivity analysis is presented

ii) Commercial risk :

The commercial risk is the risk due to the change in market prices of raw materials and finished goods and it is measured though sensitivity analysis by taking variance of 5%

1) Selling price risk

(Rs. in Lakhs)

Particulars	Impact on Profit	
	As at 31st March, 2024	As at 31st March, 2023
Increase in Selling Prices @ 5%		
Aluminium fluoride	**809.54**	680.54
	809.54	680.54
Decrease in Selling Prices @ 5%		
Aluminium fluoride	**(809.54)**	(680.54)
	(809.54)	(680.54)

2) Raw material risk

(Rs. in Lakhs)

Particulars	Impact on profit	
	As at 31st March, 2024	As at 31st March, 2023
Increase in RM Cost @ 5%		
Hydrofluosilicic Acid	**114.81**	106.99
Alumina Hydrate	**283.94**	259.16
Hydrated Lime	**7.61**	3.33
Packing Materials	**3.87**	4.21
Furance oil	**65.58**	56.80
Coal	**24.78**	33.19
Decrease in RM Cost @ 5%		
Hydrofluosilicic Acid	**(114.81)**	(106.99)
Alumina Hydrate	**(283.94)**	(259.16)
Hydrated Lime	**(7.61)**	(3.33)
Packing Materials	**(3.87)**	(4.21)
Furance oil	**(65.58)**	(56.80)
Coal	**(24.78)**	(33.19)

d) Market risk-Security investments prices

i) The price risk arises from the investments held by the company which has been classified in the financial statements as financial asstes through other comprehensive income and the same are held for receiving contractual cash flows and for sale. The company has adopted a policy of diversification of portfolio for mitigating the price risk.

ii) Equity Price Sensitivity Analysis:

The sensitivity analysis below have been determined based on the exposure to equity price risks for Investments in equity shares (including investments in equity oriented mutual funds) of companies.

If equity prices had been 5% higher/lower, profit for the year ended 31st March, 2024 would increase/ decrease by Rs.107.21 Lakhs (for the year ended 31st March, 2023: increase / decrease by Rs.50.79 Lakhs) as a result of the change in fair value of equity investments which are designated as FVTOCI.

As Per our report of even date

For and on behalf of the Board

For BRAHMAYYA & Co.,
Chartered Accountants
FRN No: 000513S

YUGANDHAR MEKA
Chairman
DIN:00012265

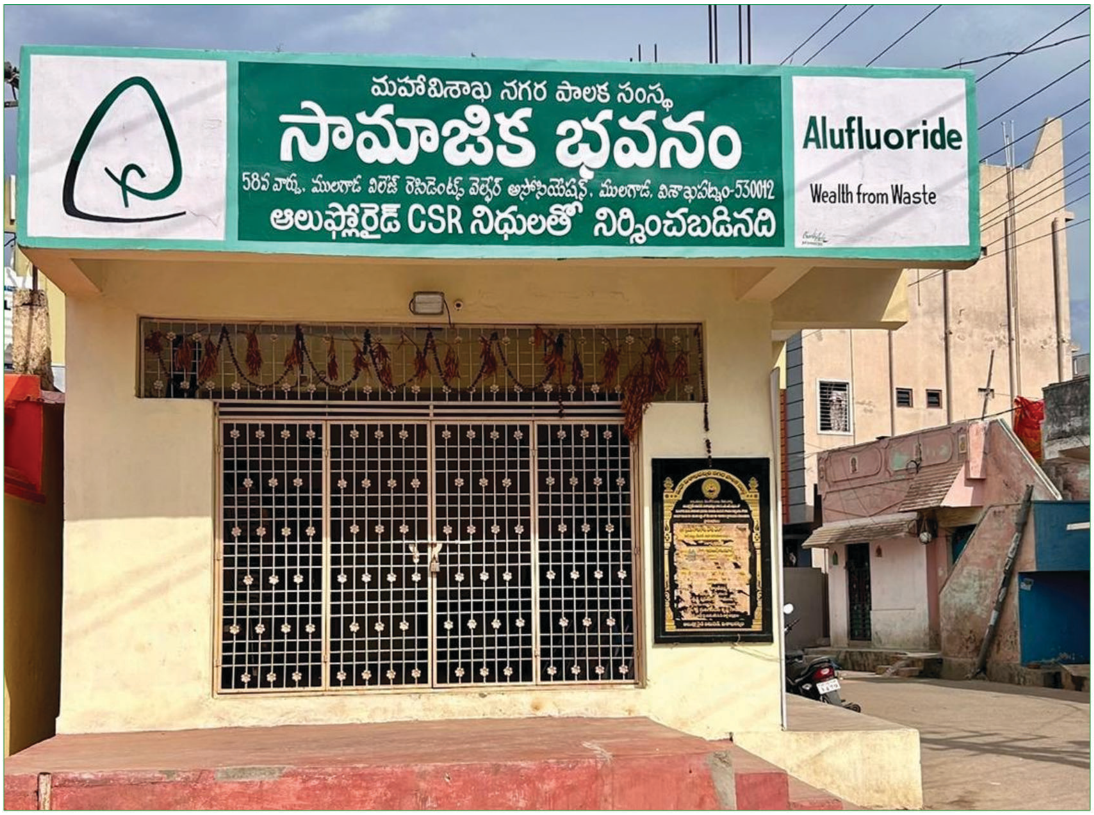
VENKAT AKKINENI
Managing Director
DIN: 00013996

E S H MOHAN
Partner
Membership No.028134

VAISHALI KOHLI
Company Secretary
M. No. ACS63818

K. PURUSHOTHAM NAIDU
Director & Chief Financial Officer
DIN: 01883663

Place: Hyderabad
Date : 23 May, 2024



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3 MW Solar Power Generation Panels at Polepalli, Anakapalli.

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