

By online submission

Sec/24-25/64  
Date: 31/08/2024

To,  
The General Manager,  
Department of Corporate Services  
BSE Ltd.  
1st Floor, New Trading Ring,  
Rotunda Building, P. J Tower,  
Dalal Street, Fort, Mumbai-400 001  
BSE Code: 524370

To,  
The General Manager,  
National Stock Exchange of India Ltd.  
Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (E), Mumbai-400 051.  
NSE Code: BODALCHEM

Dear Sir /Ma'am,

**Subject: Annual Report for the FY 2023-24.**

In terms of Regulation 30 and Regulation 34 of SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015, we submit herewith the soft copy of 38<sup>th</sup> Annual Report for the Financial year ended 31<sup>st</sup> March 2024.

Further, Notice convening the 38<sup>th</sup> AGM and the Annual Report for the Financial year 2023-24 have been sent only through electronic mode to all members whose E-mail Id are registered with the Company/RTA/Depository Participant(s).

You are requested to take the same on record.

Thanking you,

Yours faithfully,

**For, BODAL CHEMICALS LTD**

Ashutosh B Bhatt  
Company Secretary & Compliance Officer  
Encl: As Above.



Bodal Chemicals Ltd.  
COLOURS. INTEGRATION. INNOVATION.



EYE ON THE  
**Future**

BODAL CHEMICALS LIMITED  
ANNUAL REPORT 2023-24

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<b>SHAREHOLDER INFORMATION</b>	
CIN:	L24110GJ1986PLC009003
BSE Code:	524370
NSE Symbol:	BODALCHEM
Bloomberg Code:	BODAL: IN
AGM Date:	24 <sup>th</sup> September 2024
AGM Mode:	Virtual

In a world where innovation drives progress, **Bodal Chemicals stands at the forefront, charting a bold course into the future.**

With a forward-thinking approach and an unwavering commitment to innovation, Bodal is not just following the trends, but leading the charge into uncharted territory. Our pioneering spirit is setting new benchmarks and redefining the next era of chemical advancements.

With a keen eye on the future, we have transformed challenges into opportunities, propelling us towards a brighter tomorrow. As we continue to widen our horizon, we remain steadfast in our pursuit of excellence, delivering value to our stakeholders while contributing to a sustainable future.

Bodal is not just preparing for **the future** but **actively shaping it.**

## OUR NEW FACILITY

# will elevate our performance in the future.

As part of the continuous growth strategy, the Company has established a cutting-edge manufacturing complex for Benzene Specialty Derivatives in Sayakha, an emerging industrial hub in Gujarat.

This diversification takes the Company into Benzene downstream Products (63,000 MTPA).

These products will further enhance Bodal's 'Specialty Chemicals Segment' and will open new growth avenues as the company intends to further expand in the Specialty Chemicals segment in the future.

The plant utilises the innovative "Adiabatic Nitration" technology provided by German company. Renowned as the greenest available technology for nitration globally, this advanced system ensures efficient and environmentally friendly production processes.

Additionally, Bodal has integrated the "Continuous Crystallization for PNCB, a pioneering solution supplied by Swiss company. This marks a significant milestone as the first implementation of its kind in India, promising unparalleled efficiency and product quality.

With these cutting-edge technologies in place, the Company is poised to deliver exceptional value to its diverse customer base.

The manufacturing facility is equipped to produce a wide range of high-quality specialty derivatives, catering to the unique needs of various industries. This strategic investment underscores our commitment to innovation, sustainability, and customer satisfaction.

In a nutshell, the new manufacturing complex represents a significant leap forward in Bodal's capabilities, positioning it as a leading provider of Benzene Specialty Derivatives while setting new standards of excellence for the industry.



## ABOUT THE COMPANY

One of India's leading manufacturers and exporters of dyes and dye intermediates.

Established in 1989 and headquartered in Ahmedabad, Bodal Chemicals Ltd. has emerged as a leading integrated dyestuff manufacturer in India.

The Company's products are manufactured at facilities in Gujarat, Punjab and Uttar Pradesh and marketed in India and across 35+ nations globally.

Currently, the Company is a prominent exporter of dye intermediates and dyestuff, driven by a commitment to excellence and consistent performance.

## A SNAPSHOT

(Based on Consolidated Financial Statements)

**200+**

Products (SKUs)

**2100+**

Team size

**600+**

Customers

**13,946.2**

Revenue, FY24 (₹ million)

**1,194.7**

EBITDA, FY24 (₹ million)

**64.7**

Net Profit, FY24 (₹ million)

**10,822.41**

Networth (₹ million)

**15,252.39**

Capital Employed (₹ million)

**0.83**

Debt-Equity (x)

**9,215.34**

Market Capitalisation (₹ million)

## AWARDS & CERTIFICATIONS

### AWARDS



Highest Manufacturing Turnover from Domestic and Export of Dyes and Dye Intermediates by GDMA



First Award for outstanding performance in the Domestic Market by a large-scale unit by DMAI

### CERTIFICATION

ISO 9001:2015



Bluesign Certification – Recognised as Bluesign System partner – Bluesign approved



ISO 14001:2015



Product Supplier GOTS (Global Organic Textile Standard) Certification



ISO 45001:2018



ZDHC Certification



ECOTAX Certification



BEHIVE Certification



# Our exhilarating journey

## THE START

1989

Bodal Chemicals Limited was incorporated as JK Pharma at Unit II

## BUILDING SCALE

2006-16

The Company via reverse merger with Dintex Dye Chem (Unit I) got listed on BSE in 2006

It further acquired unit IV The Company built Unit VII and acquired Unit VIII in 2007

The Company backwardly integrated with Basic Chemicals at Unit VII

The Company got listed on NSE in 2011

Built MEEP at Unit I, Unit VII

## GOING GLOBAL

2017-22

The Company bought a 70% share in SPS Process

The Company expanded in Dyestuff by 12,000 MTPA and installed an additional 5MW of co-generation powerplant

The Company enhanced its Dyestuff capacity by 6,000 MTPA and installed TC capacity by 36,000 MTPA

The Company acquired a 100% stake in Trion Chemicals and amalgamated with Bodal as Unit XI, acquired an 80% stake in Sener Boya, a Turkish entity and gained the recognition of Bluesign System partner

At Sayakha, Gujarat, the Company began diversifying into speciality benzene downstream products as well as acquiring Punjab Operation Unit XII, a Mawana Sugars Limited's unit for Chlor Alkali Products

The Company acquired a balance 20% stake in Sener Boya and made it a 100% owned subsidiary company. Initiated the process of Amalgamation of S P S Processors Pvt Ltd into the Company

## ESTABLISHING A FIRM FOOTING

1993- 2005

JK Pharma acquired two more units – Unit II & Unit III and changed its name to Bodal Chemicals Private Limited

The Company acquired two more units in 1997

The Company expanded into Dyestuff segment in 2004

## THE SAGA CONTINUES

2023...

The Company commenced operation of the Specialty Benzene Downstream Products at its greenfield facility at Sayakha, Gujarat.

## STATEMENT FROM THE CHAIRMAN

"Our growth is anchored in a commitment to consistency – maintaining exceptional quality, achieving strong performance, and implementing strategic planning. This steadfast yet adaptable approach has been pivotal in driving our ongoing success."



### Dear Shareholders.

We are pleased to present our Company's Annual Report, providing a comprehensive overview of our performance across key business areas. Operating in a complex environment with substantial macroeconomic volatility and geopolitical challenges, we have demonstrated steady progress. This achievement is a direct result of our employees' exceptional dedication and hard work.

#### Economy at a glance

FY24 was a year of economic resilience and growing imbalances. While the global economy maintained strength with steady growth at 3.2% despite disparities, geopolitical tension in regions like Russia, Ukraine, and the Middle East persisted, impacting stability.

Geopolitical stress between China and the U.S. continued to reshape global trade dynamics. Challenges have persisted in the manufacturing sector since 2023, including high global inflation, dampening demand, supply chain disruptions and regional conflicts.

Central banks worldwide adopted a hawkish monetary policy stance to combat inflation, leading to increased interest rates and shaking consumer confidence.

Notwithstanding global headwinds, India demonstrated remarkable resilience driven by government capital expenditure, a sharp rise in the manufacturing sector and a revival in the services sector.

Despite the economic resurgence, most sectors faced the heat of global disruptions, commodity price volatility and trade route fragilities. The chemical sector was impacted by these factors and reported a dismal performance.

#### Our Performance

In keeping with the sectoral trend, we experienced considerable challenges, too. Total revenue declined by about 10% to ₹ 14,194.2 million. However, the EBITDA dropped by 17.6%, whereas the net profit plummeted sharply. This was primarily due to increased interest liability owing to our investment in the greenfield facility.

Interestingly, while our performance remained subdued in the first three quarters, there was a strong rebound in the last quarter of FY24. We achieved a revenue of ₹ 3,990.3 million in Q4 FY24, marking a sequential growth of 16% compared to the previous quarter. Moreover, the quarter's revenue exceeded the average of the preceding three quarters by 17%, signalling a positive trajectory. The Company is optimistic about sustaining this upward trend and building on this momentum in the coming year.

#### Key milestones

Strategic milestones and deliberate expansion have characterised our progress in the dye intermediates industry. We have broadened our product offerings through targeted acquisitions and the enhancement of benzene derivatives. Our growth is anchored in a commitment to

consistency - maintaining exceptional quality, achieving strong performance, and implementing strategic planning. This steadfast yet adaptable approach has been pivotal in driving our ongoing success.

In FY24, we covered an important milestone in our strategic journey as we commissioned our greenfield unit at Sayakha on December 29, 2023. The initial production of MCB, followed by PNCB and ONCB on March 16, 2024, marks a significant milestone in our step towards diversification into value-added products and opens new growth avenues. I am confident that our new unit will significantly contribute to the Company's profitable growth over the coming years.

Furthermore, we have decided to permanently discontinue production operations at our legacy facilities in Vatva GIDC, Ahmedabad. These units, commissioned between 1989 and 1993, have encountered diminishing returns due to technological progress and have operated below capacity for an extended period.

To ensure uninterrupted production, we have proactively augmented our dye intermediate capacity by optimising Units 6 and 7. As a result, the closure of the older facilities is anticipated to have a negligible impact on overall output while substantially reducing fixed costs and enhancing operational effectiveness.

The decommissioning and subsequent sale of our manufacturing facilities are projected to result in a modest reduction of less than 3% to our overall production capacity. While this decision may seem counterintuitive, it is a strategic move aligned with our broader business objectives. By streamlining our operations and divesting from older, less efficient assets, we are positioning ourselves to focus on higher-value product lines and expand our market reach.

#### The future holds promise.

We have our eyes on the future, which appears promising.

Geopolitical stress and increasing fragilities in the global trade dynamics are forcing large corporations to veer away from traditional sourcing hubs to more stable havens. Moreover, with sustainability assuming centre stage, developed nations have articulated their preference to partner with vendors, making a conscious effort to optimise their carbon footprint. India stands to gain appreciably from these trends.

Additionally, India is projected to experience considerable growth over the medium term as it marches steadily towards becoming the third-largest economy in the world and subsequently progresses into a developed nation.

With abundant raw materials and a strategic vision to become a comprehensive chemical solutions provider, Bodal is well-positioned to capitalise on this global shift. Our expanded product range, emphasising high-value and customer-relevant products, positions us perfectly to capitalise on emerging growth opportunities.

#### In closing

We remain optimistic about our future and are grateful for your continued trust and confidence in our vision. Our achievements are a testament to our employees' hard work and dedication, who have demonstrated exceptional commitment even in challenging times. We sincerely thank our stakeholders for their steadfast support and encouragement. Your belief in our organisation is deeply appreciated.

With regards,  
**Suresh J. Patel**  
Chairman & Managing Director





things you need to know  
about Bodal Chemicals,  
that **showcases its success**  
in an otherwise cluttered  
**business space.**

# Plants

The Company's manufacturing units are strategically located in the western belt of India, which is India's largest chemical manufacturing zone. Further, proximity to nearby seaports at Mundra, Pipavav, Hazira and Nhava Sheva provides easy access to the global world.

The Company aims to establish a dominant position as a supplier within the chemical industry. To achieve its objectives and deliver exceptional value to customers, the Company adheres to a stringent code of conduct. With a strong emphasis on product reliability and environmental stewardship, the Company is committed to minimising waste and optimising the utilisation of by-products.

## OUR MANUFACTURING FACILITIES

3

Vadodara, Gujarat

1

Sayakha, Gujarat

1

Khambhat, Gujarat

1

Rajpura, Punjab

1

Kosi, Uttar Pradesh

CATEGORY	CAPACITY (MTPA)
Basic Chemicals	2,23,600
Dye Intermediate	32,400
Dyestuff	30,000
Liquid Dyestuff	10,000
TCCA	12,000
Caustic Soda	99,000
Benzene Downstream Products	63,000



# Product Portfolio

A global leader in dye intermediates and dyestuff manufacturing and exports, Bodal Chemicals leverages its operations to deliver prompt solutions to clients across a diverse range of industries. These include textiles, leather, paper, alumina, food, pharmaceuticals, agrochemicals, water treatment, and home care.

The Company has a massive product portfolio beyond traditional dyestuffs and intermediates to encompass high-value speciality chemicals, such as benzene derivatives. These products are critical ingredients in a wide range of industries, including pharmaceuticals, agrochemicals, and paper manufacturing. By ascending the value chain, Bodal aims to solidify its market position, diversify its product offerings, and better serve the evolving needs of its customers.



Pharma



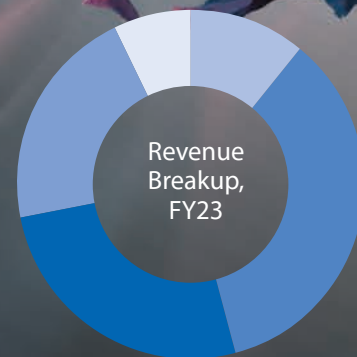
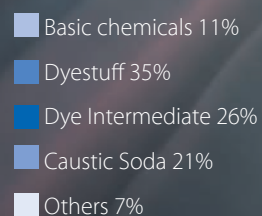
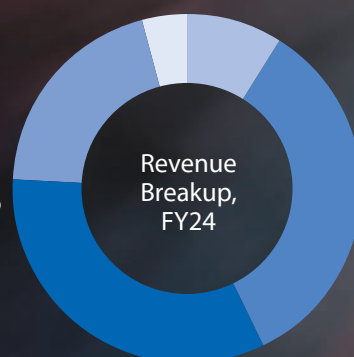
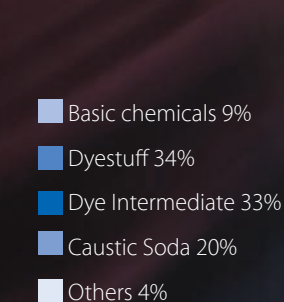
Agro-Chemical



Home Care

## Benzene Derivates

MCB  
PNCB  
ONCB  
MNCB



## Basic Chemical

(~12 Products)

Sulphuric Acid  
Chlorosulphonic Acid  
Sulphur Trioxide, Para Nitro Aniline  
Oleum 23% and 65%  
Sodium Bisulphate  
Acetanilide  
Thionyl Chloride, Beta Nephthol



Textiles

## Dyes Intermediates

(~25 Products)

Vinyl Sulphone and Derivatives  
H Acid  
F.C. Acid  
DASA  
Gamma Acid, K Acid  
Sulpho Tobias Acid  
MPDSA 4.N.A.D.P.S.A Meta Ureido  
Aniline  
1:2:4 DIAZO  
6-Nitro



Leather



Paper

## Dyestuffs

(~175 Products)

Reactive Dyes  
Direct Dyes  
Liquid Dyes  
Acid Dyes



Water Treatments

## Chlor Alkali

(6 Products)

Caustic Soda  
Stable Bleaching Powder (SBP)  
Sodium Hypochlorite (HYPO)  
Hydrochloric Acid (HCL)  
Hydrogen  
Chlorine



Home Care

# Presence

Bodal has steadily and patiently built a strong reputation as a dominant force in the global dyestuff and dye intermediate industry.

Starting from its Indian roots, the company strategically expanded its operations into key consumer markets worldwide. By establishing local subsidiaries and distribution networks, Bodal positioned itself closer to its customers, fostering deeper relationships and gaining invaluable market insights. This strategic approach has been instrumental in solidifying the company's global presence. The Company enjoys a global footprint across 35+ nations. Exports account for 28% of its revenue.

## OUR DEPOTS

7

India

4

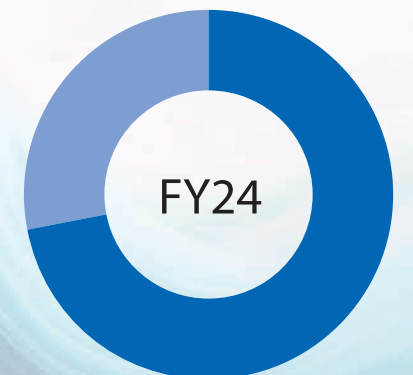
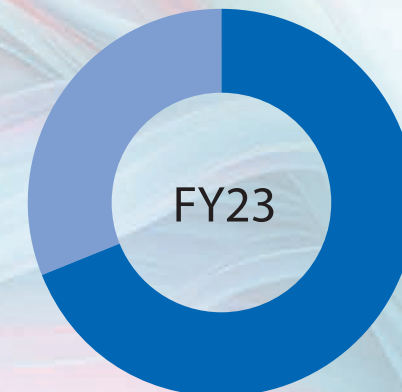
International

## OUR SUBSIDIARIES

NAME OF COMPANY	LOCATION	STAKE	FY 2023-24 REVENUE	DETAILS
Bodal Chemicals Trading Pvt. Ltd.	Gujarat, India	100%	₹0.11 mn	Trading and Marketing Subsidiary
Bodal Chemicals Trading Shijiazhuang Ltd.	China	100%	₹299 mn	Trading and Marketing Subsidiary for China
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret	Turkey	100%	₹284 mn	Standardising, Trading, and Marketing Subsidiary for Turkey and Adjacent Countries
Pt Bodal Chemicals Indonesia	Indonesia	100%	₹46 mn	Trading and Marketing Subsidiary for Indonesia

### Revenue split by geography

	FY23	FY24
Domestic	69%	72%
International	31%	28%



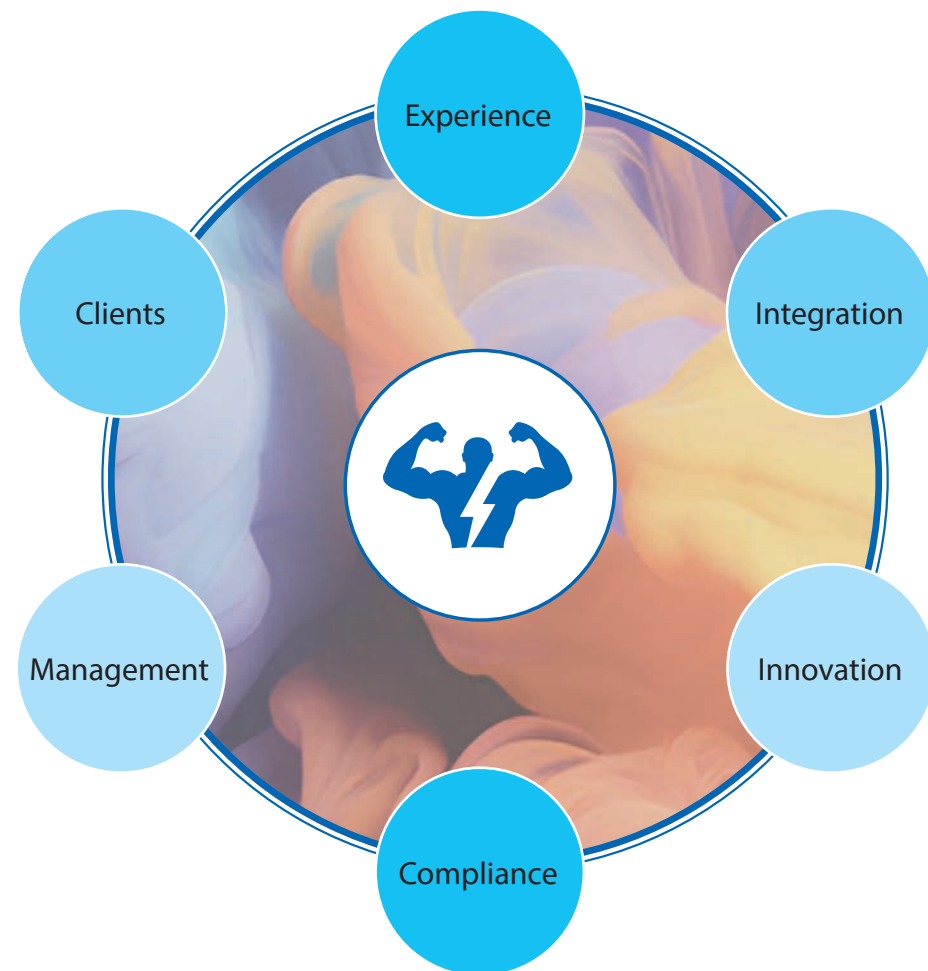
# Partnerships

Bodal has cultivated strong, enduring partnerships with leading brands worldwide. This success is attributed to their proven technical proficiency, impeccable operational performance, and unwavering commitment to product excellence.

Recognising the paramount importance of colour accuracy in the dynamic dyestuff industry, Bodal has implemented stringent Standard Operating Procedures (SOPs) tailored to each key client. By meticulously adhering to these guidelines, Bodal ensures that every product delivered aligns precisely with client specifications, eliminating the risk of colour discrepancies and fostering long-term trust.

Basic Chemicals	Dye Intermediates	Dyestuffs	Chlor Alkali

# Pillars of Strength



## EXPERIENCE

Bodal's three-decade presence in the chemical industry has exposed the Company to a multitude of economic and commodity cycles. This extensive experience has served as a catalyst for fortifying the Company's core competencies, enabling it to navigate industry challenges effectively. The accumulated knowledge base positions Bodal strategically to capitalise on emerging market opportunities.

## INTEGRATION

Bodal has developed a comprehensive operational system that ensures a reliable supply of essential raw materials. By strategically investing in backward integration, the company has not only fortified its supply chain but also significantly enhanced product consistency. This strategic move has solidified Bodal's position as a leading player in its business space by providing it with a distinct competitive advantage.

## INNOVATION

Bodal's commitment to research and development is evident in its two state-of-the-art R&D centres staffed by a highly skilled team. Through relentless innovation, these units have successfully developed a vast and diverse product portfolio that caters to the needs of both domestic and international customers.

## COMPLIANCE

Bodal's unwavering commitment on consistently adhering to stringent global quality parameters has enabled it to secure global certifications from reputed agencies. The passion for quality-consciousness has enabled it to expand its global presence. The Company's compliance ethos extends to its care of the planet. It has set up ETP and MEEP facilities that reduce the waste generation at its facilities.

## MANAGEMENT TEAM

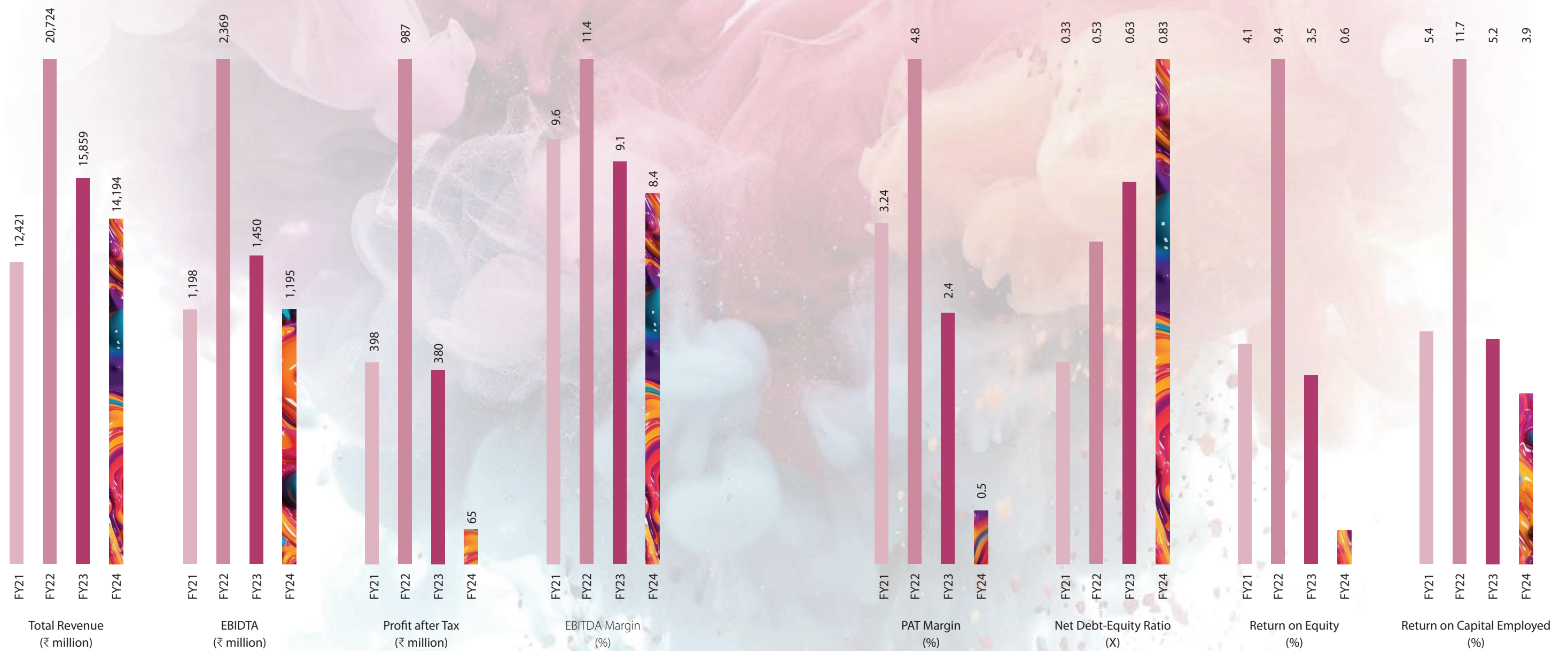
Bodal's management team is the cornerstone of its success. The team comprises of professionals with rich experience in their fields. The majority of the management team has been with the Company for more than a decade. This long-term association provides confidence in their ability to effectively draw and execute business strategies.

## CLIENTELE

Bodal enjoys strong business relationships with reputed corporates in the user sectors, which stands as a watermark to its operational excellence and product quality.

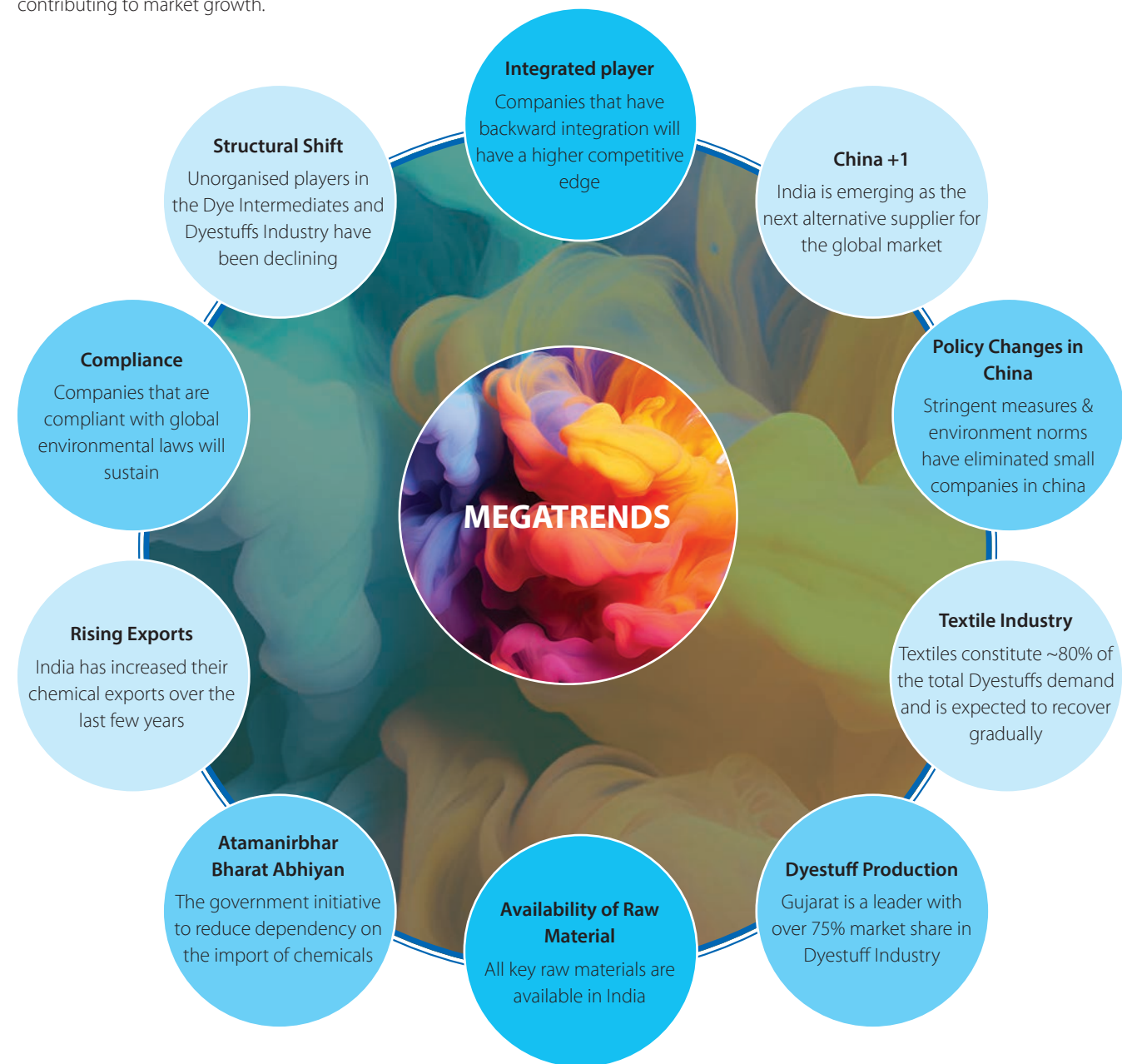
# Performance Indicators

(Based on Consolidated Financial Statements)



# Promising Potential

The market outlook for India's dyes market is driven by factors such as the increasing demand for dyes in textile dyeing, leather and paper, the growth of the manufacturing and industrial sectors, and the adoption of dyes for their coloration and aesthetic properties. Additionally, the development of eco-friendly and sustainable dyeing methods and the rising focus on colour consistency and quality are further contributing to market growth.



## OUR KEY BUSINESS DRIVERS

### Client Acquisition and Market Expansion

The organisation is committed to broadening its client base through targeted efforts to acquire new customers, thereby driving growth and diversifying revenue streams.

### Seamless Integration and Synergy Optimisation

The focus is on ensuring the smooth integration of acquired businesses, optimising synergies to enhance operational efficiency, and maximising profitability.

### Enhanced B2C Strategy

There is a strategic shift towards prioritising direct engagement with end consumers, aiming to capture market opportunities and improve customer satisfaction.

### Market Leadership Development

Efforts are concentrated on strengthening the company's position as a market leader through strategic initiatives, innovative product offerings, and exceptional customer service.

### Production Capacity Expansion

The organisation is increasing its production capabilities to address rising market demands and seize emerging opportunities.

### Operational Efficiency Improvement

Continuous efforts are being made to refine internal processes, optimise resource allocation, and implement cost-effective measures to boost operational efficiencies and productivity.

### Greenfield Projects and Facility Expansion

The organisation is pursuing new expansion projects from the ground up, including establishing new manufacturing facilities or expanding existing ones, to support its growth trajectory.

### International Market Growth

There is an active pursuit of expanding the company's international presence by exploring new markets, forming strategic partnerships, and leveraging expertise to capitalise on global opportunities.





# Environment, Social and Governance (ESG)

## ENVIRONMENT

### Environmental Stewardship: A Cornerstone of our Operations

In the chemical industry, environmental responsibility is crucial due to the potential impact of waste products on ecosystems and human health. Companies are increasingly committed to minimising their environmental footprint through advanced treatment processes and rigorous compliance with regulations. This commitment aligns with global sustainability goals and ensures operational efficiency and regulatory compliance.

### Effluent Treatment Plant (ETP)

Our Effluent Treatment Plant (ETP) is designed to manage low-load wastewater effectively, adhering to stringent norms set by the Gujarat Pollution Control Board (GPCB) and the Central Pollution Control Board (CPCB). With a capacity of 500,000 litres per day, the ETP employs a combination of chemical oxidation, flocculation, and clarification processes. The biological degradation is facilitated by Advanced Integrated Systems (AIS), while a Poly system handles the tertiary treatment. An online monitoring system ensures real-time oversight of the treatment process, optimising performance and compliance.

### Brine Treatment Plant

For more complex wastewater challenges, particularly from dye manufacturing, our Brine Treatment Plant stands out. As the world's first installation of its kind at Unit-VII, this plant uses Modern Water's all-membrane brine concentration process (AMBC). This cutting-edge technology not only treats brine effluent efficiently but also achieves Zero Liquid Discharge (ZLD) by the end of the treatment cycle, setting a benchmark for sustainability in waste management.

### Multiple Effect Evaporator Plant (MEEP)

Our Multiple Effect Evaporator Plant (MEEP) addresses high-load wastewater with a capacity of 500,000 litres per day. An investment of Rs 350 million underscores our commitment to advanced treatment solutions. The MEEP recovers salts for captive use or sale, requires minimal steam and power, and facilitates the reuse of condensed water, contributing to an Integrated Zero Discharge System. This system further enhances our environmental stewardship by treating high-load wastewater that surpasses the capabilities of MEEP alone.

### Effluent Spray Dryer Plant (ESDP)

The Integrated Zero Discharge System extends our capabilities by treating high-load wastewater beyond the reach of MEEP. It features three spray dryers, each with a capacity of 100,000 litres per day, and three incinerators, each handling 125,000 litres per day. This system minimises treatment costs and ensures that all waste is managed sustainably.

Our company demonstrates its commitment to environmental responsibility through these advanced technologies and processes, ensuring that we meet regulatory standards while advancing our sustainability goals.



Plant	Location	Zero Discharge Site (Solid+Liquid+Air)	Effluent Treatment Plant	Common Effluent Treatment Plant, (at GIDC)	Multiple Effect Evaporator (MEEP)	Effluent Spray Dryer Plant (ESDP)	Solid Waste Incinerator Plant	Treated Effluent Discharge Access VECL Cala Lit./Day
Unit V	Sayakha-Bharuch	✓	✓	-	✓	-	-	-
Unit VI	Kosi	✓	✓	-	✓	-	-	-
Unit VII	Vadodra	-	✓	-	✓	✓	✓	9,49,000
Unit VIII	Vadodra	-	✓	-	✓	✓	✓	23,800
Unit IX	Vadodra	✓	✓	-	-	-	-	-
Unit XI	Khambhat	✓	✓	-	-	-	-	-
Unit XII	Rajpura	✓	✓	-	✓	-	-	-

## SOCIAL

At the heart of our Company's corporate social responsibility (CSR) initiatives lies a deep commitment to fostering social development and giving back to the community that supports and sustains us. Our CSR programs are designed to address various social concerns and are guided by the principle of making a meaningful impact in the lives of those we serve.

Our efforts span several critical areas, including healthcare, education, infrastructure development, and sports promotion. We are dedicated to eradicating hunger, poverty, and malnutrition and promoting better healthcare and sanitation. In line with this, we contribute to initiatives like the Swachh Bharat Kosh to support sanitation and cleanliness efforts nationwide. We also conduct regular health check-up camps to ensure healthcare services are accessible to underserved communities.

Education is another cornerstone of our CSR strategy. We focus on promoting education and enhancing rural infrastructure to provide students with better learning environments and opportunities. By investing in educational resources and infrastructure, we aim to empower the next generation and contribute to their overall development.

Environmental sustainability is a key priority for us. We are committed to ensuring that our operations and initiatives support the preservation of the environment. This includes providing funds for essential infrastructure projects, such as constructing drinking water pipelines, to improve access to clean water.

We actively promote and support local talent in sports. Our contributions extend to organisations such as the Sports Council of the Deaf and the Basketball Club and support individuals who aspire to represent the country in international sporting events. We believe in the power of sports to inspire and unite communities.

Additionally, we collaborate with various trusts and NGOs, including YUVA Unstoppable, to support their valuable work in addressing social issues and creating positive change.

Overall, our CSR programs reflect our dedication to nurturing social development, supporting local talent, and making a tangible difference in our communities.



## GOVERNANCE

A robust leadership team and a culture of integrity drive Bodal's journey to success. Our open communication channels and transparent governance create a fertile ground for innovation and collective achievement.



**Mr. Suresh J. Patel**  
Chairman and Managing Director  
Experience: 35 years  
Background

- Founder & Visionary of the Company.
- Involved in day-to-day operations & Dye Intermediates production and marketing.
- +3 decades of experience in chemical manufacturing & trading.

**Mr. Bhavin S. Patel**  
Executive Director  
Experience: 19 years  
Background

- He played an instrumental role in the Dyestuff business.
- He heads the Dyestuffs division, which includes production, marketing, etc.
- He has been pivotal in significantly increasing the business presence in the global market.



**Mr. Ankit S. Patel**  
Executive Director  
Experience: 15 years  
Background

- Economics Graduate from the University of Nevada & MBA from Dervi University, USA.
- He heads the basic chemicals division and leads the sulphuric acid, chloralkali and benzene downstream plant.



**Mr. Mayur Padhya**  
Chief Financial Officer  
Experience: 27 Years  
Background

- Qualified Chartered Accountant & Cost Management Accountant.
- He handles finance, corporate affairs and investor relationships.



**Mr. Rajarshi Ghosh**  
Director – HSE  
Experience: 23 years  
Background

- Progressive experience in Cross-functional management and senior leadership roles.
- Well-versed in EHSS Management, Principles of Risk Management



**Mrs. Neha Huddar**  
Independent Director  
Experience: 34 years  
Background

- Qualified C.A & Finance professional with experience in funds management, audit, accounting, taxation etc.
- Previously associated with Thirumalai Chemicals as CFO & Reliance Foundation as Head of Finance.



**Mr. Rohit B Maloo**  
Independent Director  
Experience: 15 years  
Background

- CA, MBA, M.Com & CFA Level II.
- Has been practising in the field of audit and taxation for a decade of listed companies having turnover of more than ₹1,500 crore.



**Mr. Mayank Mehta**  
Independent Director  
Experience: 40+ years  
Background

- Banking & Finance professional with over four decades of experience.
- Previously associated as CFO of Union Bank of India and Executive Director at Bank of Baroda.



**Mr. Nalin Kumar**  
Independent Director  
Experience: 26 years  
Background

- BTech, IIT-Kharagpur, MBA, IIM-Calcutta.
- Previously associated with leading financial services firms like HSBC, JP Morgan, etc.





# MANAGEMENT DISCUSSION AND ANALYSIS

## GLOBAL ECONOMY

2023 was challenging as inflation and geopolitical tension presented significant risks, and the global economy experienced a bumpy ride. Growth slowed to around 3.2% due to rising interest rates and the Russia-Ukraine conflict. Inflation remained a major concern, reaching around 6.8% as commodity prices rose. The slowdown impacted different regions unevenly, with advanced economies experiencing a sharper decline compared to emerging markets.

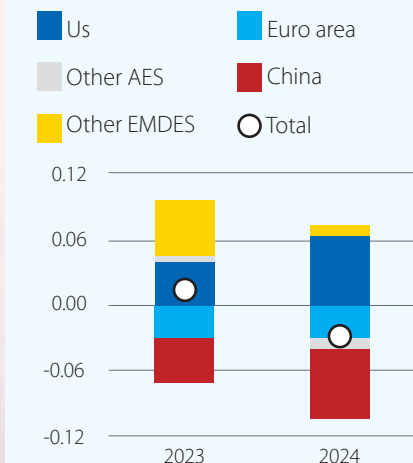
However, there were some bright spots as well. China's reopening after COVID lockdowns offered a potential boost. Further, despite significant headwinds, including geopolitical disruptions to energy and food supplies, the global economy exhibited surprising resilience and kept growing, albeit at a moderate pace.

As per the International Monetary Fund (IMF) 2024, the global economy is projected to maintain the same growth trajectory of 3.2% as witnessed in 2023, indicating a sense of cautious optimism. While inflation remains a concern, it is expected to cool down to around 5.9% gradually by the year-end. This is a positive step towards pre-pandemic levels. However, growth may be unevenly distributed. Developed economies may see a slight uptick compared to 2023, while some emerging markets could face slower growth or a modest decline. Overall, 2024 is expected to improve as inflation has already come down and is likely to be reined in further.

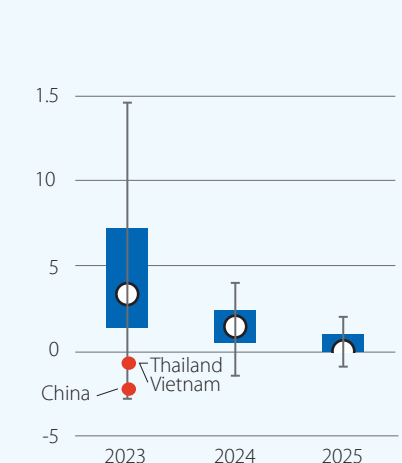
### Growth and inflation

Forecasts for growth have diverged, while inflation in most countries isn't likely to return to target until 2025.

**World growth revisions**  
(real GDP; percent; y/y)



**Headline inflation vs. target**  
(distribution of deviation from target; pts)



Sources: IMF, WEO; Central bank websites; Haver Analytics; and IMF staff calculations. Note: The left panel shows contributions of different countries and groupings to world growth revisions. The right panel shows the distribution by each year for headline inflation. Circle represents median, while lower and upper limits of boxes show first and third quartiles, respectively. The whiskers show the max/min within the boundary of 1.5 times the interquartile range from upper and lower quartiles, respectively.

## INDIAN ECONOMY

India is a rising star on the global economic scene. Buoyed by its strong democratic institutions and strategic alliances, the country has emerged as the world's fastest-growing major economy for another year. This phenomenal growth propelled India past the United Kingdom to become the fifth-largest economy in the first quarter of FY23, signifying a swift and impressive recovery from the COVID-19 pandemic.

India further solidified its leadership role on the world stage in 2023 by assuming the presidency of the G20, the premier forum for global economic cooperation. This marked a pivotal moment for the country to showcase its economic prowess and diplomatic influence.

The Indian economy continued to impress. FY24 saw a robust GDP growth rate of 7.6%, building upon the strong 7% growth achieved in the previous year. This positions India as a key driver of global growth, contributing a significant 16% to the world's economic expansion in 2023.

Consumer spending played a vital role in this success. Private consumption in the first half of FY24 reached its highest level since FY15, fuelling production activity and boosting capacity utilisation across various sectors.

The Government's fiscal health also improved, with the Central Government's deficit shrinking to 5.8% in FY24. The Government expects the fiscal deficit to be 5.1% of GDP in FY25.

Revenue collection exceeded expectations, partly driven by a 23% surge in personal income tax collections. This suggests rising incomes of salaried professionals and reflects the success of Government initiatives to broaden the tax base. These initiatives included maintaining stable tax

exemption limits and leveraging digital tools to minimise tax leakage.

India's economic prospects remain bright. The IMF recently revised its GDP growth forecast for the FY25 from 6.5% to 6.8%. This upward revision reflects confidence in India's strong domestic demand supported by a growing working-age population.

Further optimism comes from the Indian industry body, PHD Chamber of Commerce and Industry (PHDCCI). Their projections for the current fiscal year are even more bullish, estimating growth to be between 8% and 8.3%. This reinforces India's strong economic fundamentals and suggests a long-term growth trajectory. PHDCCI even predicts an average GDP growth rate of 6.7% over the next 2-3 years, solidifying India's position as a major player in the global economy.





The chemicals industry is expected to contribute US\$383 billion to India's GDP by 2030.

## CHEMICALS INDUSTRY

### Global

The chemicals industry is on a roll! The chemical market size has grown significantly in recent years. It is expected to grow from US\$5,115.19 billion in 2023 to US\$5,574.05 billion in 2024 at a compound annual growth rate (CAGR) of 9.0%. Several factors drove this growth, including a healthy global economy and a growing world population.

The chemicals market size is expected to grow strongly in the next few years. It will grow to US\$7,788.18 billion in 2028 at a compound annual growth rate (CAGR) of 8.7%.

Geopolitical concerns, changing consumer preferences, the use of renewable and bio-based materials, strict environmental

restrictions and a greater emphasis on health and safety are some factors contributing to the projected rise over the forecast period. Furthermore, industrial and economic expansion will propel growth in the chemicals market.

### Indian

The Indian chemicals industry is a major force in the global market, ranking as the world's 6th largest producer and Asia's third. It's a big contributor to the Indian economy, comprising around 7% of its GDP.

### Strong Start, Bright Future

Things are looking good for Indian chemicals. Production is rising, and the Government is investing heavily in the sector. Funds have been earmarked to boost the Department of Chemicals and Petrochemicals, and estimates suggest

that there will be a massive investment of ₹8 Lakh crore (US\$107.38 billion) by 2025. Under the Interim Union Budget 2024-25, the Government allocated ₹192.21 crore (US\$23.13 million) to the Department of Chemicals and Petrochemicals.

The future looks even brighter, with predictions of the industry reaching a value of US\$300 billion by 2025 and a whopping US\$1 trillion by 2040. The demand for chemicals will increase by around 9% annually by 2025.

### A Global Leader in Many Areas

India isn't just a big producer but also a leader in specific areas.

• **Agrochemicals:** India is a major player, ranking 4th in the world after the U.S., Japan and China.

• **Dyes:** The country makes a huge chunk of the world's dyes and dye intermediates, accounting for 16-18%.

• **Colourants:** India is a world leader in colourants, holding about 15% of the market share.

• **Speciality Chemicals:** India is strong in speciality chemicals, exporting castor oil, essential oils and cosmetics.

### Exports

India's role in the global chemical landscape is noteworthy. The country's prowess extends to exports, with agrochemicals exports reaching US\$3.12 billion from April to December 2023. India's colourant industry also holds a notable 15% global market share. Regarding exports, India excels in the organic and inorganic segments, reaching US\$5.49 billion and US\$1.50 billion, respectively. Noteworthy exports include castor oil, essential oils, cosmetics, and toiletries, collectively reaching US\$2.92 billion.

While exports thrive, the import market for organic and inorganic chemicals remains robust, indicating a healthy domestic demand for a diverse range of chemicals.

### Challenges and Opportunities

The industry faces competition from other big players such as Saudi Arabia, China, Indonesia, Vietnam, Germany and South Korea, along with the issue of fluctuating raw material prices. But there are also opportunities.

• **China Plus One Strategy:** Many companies want to diversify their suppliers beyond China, which is a ripe opportunity for India.

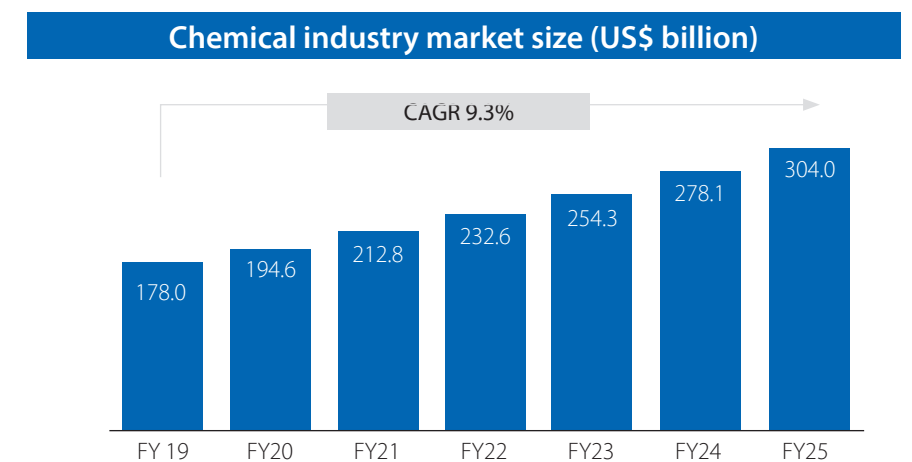
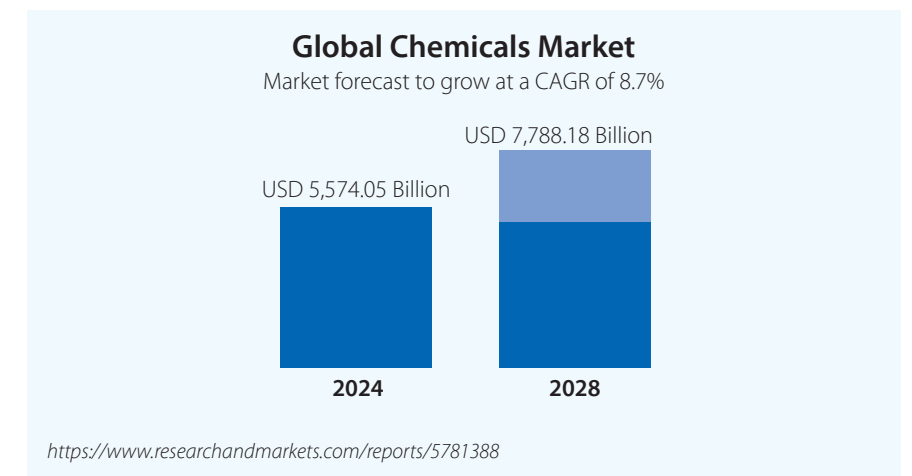
• **Focus on Sustainability:** The global green wave presents a golden opportunity for India's chemicals industry to become a leader in sustainable practices. The country's strong position as a producer of

key chemicals for eco-friendly products positions it perfectly to capitalise on the rising global demand for these solutions.

• **New Products:** While the basic commodity chemicals, including sulphuric acid, nitric acid, caustic soda and petrochemicals, will continue to grow, additional growth will come from new-age product groups such as 3D printing materials, high-strength lightweight materials, bio-based chemicals, advanced materials, new age pharma using advanced enzyme technology and

electronic chemicals.

Overall, the Indian chemicals industry is a growing giant with a promising future. With continued Government support and a focus on innovation, this industry is well on its way to becoming a global leader in the chemical world.



Source: IBEF

## SPECIALITY CHEMICALS INDUSTRY

India's speciality chemicals sector is a bright spot in the nation's economy, with impressive growth potential. It accounts for over half of all chemical exports and is projected to reach a value of US\$50 billion by 2025. The domestic market contributes 22% to the total chemicals and petrochemicals market, reflecting strong internal demand.

However, the sector faces short-term challenges such as the global economic slowdown, volatile crude oil prices, and competition from Chinese imports, exacerbated by weak demand from major markets like the Eurozone and the U.S.

In response, many Indian specialty chemical producers are expanding capacities and diversifying to meet evolving market needs,

positioning themselves for future success. Key drivers of growth include India's rise as a manufacturing hub, increasing global demand for alternatives to China, and robust domestic consumption. This has led to record-high capital expenditures, healthy revenue and earnings growth, and rising stock prices.

Sustainability is a major focus, with companies adopting environmentally friendly practices. Continued government support, including investments in infrastructure and PCPIRs, is essential for further growth. With a growing population and increasing spending power, the future for India's specialty chemicals industry looks promising both domestically and internationally.

### Benzene and its Derivatives

Benzene and its derivatives serve as critical building blocks in the specialty chemicals industry, underpinning the production of a wide range of specialty plastics and agricultural chemicals. Government initiatives fostering chemical trade and increased joint ventures are catalysing growth in specialty chemical production. This expansion, in turn, is driving heightened demand for benzene and its derivatives. The burgeoning plastics industry, reliant on these compounds as essential raw materials, further amplifies market opportunities

past disruptions caused by the pandemic impacted supply chains and led to high demand with volatile prices. Currently, a demand resurgence has been observed across various products, and prices of basic chemicals are improving, indicating a potential rise in overall demand.

consume the majority (80%) of dyes produced, driven by global demand for cotton and polyester.

However, the Gujarat-based dye and organic chemicals industry has faced sluggish demand, with no significant improvement observed in the first quarter of FY24. Dye and chemicals exports dropped by 18% in the April-June quarter - this low-demand trend has persisted for about a year.

Despite the challenges faced by certain industries, there are signs of revival. Both the textile and leather industries are showing renewed demand. Inventories across the value chain have shrunk. The

## DYESTUFF INDUSTRY

The dyestuff industry is the key to the chemicals industry's overall growth. It fuels the textile sector, a dominant and long-standing industry. A thriving textile industry directly translates into a flourishing dye industry. Dyestuffs encompass a wide range of products like azo, direct, disperse, reactive and vat dyes, catering to various applications.

India's dye industry is critical to the nation's economic development. It is a core chemical industry and ranks second in export value. Maharashtra and Gujarat dominate dye production in India (accounting for 90%) due to the presence of key raw materials and a well-established textile industry in these regions. Textiles

## OPPORTUNITIES

The Indian chemicals industry is on an upward swing, and there are several exciting opportunities to consider, as detailed below.

- **Riding the rising tide:** India's growing economy, increasing disposable incomes, urbanisation and young population will fuel demand for chemicals across various sectors. This translates to a projected market size of US\$300 billion by 2025, a significant growth!
- **Speciality chemicals:** This segment is the star of the show, expected to reach US\$32 billion by 2026. Growing demand from pharmaceuticals, agriculture and personal care industries creates a fertile ground for speciality chemicals manufacturers.
- **Export potential:** As the world's sixth-largest chemicals producer, India is well-positioned to become a major exporter. The Government's supportive policies and a growing focus on reducing dependence on imports present a great opportunity to increase global chemical exports.
- **Focus on sustainability:** With growing environmental awareness, there's a rising demand for sustainable chemical production processes. Indian chemical manufacturers are trying to grasp this opportunity by adopting greener technologies and producing eco-friendly chemicals.

## CHALLENGES

The Indian chemicals industry is a major player but faces the following hurdles.

- **Raw material dependence:** A major challenge is import dependence on some raw materials. This makes the industry vulnerable to price fluctuations and supply disruptions in the global market.
- **Cost competitiveness:** Competition from established players like China pressures Indian producers to keep costs low. Upgrading infrastructure and adopting efficient processes are crucial to remaining cost-competitive.
- **Stricter environmental regulations:** India's tightening environmental regulations, while positive for the long term, can be challenging for existing plants, especially those located in densely populated areas where upgrading may be difficult. These regulations are necessary but require investment in upgrades and modernisation.

## COMPANY OVERVIEW

Bodal Chemicals Ltd. has established itself as a global leader in speciality chemicals. With a legacy of over 35 years, they are a prominent manufacturer and exporter of dyes intermediates, dyestuffs and basic chemicals. Their commitment to quality and agility has ensured consistent client satisfaction through innovative products and service solutions.

Founded in 1989 as a dye intermediates company, Bodal wisely expanded its operations through forward and backward integration, now producing dyestuffs and basic chemicals. They hold the distinction of being India's largest domestic manufacturer of dye intermediates. Marking a significant milestone in 2006, Bodal went public by doing reverse merger with a listed company.

Bodal's robust infrastructure allows them to cater to a diverse clientele. Across seven manufacturing plants strategically located in Vadodara, Khambhat, Bharuch (Sayakha), Mathura (Kosi) and Punjab, they produce over 200 products. Their extensive network of over 70 distributors ensures these products reach over 600 clients in industries such as textiles, paper, leather and water purification. The Company's current manufacturing capacity is a 4,70,000 MTPA. Bodal further strengthens its operations with a network of 11 depots spread across India, China, Turkey, Bangladesh and Indonesia. Additionally, two R&D centres in Gujarat are the reason behind their continuous innovation.

## OPERATIONAL AND FINANCIAL OVERVIEW

Bodal's FY '24 financial performance reflects a focus on operational efficiency and strategic product diversification. While overall revenue reached ₹1,419 crores, a decrease of 11% year-over-year, this was partially offset by a notable increase in production volume.

Dye Intermediates segment achieved impressive year-on-year sales growth of 15%, reaching ₹452 crores. This momentum is expected to continue, establishing dye

intermediates as a key driver of future revenue.

Dyestuffs sales remained steady at ₹471 crores in FY'24. The Company is actively exploring opportunities to expand this segment's reach and contribution.

Overall revenue for basic chemicals decreased by 30% to ₹121 crores due to lower raw material and finished goods prices, approximately 50% of this

production is used in the high-performing dye intermediates segment.

Following a recent capacity upgrade, the Chlor alkali business saw a 17% volume increase. However, due to adverse market conditions, revenue for this segment declined by 18% to ₹268 crores. Bodal is actively monitoring market trends and implementing strategies to improve profitability in this area.

KPIs	Standalone	
	FY24	FY23
Revenue (₹ in Million)	14018.70	15631.02
EBITDA (₹ in Million)	1233.00	1291.16
PAT (₹ in Million)	77.32	311.43
EBITDA Margin (%)	8.80%	8.26%
PAT Margin (%)	0.55%	2.00%
Net Debt/Equity (in times)	0.78	0.67
ROE (%)	0.68%	2.79%
Net Working Capital Days	23.12	44.74
ROCE (%)	4.04%	5.17%
EPS (₹)	0.61	2.48

Particulars	FY24	FY23	Reason for Change
Total Revenue (₹ in million)	14,018.70	15,631.02	-
R&D Expenses (₹ in million)	44.94	44.13	-
Earnings Before Interest, Tax, Depreciation, and Amortisation (₹ in million)	1,233.00	1,291.16	-
Profit Before Tax (₹ in million)	118.41	425.51	-
Profit After Tax (₹ in million)	77.32	311.43	-
Total Assets (₹ in million)	23,356.26	21,625.63	-
EPS (₹)	0.61	2.48	-

Name of Metric	FY 2023-24	FY 2022-23	% Change	Explanation in case of change is 25% or more, as compared to previous year
Inventory Turnover	2.69	2.53	6.32%	-
Current Ratio	1.13	1.31	-13.74%	-
Debt-Equity Ratio	0.79	0.67	19.03%	-
Debtors' Turnover	3.54	3.28	7.77%	-
Operating Profit Margin	4.60%	4.95%	-7.13%	IN FY 24 PROFIT IS LOW DUE TO RECESSION
Return on Net Worth	0.68%	2.76%	-75.31%	
Interest Coverage Ratio	1.23	2.24	-45.09%	-





## RISKS AND MITIGATION STRATEGIES



The Company acknowledges that a dynamic business environment inherently presents unavoidable risks. It has implemented a robust risk management framework to navigate these challenges effectively. This framework avoids complacency while recognising limitations and employs the following strategies for various risk categories.

### Competition risk

The Indian chemicals industry faces competition from low-cost producers like China, putting pressure on Bodal's market share.

### Mitigation measure

Adding new products demonstrates a commitment to staying ahead of the curve and addressing evolving market needs. This helps to ward off competition. Furthermore, leveraging long-standing client connections highlights the value Bodal places on building strong partnerships and its established reputation as a dependable supplier. Clients are likelier to depend upon Bodal's time-tested performance and reputation before shifting to competitor to address business requirements.

### Capacity risk

Capacity risk refers to the possibility that Bodal Chemicals won't have enough

production capacity to meet customer demand for its products. This can lead to lost sales, unhappy customers and damage to the Company's reputation.

### Mitigation measure

Bodal meticulously forecasts demand and plans production accordingly to keep some inventory as a backup. The Company can proactively address potential capacity shortfalls. They optimise production processes and reduce waste to generate output from their existing capacity.

### Supply Chain risk

Disruptions in the supply chain, such as raw material shortages or equipment failures, can impact the Company's bottom line.

### Mitigation measure

Strong relationships with suppliers help Bodal ensure a steady flow of raw materials and avoid disruptions. By controlling a portion of the raw material supply chain, Bodal strengthens its ability to navigate potential challenges. Further, backward integration reduces reliance on external vendors, mitigating supply chain risks and disruptions.

### Brand risk

Brand risk is the potential for negative events or perceptions to damage Bodal Chemicals' reputation and customer trust.

This can lead to declining sales, difficulty attracting new customers and even legal issues.

### Mitigation measure

Bodal proactively communicates with the public about its products, practices and commitment to sustainability and safety. The Company implements stringent quality control measures and invests in product safety testing to prevent potential brand risks. Furthermore, developing and promoting environmentally friendly practices has enhanced Bodal's brand image.

### Quality Risk

There is a risk of a decrease in product quality, compromising customer relationships, and reducing profitability.

### Mitigation measure

Bodal Chemicals prioritises the highest quality standards by implementing a robust, comprehensive quality management system that ensures consistent excellence and compliance with external requirements. This approach inspires confidence in customers and regulatory bodies alike.

## HUMAN RESOURCE MANAGEMENT

Bodal Chemicals recognises that its employees are the cornerstone of its success. The Company fosters a culture of diversity and inclusion, understanding its vital role in driving innovation and excellence. Bodal's commitment to talent management is evident in its ability to attract, retain and develop a high-performing workforce.

This dedication has played an instrumental role in the Company's remarkable growth trajectory. Bodal fosters a collaborative environment where individuals work cohesively towards shared goals and achieve collective growth.

Understanding the importance of continuous learning, Bodal prioritises employee development. The Company offers comprehensive training and development programmes to motivate and empower its workforce. These rigorous programmes ensure employees stay abreast of industry advancements and best practices, attracting and retaining top talent.

Successfully implementing impactful HR initiatives and people management practices demonstrates Bodal's human resources commitment. By prioritising employee well-being, career advancement and skill development, Bodal creates a positive and engaging work environment that fosters loyalty. As of March 2024, the Company boasts over 2133 employees workforce – a testament to its dedication to nurturing and retaining a talented team.

### SHE Policy

Bodal's Safety, Health, and Environment (SHE) policy is committed to sustainable growth and societal well-being. By prioritising these critical areas, the Company aims to balance the needs of its stakeholders while driving progress towards its long-term strategic plan (LTSP) and the ultimate goal of 'Target Zero Pollution'.

### Health

Employee health and well-being are paramount to the organisation. Bodal operates an on-site Occupational Health Centre (OHC) staffed by a full-time physician and medical support team to safeguard their health. An ambulance is available 24/7. Our OHC provides comprehensive healthcare services, including pre-employment examinations, routine check-ups, outpatient care, and annual comprehensive medical assessments encompassing pathology, radiology, and specialised organ testing. To proactively address potential health risks, the Company offers workplace hazard training and conduct health campaigns targeting prevalent diseases such as malaria, dengue, chikungunya, and vitamin B12 deficiency.

### Safety

Safety is a fundamental principle of Bodal's operations. To ensure a secure working environment, the Company has assigned dedicated safety representatives to each plant, who collaborate closely with the central safety team. All new employees undergo rigorous safety training as part of their onboarding process. This comprehensive program includes classroom instruction on safety theory, Material Safety Data Sheets (MSDS), and emergency procedures, complemented by hands-on training and regular safety drills. Appropriate personal protective equipment is mandatory for all personnel, and fire hydrant systems are installed across its facilities to mitigate fire risks.



## SUPPLY CHAIN MANAGEMENT

Bodal Chemicals Ltd., a global leader across 30+ countries, prioritises delivering innovative solutions to its valued customers. Understanding the importance of supply chain excellence in a competitive landscape, Bodal has invested in advanced systems that empower its clients. Their sophisticated approach integrates strategic

planning, specialised tools and collaborative partnerships to optimise every stage.

From strategically forecasting demand and ensuring procurement accordingly to efficient manufacturing, inventory management and logistics, Bodal ensures seamless operations. This commitment

extends to their production facilities, where continuous monitoring and improvement efforts guarantee responsiveness and peak operational efficiency. By nurturing expertise within its trade network and providing comprehensive sales force training, Bodal further strengthens its position as a reliable and innovative partner.

## INFORMATION TECHNOLOGY

Bodal Chemicals Ltd. leverages cutting-edge information technology (IT) to gain a competitive edge and optimise its operations. Recognising the critical role IT plays in today's world, Bodal prioritises continuous improvement and vigilant monitoring of its IT infrastructure. This

solidly built system efficiently manages databases, monitors operations and provides valuable insights for strategic planning.

Using advanced software and timely upgrades, Bodal ensures accurate data analysis and positions itself at the

forefront of technological advancements. Furthermore, implementing a robust Enterprise Resource Planning (ERP) system empowers seamless supply chain expansion, precise sourcing and accurate supply projections, further solidifying Bodal's operational efficiency.

### CAUTIONARY STATEMENT

Statements in the Directors' Report, Management Discussion and Analysis or elsewhere in this annual report contain forward-looking statements including, but without limitation, statements relating to the implementation of strategic initiatives and other statements relating to Bodal Chemicals Ltd's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning our business's development, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, Governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Bodal Chemicals Ltd. undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

# Corporate Information

### BOARD OF DIRECTORS:

Mr. Suresh J. Patel	Chairman and Managing Director
Mr. Bhavin S. Patel	Executive Director
Mr. Ankit S. Patel	Executive Director
Mr. Rajshri Gosh	Director-HSE
Mr. Nalin Kumar	Independent Director
Mrs. Neha Huddar	Independent Director
Mr. Mayank K. Mehta	Independent Director
Mr. Rohit Maloo	Independent Director

### CHIEF FINANCIAL OFFICER

Mr. Mayur B. Padhya

### COMPANY SECRETARY & Compliance officer

Mr. Ashutosh B. Bhatt

### REGISTERED OFFICE (up to 31-05-2024)

Plot No.: 123-124, Phase-I, G.I.D.C. Estate, Vatva, Ahmedabad-382 445.

### REGISTERED AND CORPORATE OFFICE (w.e.f 01-06-2024)

Bodal Corporate House, Besides Maple Green Residency, Nr. Shilaj Ring Road Circle, Thaltej, Ahmedabad-380059, Gujarat, INDIA

### STATUTORY AUDITORS

#### Auditors

Naresh J. Patel & Co.

804, Mauryansh Elanza, Shyamal Cross Roads, Satellite, Ahmedabad-380015, Gujarat, India

### COMMITTEES OF BOARD

#### AUDIT COMMITTEE

Mr. Rohit Maloo	Chairman
Mr. Nalin Kumar	Member
Mrs. Neha Huddar	member
Mr. Bhavin S. Patel	Member

### STAKE HOLDER'S RELATIONSHIP COMMITTEE

Mr. Rohit Maloo	Chairman
Mr. Nalin Kumar	Member
Mr. Bhavin S. Patel	Member

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Rohit Maloo	Chairman
Mrs. Neha Huddar	Member
Mr. Nalin Kumar	Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Suresh J. Patel	Chairman
Mr. Ankit S. Patel	Member
Mr. Rohit Maloo	Member

### SHARE TRANSFER COMMITTEE

Mr. Suresh J. Patel	Chairman
Mr. Bhavin S. Patel	Member
Mr. Ankit S. Patel	Member

### RISK MANAGEMENT COMMITTEE

Mr. Suresh J. Patel	Chairman
Mr. Ankit S. Patel	Member
Mr. Rohit Maloo	Member
Mr. Rajarshi Ghosh	Member
Mr. Bansi M. Patel	Member
Mr. Mayur B. Padhya	Member

### BANKERS

Union Bank of India
HDFC Bank
Exim Bank
Indian Bank
AXIS BANK

## Board's Report FY 2023-24

### To THE MEMBERS OF BODAL CHEMICALS LIMITED,

The Directors hereby present their "38<sup>th</sup> ANNUAL REPORT" on the performance of the Company together with the audited financial statements for the financial year ("FY") ended March 31, 2024.

### FINANCIAL RESULTS:

Financial Results of the Company for the year under review along with figures of the previous year are as follows:

Particulars (₹ in Mn)	Consolidated			Standalone		
	FY24	FY23	Y-o-Y	FY24	FY23	Y-o-Y
Revenue from Operation	13,946.2	15,742.8		13864.4	15,551.2	
Other Income	248.0	116.1		154.3	79.8	
<b>Total Revenue</b>	<b>14,194.2</b>	<b>15,858.9</b>	<b>-10.5%</b>	<b>14,018.7</b>	<b>15,631.0</b>	<b>-10.3%</b>
Raw Material Consumed	6,994.9	8,953.9		7,021.5	8,911.0	
Employee Expenses	1,027.6	948.1		985.1	918.8	
Other Expenses	4,816.8	4,507.5		4,779.1	4,510.1	
Loss relating to Company's subsidiaries operating in hyperinflationary economy	160.1	-		-	-	
<b>EBITDA</b>	<b>1,194.7</b>	<b>1,449.5</b>	<b>-17.6%</b>	<b>1,233.0</b>	<b>1,291.2</b>	<b>-4.5%</b>
<b>EBITDA (%)</b>	<b>8.4%</b>	<b>9.1%</b>		<b>8.8%</b>	<b>8.3%</b>	
Depreciation	604.9	530.9		595.8	521.6	
<b>EBIT</b>	<b>589.8</b>	<b>918.6</b>		<b>637.2</b>	<b>769.6</b>	
<b>EBIT (%)</b>	<b>4.2%</b>	<b>5.8%</b>		<b>4.5%</b>	<b>4.9%</b>	
Finance Cost	542.5	410.3		518.8	344.1	
<b>Profit Before Tax</b>	<b>47.3</b>	<b>508.4</b>		<b>118.4</b>	<b>425.5</b>	
Tax	-17.4	128.03		41.0	114.08	
<b>Profit After Tax</b>	<b>64.7</b>	<b>380.3</b>	<b>-83.0%</b>	<b>77.4</b>	<b>311.4</b>	<b>-75.2%</b>
<b>Profit After Tax (%)</b>	<b>0.5%</b>	<b>2.4%</b>		<b>0.6%</b>	<b>2.0%</b>	
<b>EPS (in ₹)</b>	<b>0.5</b>	<b>3.0</b>		<b>0.6</b>	<b>2.5</b>	

Note: Previous year's figures have been recast wherever necessary.

### The Financial year under review 2023-24

#### PERFORMANCE DISCUSSION

FY24	⇒	₹ 14194mn Revenue	⇒	₹ 1195mn EBITDA	⇒	₹ 65mn PAT
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(On Consolidated basis)

#### Factors that leading to performance of the Company in FY 23-24:

- During the year, Sale Revenue from Dye Intermediates was ₹ 4,524 mn, 15% improvement on YOY basis. Revenue from Dyestuffs during FY24 was 4,705 mn, 13% degrowth on YOY basis. Revenue from Basic Chemicals during FY24 was ₹ 1,214 mn, degrowth of 30%.
- During the year, Chlor Alkali business has reported de-growth in revenue as well as steep decline in margin due to adverse market condition of Caustic-Chlorine industry. In FY24, post up-gradation capex, despite of growth in volume by 17%, due to a substantial price reduction, Chlor Alkali revenue stood at 2,685 mn, a de growth of 18% on YoY basis.

#### Bodal Chemicals Limited (BCL)

Bodal Chemicals Limited is a Integrated and Innovative company, offering end-to-end solution to our customers globally. Company is among world's largest manufacturer and exporter of Dyes Intermediate, Dyestuff and Sulphuric Acid, with vertically and horizontally integrated who provides product solutions and service solution on fastest possible route to their customers.

Bodal Chemicals Limited having its presence not only in India but across the Globe and serving to 35+ countries with its Innovative products and services. It is coupled with company's technical know-how, & expertise in manufacturing of Dyestuff, Dyes Intermediate & other Specialty Chemicals. Company's growth is propelled with the

support of team members and management professionals, who work diligently to take the organization to newer heights year-on-year.

**Company's Manufacturing Facilities:**

BCL has its manufacturing units across India, where Company manufactures different products. At present Company have total 7 (Seven) Manufacturing units in operation:

- Vadodara-3,
- Saykha-1
- Kambhat-1,
- SPS Unit (Kosi)-1
- Punjab-1.

All plants are Environment Compliant.

Company's' Manufacturing units produces different specialty chemicals and products for Textile, Paper, Plastic, Leather, Water purification and many other.

Further, during the year, your company has decided to permanently stop production activities at the manufacturing facilities of Unit-1, Unit-3 and Unit-4 located at Vatva GIDC, Ahmedabad, Gujarat. The company has manufacturing facilities of Dye Intermediate and Dyestuffs at Unit – 1, Dye Intermediate at Unit – 3 and Dyestuffs at Unit – 4 respectively. These are small and very old plants constructed between 1989 to 1993. Due to technological changes these plants are no longer economically viable. Operating capacity has been very low at these plants for the last several years. Further, the Company has already increased capacity by doing debottlenecking for Dye Intermediate at UNIT 6 and UNIT 7. Hence, it will not result in any major production loss for the company. Overall efficiency will improve due to the reduction of fixed overheads.

Furthermore, Company will dismantle said manufacturing facilities and it will lead to reduction of less than 3% in the total tonnage production capacity of the company.

Company's Saykha Greenfield Project has commenced its commercial operation of Benzene Downstream products on 29<sup>th</sup> December 2023 by starting production of MCB. also Company has started production of other products i.e. PNCB and ONCB on 16<sup>th</sup> March, 2024. These specialty products are expected to be stabilized by Q2FY25.

**BCL has its inhouse R&D Lab:**

- 1- Ahmedabad-Gujarat
- 2- Vadodara- Gujarat

**Company's Operation are Covered:**

- Dyestuff
- Dye Intermediates
- Bulk Chemicals
- Sulphuric Acid and its derivatives.
- Chlor Alkali
- TCCA- Water Purification
- Benzene Derivative (MCB, PNCB, ONCB)
- Thionyl Chloride (TC)

**Company's 11 Depots: (Exclusive Distribution Warehouse)**

- 7- India
- 1- China
- 1- Turkey
- 1- Bangladesh
- 1-Indonesia

**Bodal Chemicals Limited is listed:-** ISIN: INE338D01028

- BSE Ltd. (Bombay Stock Exchange) Code: 524370
- National Stock Exchange of India Ltd. (NSE) Code: BODALCHEM

**BODAL CHEMICALS LIMITED**



**Subsidiary in India**

- 1 Bodal Chemicals Trading Pvt Ltd  
100% Stake

**Associate Company**

- 1 Plutoeco Enviro Association  
25% Stake

**Subsidiaries Outside India**

- 1 Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.  
100% Stake
- 2 SENER BOYA KIMYA TEKSTIL SANAYI VE TICARET ANONIM SIRKETI  
100% Stake
- 3 Bodal Bangla Ltd  
100% Stake
- 4 PT Bodal Chemicals INDONESIA  
100% Stake

**Step-down subsidiary:**

- 1 SENPA DIS TICARET ANONIM SIRKETI

## FINANCIAL PERFORMANCE OF SUBSIDIARIES:

Particulars (₹ in mn.)	BCTPL		Sener Boya		Bodal-China		Bodal-Indonesia		Bodal Bangla	
	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24
Sales	0.01	0.00	622.8	283.9	292.7	299.1	19.9	45.6	---	---
PBT	(0.63)	(0.68)	78.3	(79.9)	13.0	13.8	(5.0)	(0.4)	(2.36)	(0.51)
PAT	(0.47)	(0.51)	66.4	(20.0)	12.9	13.7	(5.0)	(0.4)	(2.36)	(0.70)

### BODAL CHEMICALS TRADING PVT LTD

Bodal Chemicals Trading Pvt Ltd, a Wholly Owned Subsidiary Company was incorporated in India on 07<sup>th</sup> December 2018. It was incorporated with object of trading in chemical products. The Company has Commenced commercial operations. It is not material subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Further, Financial Results of the Company for FY 2023-24 are available on website of the Company at [www.bodal.com](http://www.bodal.com)

### BODAL CHEMICALS TRADING SHIJIAZHANG LTD (CHINA)

Bodal Chemicals trading Shijiazhuang Ltd, a Foreign Wholly Owned Subsidiary of the Company incorporated in China in FY 2018-19, for trading activities in Chemical Products.

Apart from the trading activity within China, this company will become an important arm for bodal chemicals Ltd to distribute its final product i.e. dyestuffs in domestic market of China. This will also help sourcing of some raw materials from China to India. The Company has started commercial operations. It is not material subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Further Financial Results of the Company for FY2023-24 are available on website of the Company at [www.Bodal.com](http://www.Bodal.com)

### SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI

SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI is a Foreign wholly owned Subsidiary company of Bodal Chemicals Limited. Apart from the trading activity within Turkey, this company will become an important arm for Bodal Chemicals Ltd to distribute its final product i.e. dyestuffs in domestic market of Turkey and reach out to other Local Areas. It is not material subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Looking at the Business Growth perspective, Your Company had acquired remaining 20% Stake of SENER BOYA- from existing Shareholders of the Company and SENER- Turkey has become Wholly Owned Subsidiary Company of Bodal Chemicals Ltd w.e.f. 28<sup>th</sup> March 2022 by owing 100% Equity Stake.

Relevant Disclosures Under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 were also intimated to Stock Exchanges (BSE & NSE) along with required information.

Further Financial Results of the Company for FY2023-24 are available on website of the Company at [www.Bodal.com](http://www.Bodal.com)

### BODAL BANGLA LTD

Bodal Bangla Ltd, a Foreign Wholly Owned Subsidiary of the Company incorporated on 22<sup>nd</sup> September 2019 in Bangladesh, for trading activities in Chemicals Products. The Company has started Commercial Operations. Further It is not Material Subsidiary as per the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Further, Financial Results of the Company are available on website of the Company at [www.bodal.com](http://www.bodal.com)

### PLUTOECO ENVIRO ASSOCIATION

Plutoeco Enviro Association, a Associate Company of the Company incorporated on 27<sup>th</sup> October 2020 as Section 8 Company for working as Non-Profit Organization.

Further, Financial Results of the Company are available on website of the Company at [www.bodal.com](http://www.bodal.com)

### SENPA DIS TICARET ANONIM SIRKETI

SENPA DIS TICARET ANONIM SIRKETI is a Step-Down Subsidiary company of Bodal Chemicals Limited. SENPA DIS TICARET ANONIM SIRKETI is Wholly Owned Subsidiary of SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI which is subsidiary company of Bodal Chemicals Ltd incorporated in FY 2018-19 in Turkey.

### PT BODAL CHEMICALS INDONESIA

Your Company has incorporated a Foreign Wholly Owned Subsidiary Company in Indonesia namely PT Bodal chemicals Indonesia

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed there under and Regulation 33 of the SEBI Listing Regulations, the Company has prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in **Form AOC-1** which forms part of this Annual Report. Further

Company shall place separate audited accounts of the subsidiary Companies on the website of the Company at www.bodal.com

Pursuant to Section 134 of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014 the details of developments of subsidiaries of the Company are covered in the Management's Discussion and Analysis Report which forms part of this Report.

## CAPITAL STRUCTURE & LIQUIDITY

### Authorised Share Capital

During the FY 2023-24, Authorised Share Capital of the company stood at ₹ 71,15,00,000/- (Rupees Seventy One Crores Fifteen Lakhs Only) comprising Equity Share Capital of ₹ 43,65,00,000 (Rupees Forty Three Crores Sixty Five Lakhs Only) divided into 21,82,50,000 (Twenty One Crores Eighty Two Lakhs Fifty Thousand) Equity Shares of ₹ 2/- (Rupees Two) each and Preference Share Capital of ₹ 27,50,00,000 (Rupees Twenty Seven Crore Fifty Lakhs only) divided into 2,75,00,000 (Two Crore Seventy Five Lakhs) Preference Shares of ₹ 10/- (Rupees Ten) each.

### Issued and paid-up Share Capital

The Issued, Subscribed & Paid-up Equity Share Capital of the Company as at 31<sup>st</sup> March 2024 was ₹ 25,15,79,130/- (Rupees twenty five crores fifteen lakhs seventy nine thousand one hundred thirty only) divided into 12,57,89,565 Equity Shares, having face value of ₹ 2 each.

During the year Under Review, the Company has allotted 1,66,100 No of Equity shares in pursuant of Bodal ESOP Scheme 2017 to eligible employees of the Company on 17<sup>th</sup> June 2023.

Particulars	No of Shares
Paid Up Capital at the Beginning of the Year (01-04-2023)	12,56,23,465
Addition of Shares (Pursuant to ESOP Allotment)	1,66,100
Paid Up Capital at the End of the Year (31-03-2024)	12,57,89,565

## RATINGS

The credit rating for the Company for last two years are as below: -

Type of Credit Rating	Ratings as on 31-03-2024	Ratings as on 31-03-2023
	India Ratings	India Ratings
Long Term Bank Facilities	IND BBB+/Negative	IND A+/Negative
Short Term Bank Facilities	IND BBB+/Negative/IND A2	IND A+/Negative/IND A1+

## DIVIDEND

During the year under review, The Board of Directors of your Company ("Board"), After considering the relevant circumstances, current business environment and keeping in view of Company's Dividend Distribution Policy has decided that it would be prudent not to recommend any dividend for the year under review.

## Employees Stock Option (ESOP/ESOS)

### - Allotment under ESOP:

During the year Under Review, NRC Committee of the Company at their meeting held on 17<sup>th</sup> June 2023 made allotment of 1,66,100 (Grant-05) equity shares of ₹ 2/- each at a premium of ₹ 8/- per share, pursuant to exercise of options under the ESOP-2017 Scheme.

### - Grant of Stock Options

During the year under reviews, Nomination and Remuneration Committee of Board of Directors of the Company at its meeting held on 17<sup>th</sup> June, 2023 had considered, approved and made grant of 1,66,100 No. of Stock Options (Grant-06) under Bodal Chemicals Limited- ESOP 2017.

Disclosure Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, intimated to Stock Exchanges (BSE & NSE).

Details and Summery of Employee Stock Options granted/ vested/exercised during the year 2023-24 are given in "Annexure 2" to this report.

## General Reserve

During the year under review, your directors do not propose to transfer any amount to the General Reserve.

## Term Loan and Working Capital

As on 31<sup>st</sup> March 2024, the Total Debt was ₹ 8,969.67 Million, cash and Cash Equivalents were ₹ 184.98 Million resulting in Net Debt of ₹ 8,784.69 Million (₹ 7,493.68 Million as on 31<sup>st</sup> March 2023). Total Debt consisted of ₹ 4,539.69 Millions of working capital loans and ₹ 4,429.98 Millions of long-term loans.

## TRANSFER OF UNCLAIMED SHARES & DIVIDEND AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Section 124 of the Companies Act, 2013 mandates that companies shall transfer dividend that remain unclaimed for a period of seven years, from the unpaid dividend account to the Investor Education and Protection Fund (IEPF).

During the year under review, Your Company has transferred 12175 No of shares to IEPF Account for unclaimed Dividend for 7 years from the date of declaration of Dividend for FY 2015-16 (2<sup>nd</sup> Interim Dividend).

During the year under review, Your Company has transferred 12506 No of Shares to IEPF Account for unclaimed Dividend for 7 years from the date of Declared of Dividend for FY 2016-17 (1<sup>st</sup> Interim Dividend).

Further, The Company has uploaded complete details of such Shares which were already transferred to DEMAT Account of IEPF Authority on its website:- [www.bodal.com](http://www.bodal.com)

Furthermore, Shareholders may claim back the shares which were already credited along with the unclaimed dividend amount from IEPF Authority after following the procedures prescribed under IEPF Rules. The procedure for claiming the same is available at [www.mca.gov.in](http://www.mca.gov.in) and [www.iepf.gov.in](http://www.iepf.gov.in).

Further, Details of IEPF Claim during the FY 2023-24 is stated in the Corporate Governance report of the Company, which is part of this Director's Report forming part of this Annual Report.

## PUBLIC /FIXED DEPOSITS

During the year under review, The Company has not accepted any deposit. There were no deposits remaining unpaid/ unclaimed as at the end of the financial year 2023-24 and as such no amount of principal or interest was outstanding, as on the date of the balance sheet.

## LISTING OF SECURITIES

Bodal Chemicals has 125789565 Equity Shares of ₹ 2 each fully paid, listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) as on 31<sup>st</sup> March 2024. The Company confirms that it has paid annual listing fees for the financial year 2024-25 to both the Exchange (BSE & NSE) where the Company's equity shares are listed.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors' Appointment, Retirement and Resignation

Bodal Chemicals has 8 (Eight) Directors including 4 (Four) Executives Director and 4 (Four) Independent cum Non-Executive Director including a women director at the end of financial year 31<sup>st</sup> March 2024.

## KEY MANAGERIAL PERSONNEL

- Mr. Suresh J Patel, Chairman and Managing Director (DIN: 00007400)
- Mr. Bhavin S Patel, Executive Director (DIN:0030464)
- Mr. Ankit S Patel, Executive Director (DIN: 02173231)
- Mr. Mayur B Padhya, Chief Financial Officer
- Mr. Ashutosh B Bhatt, Company Secretary

Are the key managerial Personnel of the Company as on the date of this Report.

## DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from all Independent Directors that they meet the Criteria of Independence as laid down in Section 149 (6) of the Companies Act, 2013 and regulations 27 (2) of the SEBI (LODR) regulations, 2015 (Listing regulations). There were no pecuniary transactions entered into with the Independent Directors apart from sitting fees.

## REMUNERATION OF DIRECTORS AND KMP

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, disclosures pertaining to remuneration of Managerial employees, a Statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached as **Annexure 3** which forms part of this Report.

Company received Confirmation from Chairman of NRC Committee of the Company that Appointment term and Remuneration decided by the NRC Committee are based on NRC Policy of the Company.

## REMUNERATION POLICY

The Company has in place a Remuneration policy for the Directors, KMP and Other employees pursuant to the provisions of the Act and the Listing Regulations which is explained in Corporate Governance Report and which forms a part of the Board's Report.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has an ongoing Programme where Directors in the course of meetings of the Board of Directors give information about Chemical Business developments, Expansion of the Company and various amendments in legal and regulatory areas which include mandatory disclosures and fair disclosures stated under SEBI (Listing Obligation and Disclosures Requirement) regulations, 2015 (herein referred to as "Listing Agreement"), Prohibition & Insider trading

regulations, and SAST Regulations so as to enable them to effectively discharge their roles, rights and responsibilities in the Company.

Details of the Familiarization Programme for Independent Directors are available on the website of the Company at [www.bodal.com](http://www.bodal.com)

## DIVERSITY OF THE BOARD

The Company recognizes and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates.

## BOARD MEETINGS

During the year under review, 5(Five) Board Meetings of Board of Directors were held. Details of the Composition of Board and its Committees and meetings held and Attendance of Directors at such Meetings and other relevant details are provide in the Corporate Governance report, forming part of this Director's Report.

## MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on 13<sup>th</sup> February 2024. Meeting dated 13<sup>th</sup> February 2024 held without the presence of Non-Independent Directors and the members of management. In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the following matters were, inter-alia discussed in the meeting:

- Review the performance of Non-Independent Directors and the Board as a whole
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors.
- Assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties.

## BOARD'S ANNUAL EVALUATION

In terms of the requirements of the Companies Act, 2013, and the Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, Board Committees and the Directors. The Evaluation framework adopted by the Board is set out in the Corporate Governance Report.

## AUDITORS

### STATUTORY AUDITORS

Members at its 36<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September 2022 appointed M/s. Naresh J. Patel & Co., Chartered Accountants (Firm Registration No.: 123227W) as Statutory Auditor of the

Company to hold office from conclusion of 36<sup>th</sup> Annual General Meeting of the Company until the Conclusion of 41<sup>st</sup> Annual General Meeting of the Company.

The Statutory Auditors have confirmed that they satisfy the Independence criteria required under Companies Act 2013 Code of Ethics issued by institute of Chartered Accounts of India.

The report of the Statutory Auditors along with Notes to Schedules is enclosed with this Report. The Auditor's Comments on the Company's Accounts for the financial year ended on 31<sup>st</sup> March 2024 are self-explanatory in nature and do not require any explanation as per provisions of Section 134 of the Companies Act, 2013. The Auditor's Report does not contain any qualification, reservation or adverse remark.

## INTERNAL AUDITORS

M/s. Rashmin R. Patel & Co., Chartered Accountants (FRN: 132265W), Ahmedabad are Internal Auditors of the Company. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditors report their findings on the internal audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

## SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Tapan Shah, Practicing Company Secretary as a Secretarial Auditor to conduct Secretarial Audit of the Company for the financial year 2023-24 (Period from 01.04.2023 to 31.03.2024).

The Report of Secretarial Auditor for the financial year 2023-24 is set out as **Annexure 4** and it forms a part of this Report.

Further, under regulation 24A of SEBI (LODR) Regulations, Company has received Secretarial Compliance Report for the FY 23-24 from Tapan Shah, Practicing Company Secretary and same to be filed with the Stock Exchanges (BSE & NSE).

## COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013, the Central Government has prescribed cost audit related to the Company's product Dye Intermediates and Dyes. Based on this requirement and the recommendation made by the Audit Committee, the Board of Directors has appointed M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad, as the Cost Auditor for the Financial Year 2024-25. The Company has received a written certificate from the Cost Auditor stating that their re-appointment, if made, would be within the prescribed limits under sections 141 of the Companies Act, 2013. The Cost Audit report for the FY 2023 has been filed



within the prescribed time limits. The Cost Auditor's Report does not contain any qualification, reservation or adverse remark. Further, remuneration payable to them is required to be ratified by the Shareholders at the ensuing Annual General Meeting and accordingly, a resolution seeking ratification has been included in the Notice convening the Annual General Meeting.

During the year under review, the statutory auditors, secretarial auditors and cost auditors have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

### MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the financial year under review is presented in Separate Section, forming part of the Annual Report.

### CORPORATE GOVERNANCE

Bodal Chemicals Ltd. is committed to ensuring the highest levels of ethical standards, professional integrity, corporate governance and regulatory compliance. The Company understands and respects its fiduciary duty to all stakeholders and strives to meet their expectations. The core principles of independence, accountability, responsibility, transparency, fair and timely disclosures serve as the basis of the Company's approach to Corporate Governance.

Report on Corporate Governance is annexed and forms an integral part of this Annual Report. Certificate from Mr. Tapan Shah, Company Secretary in practice, regarding compliance of conditions of Report on Corporate Governance as stipulated in the Listing Regulations is also appended to the Report on Corporate Governance.

### SECRETARIAL STANDARDS

Secretarial Standards for the Board and General Meetings (SS-1 & SS-2) are applicable to the Company. The Company has complied with the provisions of both these Secretarial Standards.

### INDUSTRIAL RELATIONS & HUMAN RESOURCES

Industrial relations at all divisions of your Company have always been cordial and continue to be so. Your directors wish to place on record their appreciation for the co-operation received from employees at all levels.

### HUMAN RESOURCES –

#### HEALTH, SAFETY AND ENVIRONMENT-

It has been our continuous endeavor in Bodal Chemicals Ltd to create safe, healthy & environment friendly work practices with leadership and management support for sustainable business growth. Risk based approach is being adopted and applied in

the manufacturing process and across the business for a safe and healthy outcome which in a way translates into revenue and acts as a catalyst in the overall growth of the organization. Cross functional participative approach is being practiced for engaging different functions for deeper involvement to create a holistic EHS culture. EHS risks are being managed to an acceptable level involving all stakeholders. Shop floor Safety hands on briefing and training in the form of TBT (Tool Box Talks) and OJT (On Job training) to adopt safe work practices is being actively practiced. PPE's are being provisioned to all employees and workforce. All employees are encouraged to report near misses and all workplace incidents are collected and evaluated by doing a root cause analysis to prevent re occurrence. During staff interactions feedback on EHS is actively sought and suggestions are being collected and evaluated for adoption as the case may be. Following this approach, there is a dip in numbers which is a reflection of positive EHS change amongst all with increased risk awareness. Regular mock exercises are being practiced at all our plants as part of Emergency Planning, Preparedness and Response. The improvement areas are noted and further adopted going forward to enhance efficiency and effectiveness to deal with any incidents.

We believe in the philosophy, 'Good EHS practices' makes good business sense & Healthy & Safe workforce is a productive workforce. We have fully equipped OHC manned round the clock with well experienced Doctors and occupational nursing staff. In house Ambulance is also available. Pre medical check-up, annual medical check-up and special health awareness camps are conducted for employees. Medical Team has also initiated "Health Gallery" and company doctor conducts regular counselling sessions and health talks for employees.

### MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

### ANNUAL RETURN

The Annual Return of the Company as on 31<sup>st</sup> March 2024 is available at Company's website at [www.bodal.com](http://www.bodal.com) and can be accessed at [https://www.bodal.com/files/report1722508799\\_66ab65ff7c97c.pdf](https://www.bodal.com/files/report1722508799_66ab65ff7c97c.pdf)

### ENVIRONMENT PROTECTION

The Company has undertaken various environment friendly measures in its different Units for promoting a better environment. The Company has in place adequate pollution control equipment and all the equipment's are in operation.

### GREEN INITIATIVE

The Ministry of Corporate Affairs had taken the Green Initiative in Report on Corporate Governance by allowing paperless compliances

by Companies through electronic mode. Your Company supports the Green Initiative and has accordingly decided to send necessary communications to its Shareholders to their respective registered E-mail addresses.

### **SAFETY & WELLBEING OF WOMEN AT THE WORKPLACE**

Bodal Chemicals Ltd. has taken various initiatives to ensure a safe and healthy workplace for its women employees. The Company has zero tolerance of sexual harassment at the work Place and is fully compliant with the prevailing laws on the prevention of sexual harassment of women at the workplace. As per the provisions of Sections 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Report on the details of the number of cases filed under sexual harassment and their disposal is as under:

<b>SR. NO.</b>	<b>COMPLAINTS UNDER SEXUAL HARASSMENT (FROM 01-04-2023 TO 31-03-2024)</b>	<b>STATUS</b>
1	Number of Complaints/Cases pending as at the beginning of FY 23-24 i.e. 01-04-2023	NIL
2	Number of Complaints/ Cases filed during the year (from 01-04-2023 to 31-03-2024)	NIL
3	Number of Complaints/ Cases as at the end of FY 2023-24 i.e. 31-03-2024	NIL

### **VIGIL MECHANISM AND WHISTLEBLOWER POLICY**

The provisions of Section 177(9) and (10) of the Companies Act, 2013 mandates every listed company to establish vigil mechanism for Directors and employees. Bodal Chemicals Ltd. has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to all the employees of the Company to raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company or society as a whole. Details of complaints received and the action taken are reviewed by the Audit Committee. No concerns or irregularities have been reported by employees/directors till date.

The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee from time to time. None of the Company's personnel have been denied access to the Audit Committee. The Whistle Blower policy is available on the Company's website and its web link [https://bodal.com/live.php?data=6\\_l2](https://bodal.com/live.php?data=6_l2)

### **ANNUAL ACCOUNTS OF SUBSIDIARIES COMPANIES**

The Accounts of the Subsidiary Companies for the financial year ended on 31<sup>st</sup> March 2024 will be made available to any shareholder of the Company on request and will also be available for inspection at the registered office of the Company during working hours till the date of the Annual General Meeting.

Statement containing salient features of financial statements of subsidiaries and Associates pursuant to section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts)

Rules, 2014 is annexed to this Report in the prescribed Form AOC-1, as **"Annexure 1"**

The Audited Financial Statements of Company's subsidiaries for financial year 2023 are available on the Company's website at [www.bodal.com](http://www.bodal.com) and the same are also available for inspection at the Registered Office of the Company. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

The Company has laid down policy on material subsidiaries and none of the subsidiary is material subsidiary as per the Policy. The policy is placed on the website of the Company and its weblink is [https://bodal.com/live.php?data=6\\_l2](https://bodal.com/live.php?data=6_l2)

### **CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT (R&D), TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under section 134(3) of the Companies Act, 2013, read with Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed as **Annexure 5** to this Report.

### **RISK MANAGEMENT & INTERNAL CONTROL**

The Company has a Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. Further details are set out in the Management Discussion and Analysis Report forming part of the Directors' Report.

The Company deploys robust system of internal controls commensurate to the size of the Company and the complexities of its operations. These systems facilitate fair presentation of its financial results in a manner that is complete and reliable, ensure adherence to regulatory and statutory compliances, and safeguards investor interest by ensuring the highest level of governance and consistent communication with investors.

The Internal Auditors of the Company conduct financial, compliance and process improvement audits each year. The Audit Committee oversees the scope and evaluates the overall results of these audits, and members of that Committee regularly attend meetings of Board of Directors. The Audit Committee also reviews the adequacy and effectiveness of the internal control system and invites functional Directors and senior management personnel to provide updates on operating effectiveness and controls, from time to time. A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal controls and

reiterate their responsibilities to report deficiencies, if any, to the Audit Committee and rectify the same.

### **CYBER SECURITY**

In view of increased cyberattack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in cyber security.

### **RISK MANAGEMENT COMMITTEE**

Company had constituted Risk Management Committee and said Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-today operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks. Committee has define Role and Responsibilities as per SEBI (Listing Obligation and Disclosures Requirement) Regulations. You can Access it from Website of the Company at [www.bodal.com](http://www.bodal.com)

The management of the Company is determining various aspects so as to be able to minimize the risk in all spheres of the Company's business from finance, human resources to business strategy, growth and stability.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

During the year, the Company had not provided any corporate guarantee or provided any Securities on behalf of others.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company's CSR Policy primarily rests on three broad tenets viz., Healthcare, Education & Community welfare and the same is within the ambit of Schedule VII of the Act.

Your Company has a strong focus on making company's CSR efforts more systematic and strategic. Company has established procedures for planning and implementation of major CSR activities in the areas surrounding the company's plants. Your Company is presently focused on the following key areas of CSR:

Bodal believes in inclusive development. Our business success interwoven with the welfare of the communities within which we

operate. We believe in the lasting positive impact and ensure that society will harvest benefits of our initiatives for the longer time.

We believe for the nation development and growth education is the key and it is everyone's right to get better education. So we focus more on promoting education by supporting deserving students. Also, we drive Skill Development program, where our employee spare time and visit nearby villages and intervene with the school teachers and try to enhance their skill sets. This Program was undertaken digitally and physically.

Village Development: Under this program we associate with the village people, work with the Sarpanch and other senior members, study their issues and requirements towards the basic village infrastructure, and work directly with them to improve the infrastructure. It's also covers, proper clean drinking water, drainage system, Road, etc. It's also extended to the behavioral change program for the longer sustainability.

Encouraging Education and Empowering Children: we are associated with NGO "Yuva Unstoppable" and provide scholarship to deserving students and encourage them for their bright future.

Further, company continued several further initiatives under the CSR program, directly as well as through different agencies.

Further, Your Company continued several other initiatives under the CSR program, directly as well as through agency namely "Yuva Unstoppable" permitted under the Act.

Detail of CSR Policy and Annual Report on CSR for FY 2023-24 is annexed to this report as "**Annexure 6**" and forms part of this Report

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

The Business Responsibility Report for the year ended 31<sup>st</sup> March 2024 as per clause (f) of sub regulation (2) of regulation 34 of Listing Regulations is annexed and forms part of this Annual Report.

### **RELATED PARTY TRANSACTIONS**

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel, or other designated persons which may have potential conflict with the interest of the company at large.

All related party transactions are placed before the Audit Committee and the Board for approval. The Company has developed a Related Party Transaction Policy for the purpose of identification and monitoring of such transactions. The Related Party Transaction policy is placed on the Company's website [www.bodal.com](http://www.bodal.com) and its web link- [https://bodac.com/live.php?data=6\\_l2](https://bodac.com/live.php?data=6_l2)

Particulars of Contracts or arrangements with Related Parties referred to in section 188 (1) of the Companies Act, 2013, are disclosed in Form AOC-2 as **Annexure 7**.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

During the year, Company received SEBI Order, Under Section 15-I of the SEBI Act, 1992 read with Rules 5 of the SEBI (Procedure for holding Inquiry and imposing Penalties) Rules, 1995, in the matter of M/s. Bhageria Industries Limited, where in Bodal is a Connected Party and for that through SEBI order dated 31<sup>st</sup> March 2023, Penalty of ₹ 7 lacs was levied, which was paid by the Company as on 10<sup>th</sup> May 2023. However, No Direct case/matter has been initiated against the Bodal.

No such material Order passed by the Regulators or Courts or Tribunals which is impacting the Going Concern Status of the Company.

### **INSURANCE**

The Company's assets are adequately insured.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

- (a) in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of

the financial year and of the profit and loss of the Company for that period;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts for the financial year ended on 31<sup>st</sup> March 2024 on a going concern basis;
- (e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with provisions of all the applicable laws and that such systems were adequate and operating effectively.

### **ACKNOWLEDGEMENT**

Your director place on record their sincere appreciation for the steadfast commitment and highly motivated performance by employees at all levels which was instrumental in sustained performance of the Company. Your directors also sincerely thank all the stakeholders, professionals, business partners, government & other statutory bodies, banks, financial institutions, analysts and shareholders for their continued assistance, cooperation and support.

For and on behalf of the Board of Directors of  
**Bodal Chemicals Limited**

**SURESH J. PATEL**

Chairman & Managing Director  
 (DIN: 00007400)

Date : 14-08-2024  
 Place : Ahmedabad

## ANNEXURE 1 TO THE DIRECTORS' REPORT - AOC-1

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

### PART "A"- SUBSIDIARY & ASSOCIATE

(₹ in Millions)

Particulars	Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Foreign Wholly Owned Subsidiary Co.,	Associate Company	Foreign Wholly Owned Subsidiary Co.,
Name of the Subsidiary & Associate Co.,	Bodal Chemicals Trading Pvt Ltd	Bodal Chemicals trading Shijiazhuang Ltd (China)	SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI	Bodal Bangla Ltd.	Plutoeco Enviro Association	PT Bodal Chemicals Indonesia
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024
Reporting currency for the subsidiary	Indian Rupees	RMB	Turkish lira	Taka	Indian Rupees	Indonesian rupiah
Reporting exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries Rupee equivalent of 1 unit of foreign currency as at 31 <sup>st</sup> March 2024 (₹)	Not Applicable	1 RMB=11.639	1 LIRA=2.5705	1TAKA=0.7607	Not Applicable	1 Idr=0.0052508
Share Capital	0.10	20.57	561.51	5.10	0.10	13.3
Reserves & Surplus	3.36	28.25	-231.73	-7.28	42.15	-5.27
Capital Advance	-	-	-	-	-	-
Total Assets	4.19	207.76	366.10	0.42	42.63	39.4
Total Liabilities (excluding Share Capital and Reserves & Surplus and capital advance)	0.73	158.94	36.32	2.60	0.38	31.37
Investments	-	-	-	-	-	-
Turnover	Nil	299.08	283.90	Nil	Nil	45.6
Profit before taxation	-0.68	13.76	-79.93	-0.51	Nil	-0.39
Provision for taxation	-0.17	0.09	-59.97	0.19	Nil	Nil
Profit after taxation	-0.51	13.67	-19.96	-0.70	Nil	-0.39
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
% of shareholding	Nil	Nil	Nil	Nil	Nil	Nil

#### Note: -

100% shares of SENPA DIS TICARET ANONIM SIRKETI is held by SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI and SENPA DIS TICARET ANONIM SIRKETI is step down subsidiary company of BODAL CHEMICALS LTD.

### PART "B" - JOINT VENTURES: NONE

For and on behalf of Board of Directors of Bodal Chemicals Limited

#### Suresh J Patel

Chairman and Managing Director

DIN: 00007400

## ANNEXURE 2 TO THE DIRECTORS' REPORT

Disclosure as required under Section 62(1)(b) of the Companies, Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are appended as below:

Sr. No.	Particulars	BODAL ESOP Scheme 2017													
1	Date of Shareholders' Approval	23 <sup>rd</sup> September 2017													
2	Total No of Options approved under ESOS	10,00,000 (Ten Lakhs)													
3	Vesting Requirements	options granted would vest subject to vesting period of 1 (one) year													
4	Date of Grant	17-06-2023													
5	Exercise price or pricing formula	₹ 10.00													
6	Variation in terms of option	-													
7	Method of Option Valuation	Black Scholes Method													
8	Outstanding as at beginning of the Period	171100													
	Granted during the Period	166100													
	FORFEITED during the Period	-													
	CANCELLED during the Period	-													
	Lapsed during the Period	5000													
	Exercised during the Period	166100													
	Allotted during the Period	166100													
	Number of shares arising as a result of exercise of options	166100													
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	1661000													
	Number of options vested during the Period	166100													
	Outstanding as at the end of the Period 31-03-2024	166100													
	Exercisable at the end of the Period	-													
9	Weighted average remaining contractual life (in years)	-													
10	Weighted average fair value of options granted	-													
11	Employee Wise details of Options granted during the financial year 2023-24 to:														
(a)	key managerial personnel.														
	<table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Options Granted During the year</th> <th>Options Allotted During the Year</th> </tr> </thead> <tbody> <tr> <td>Mr. Mayur B Padhya</td> <td>Chief Financial Officer</td> <td>11000</td> <td>11000</td> </tr> <tr> <td>Mr. Ashutosh B Bhatt</td> <td>Company Secretary</td> <td>3000</td> <td>3000</td> </tr> </tbody> </table>	Name	Designation	Options Granted During the year	Options Allotted During the Year	Mr. Mayur B Padhya	Chief Financial Officer	11000	11000	Mr. Ashutosh B Bhatt	Company Secretary	3000	3000		
Name	Designation	Options Granted During the year	Options Allotted During the Year												
Mr. Mayur B Padhya	Chief Financial Officer	11000	11000												
Mr. Ashutosh B Bhatt	Company Secretary	3000	3000												
(b)	Any Other employee who receives a grant in any One year of option amounting to 5% or more of Option granted during the year														
	<table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Options Granted During the year</th> <th>% of Option granted during the year</th> </tr> </thead> <tbody> <tr> <td>Mr. Mayur B Padhya</td> <td>Chief Financial Officer</td> <td>11000</td> <td>6.62%</td> </tr> </tbody> </table>	Name	Designation	Options Granted During the year	% of Option granted during the year	Mr. Mayur B Padhya	Chief Financial Officer	11000	6.62%						
Name	Designation	Options Granted During the year	% of Option granted during the year												
Mr. Mayur B Padhya	Chief Financial Officer	11000	6.62%												
(C)	Identified employees who were granted Option, during any One year, equal to or exceeding 1% of the Issued Capital (excluding outstanding warrants and conversations) of the Company at the time of Grant														
	<table border="1"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Options Granted During the year</th> <th>Options Allotted During the Year</th> </tr> </thead> <tbody> <tr> <td colspan="4" style="text-align: center;">None</td> </tr> </tbody> </table>	Name	Designation	Options Granted During the year	Options Allotted During the Year	None									
Name	Designation	Options Granted During the year	Options Allotted During the Year												
None															
Note:	Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 forms part of the Notes to financial statements in this Annual Report.														

Note: Other details as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 forms part of the Notes to financial statements in this Annual Report.

## ANNEXURE 3 TO THE DIRECTORS' REPORT

Details pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1	Name & Designation of Director & KMP	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2023-24	% increase/(decrease) in remuneration in the FY 2023-24
<b>Executive/Whole Time Directors</b>			
i	Mr. Suresh J Patel	55.09	Nil
ii	Mr. Bhavin S Patel	36.69	Nil
iii	Mr. Ankit S. Patel	36.69	Nil
iv	Mr. Rajarshi Gosh	8.94	8%
Independent Directors have been paid only sitting fees during FY 2023-24 and hence the Ratio to Median Remuneration has not been shown for Independent Directors.			
iv	Mr. Mayur B Padhya, Chief Financial Officer	N.A.	NIL
v	Mr. Ashutosh B Bhatt, Company Secretary and Compliance officer	N.A.	15.65%
2	<b>The percentage increase in the median remuneration of employees in the financial year</b>		8.18%
3	<b>The number of permanent employees on the rolls of company</b>		2133
4	<b>Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:</b>		
	Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2023-24 was 8.17% whereas the increase in the managerial remuneration for the same financial year was 3.94%. There was no increase in the remuneration of Managing Director and Executive Directors of the Company in last year.		
5	<b>Key parameters for any variable component of remuneration received by the Directors:</b>		
	<b>Executive Director:</b> Nomination and Remuneration Committee determines the variable compensation annual based on their individual and organization performance.		
	<b>Non Executive Director:</b> Not applicable.		
6	<b>Affirmation that the remuneration is as per the remuneration policy of the company</b>		Yes

Particulars of Employees in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Employed throughout the financial year with salary above ₹ 102 Lakh p.a.

Name of Employee	Mr. Suresh J. Patel	Mr. Bhavin S Patel	Mr. Ankit S Patel
Designation	Chairman and Managing Director	Executive Director	Executive Director
Remuneration	1,76,70,796	1,14,56,135	1,08,39,600
Commission	NIL	NIL	NIL
Nature of Employment	Permanent	Permanent	Permanent
Qualification	Bachelor in Science (B.Sc.)	Bachelor in Science (B.Sc.)	Bachelor in Economics, MBA (Finance)
Date of Commencement of Employment	01.06.2005	01.06.2005	24.05.2008
Age	68 Years	43 Years	41 Years
Previous Employment	Not Applicable	Not Applicable	Not Applicable
% of Equity Shares held in the Company	29.50% as on 31 <sup>st</sup> March 2024	8.34% as on 31 <sup>st</sup> March 2024	5.77% as on 31 <sup>st</sup> March 2024

- ii. Employed part of the Financial year with average salary above ₹ 8.50 Lacs per month: **NA**
- iii. Employee employed throughout financial year or part thereof, was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent (2%) of the Equity Shares of the Company. **NA**
- iv. Variations in the Market Capitalization of the Company as at the Closing date of the Current Financial Year (FY 2023-24) and Previous Financial Year (FY 2022-23):

Date /Particulars	Issued Capital (No. of Equity Shares)	Closing Market Price per share ₹ (Sourced taken from www.nse.com)	Market Capitalisation (₹ In Million)
31-03-2024	12,57,89,565	73.26	9215.34
31-03-2023	12,56,23,465	57.70	7248.47
<b>Increase/Decrease</b>	<b>1,66,100</b>	<b>15.56</b>	<b>1966.87</b>

Note: Variation in the market Capitalization of the Company Increased from 7248.47 million to 9215.34 million as comparison of Closing date of the Current Financial year (FY 2023-24) and Closing date of the Previous financial year (FY 2022-23).

Further During the year, Company has allotted 166100 No of shares through ESOP allotment. Hence, Issued capital of the Company changed from 12,56,23,465 to 12,57,89,565.



## Annexure 4 TO THE DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

For the financial year ended 31/03/2024

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

To,  
The Members,

**BODAL CHEMICALS LIMITED**

CIN : L24110GJ1986PLC009003

Bodal Corporate House, Besides Maple Green Residency,  
Nr. Shilaj Ring Road Circle, Thaltej,  
Ahmedabad, Daskroi-380059

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit through electronically by way of scan copy or soft copy through mail or otherwise, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined through electronically by way of scan copy or soft copy through mail or otherwise, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time;
- c) 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;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021;
- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & 2018; and
- f) SEBI (Investor Protection and Education Fund) Regulation, 2009
- (vi) Secretarial Standards issued by the Institute of Company Secretaries of India (SS – 1 and SS – 2).

I have also examined compliance with the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

Further being a Chemical Industry, apart from Environment, Pollution and safety related compliances, Narcotics Law 1985 is applicable to the Company, for which examination of the relevant documents and records, on test check basis has been carried out.

During the period under review, the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, etc. were not applicable to the Company:

- i. The Securities and Exchange Board of India (Delisting of Equity Shares)(Amendment) Regulations, 2016 and 2021;
- ii. Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;
- iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 & 2018; and
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings.

**I further report that –**

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

**I further report that –**

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and on the basis of Compliance Certificates issued by the Managing Director and Company Secretary of the Company and taken on record by the Board of Directors at their meetings, in my opinion, adequate systems and processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines and general laws like various labour laws, competition law, environmental laws, etc.

**I further report that –**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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.

During the year, all decision in the Board Meetings were carried unanimously.

**I further report that** during the audit period, there were few specific events/ actions in pursuance of the above referred laws, rules, regulations, standards, etc. having a major bearing on the Company's affairs, details of which are as stated below:

- i. The Company has allotted 1,66,100 fully paid up Equity Shares of ₹ 2/- under BODAL ESOP SCHEME- 2017 at a grant price of ₹ 10/- per share, as on 17<sup>th</sup> June, 2023.
- ii. After close of the financial year, the Registered Office of the Company has been shifted to Bodal Corporate House, Besides Maple Green Residency, Nr. Shilaj Ring Road Circle, Thaltej, Ahmedabad, Daskroi, Gujarat, India, 380059 w.e.f 01.06.2024.

Signature:

Name of Company Secretary in practice: **Tapan Shah**

FCS No. : 4476

C P No. : 2839

Place: Ahmedabad

UDIN : F004476F000930258

Date: 14/08/2024

PR No.: 673/2020

**Note:** This Report is to be read with my letter of above date which is annexed as **Annexure A** and forms an integral part of this report.

**Annexure A**

To,

The Members,

**BODAL CHEMICALS LIMITED**

CIN : L24110GJ1986PLC009003

Bodal Corporate House, Besides Maple Green Residency,

Nr. Shilaj Ring Road Circle, Thaltej,

Ahmedabad, Daskroi-380059

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided, on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Signature:

Name of Company Secretary in practice: **Tapan Shah**

FCS No. : 4476

C P No. : 2839

Place: Ahmedabad

UDIN : F004476F000930258

Date: 14/08/2024

PR No.: 673/2020

## ANNEXURE 5 TO THE DIRECTORS' REPORT

### CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT (R&D), TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO:

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### ENERGY CONSERVATION MEASURES TAKEN:

- Reducing the HP of Motors where possible
- Improvement in low insulation.
- Periodic desertion of Boiler

#### ADDITIONAL INVESTMENT AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY:

The company's Sulphuric Acid plant generates steam, part of the same is used to run our TC, Dyes and Dyes Intermediates plant and balance is used to generate power, by installation of turbine, to run Sulphuric Acid plant itself.

#### IMPACT OF ABOVE:

The adoption of energy conservation measures indicated above has a consequent impact on cost of production of goods by way of reduction of fuel cost.

Total Energy Consumption per Unit of Production		
	FY 2022-23	FY 2023-24
(i) Total consumption of Electric (Units)	221.75 Million	230.04 Million
Total Amount (₹ in Million)	1546.76 Million	1685.27 Million
Unit/Average Rate (In ₹)	Unit/₹ 6.98	Unit/₹ 7.33
(ii) Fuel		
Quantity	Kgs 48.93 Million	Kgs 99.44 Million
	Ltr 0.11 Million	Ltr 0.20 Million
	MMBTU 0.010 Million	MMBTU 0.003 Million
	SCM 0.41 Million	SCM 0.30 Million
Total Amount (₹ in Million)	422.69 Million	793.55 Million
Unit /Average Rate (In ₹)	Kgs/ -₹ 7.50	Kgs/ -₹ 7.55
	Ltr/ -₹ 90.88	Ltr/ -₹ 87.93
	MMBTU/₹ 2163.49	MMBTU/₹ 1962.63
	SCM/₹ 70.31	SCM/₹ 66.93

#### RESEARCH & DEVELOPMENT (R & D)

##### Future Plans of Action

The Company will try its best to carry activities in the field of R & D for development of new products and improvements in the existing manufacturing process for better yield.

##### Expenditure on R & D (on standalone basis):

	(₹ in Million)	
	2023-24	2022-23
Capital Expenditure	3.65	2.78
Recurring Expenditure	41.29	41.35
Total	44.94	44.13
Total R&D expenditure as a percentage of total turnover	0.00	0.00

## TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

### (a) Efforts in brief:

- I. Company in order to fully utilize its multidimensional manufacturing capacity is always at the forefront to make the best use of its technical capability for better success.
- II. Continuous endeavor to improve Product Quality & Process Yields.

### (b) Benefit derived as a result of the above effort:

The Company is able to market its value-added products in Domestic as well as International Market.

### (c) Details relating to imported technology:

Name	Country	Amount in ₹
PLINKE GMBH	Germany	10,68,85,984
SULZER CHEMTECH LTD	Switzerland	28,54,15,556
<b>Total</b>		<b>39,23,01,540</b>

## FOREIGN EXCHANGE EARNING AND OUTGO -

(₹ in Million)

Particulars	FY 2023-24	FY 2022-23
<b>(a) Foreign Exchange Inflow</b>		
(i) Foreign Exchange Earning F.O.B. Value of Export	3605.57	4356.24
<b>(b) Foreign Exchange outgo</b>		
(i) Value of imported Raw materials calculated on CIF basis.	1060.09	1365.56
(ii) Value of imported Other materials calculated on CIF basis	2.48	0.14
(iii) Value of imported Capital Goods calculated on CIF basis	102.38	673.46
(iv) Foreign Traveling Expenditure	1.22	1.92
(v) Export Sales Commission	11.50	46.80
(vi) Interest	63.74	57.03
(vii) Bank Charges	4.42	4.03
(viii) Corporate Social Responsibility	-----	-----
(ix) Other Selling Expense	5.23	7.67
(x) Legal & Professional Fees	3.09	32.32
(xi) Internet Expense	-----	0.02

## Annexure 6 – CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2023-24:

Pursuant to section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

### CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT FOR FY 2023-24:

Bodal Chemicals Limited's (BCL) vision is to grow Globally and as responsible citizen also fulfill its duty towards society. The company's long-term CSR objective is "to improve the quality of life of the communities to whom we serve & attach"

#### APPROACH:

The company's CSR approach would be around following guiding principal.

Impact	Partnership	Affirmative Action
Volunteerism	Communication	Innovation

The company follows Ackerman's Model for CSR. This model defines CSR in three different Phase.

**First Phase** : Top management recognize social problem.

**Second Phase** : The Company appoints staff specialist to look into the issue and find measures to tackle it.

**Third Phase** : Implementation of the strategy derived

#### Delivery Mechanism

Whilst a large part of the CSR efforts of BCL will be implemented by an in-house department, in some of the projects company is also partner with the credible organization to design, fund allocation, implement and review projects. Partner agencies will be selected based on the well-defined selection criteria.

#### GUIDING PRINCIPLE FOR CSR:

<b>Impact</b>	All CSR initiatives will have well defined KPIs, to measure impacts on target groups.
<b>Partnership</b>	The company will forge collaborations with NGOs or Organizations those have expertise to implement the projects related to CSR.
<b>Affirmative Actions</b>	The company will design targeted interventions for the specific group to promote Education, Employability, and Entrepreneurship.
<b>Volunteerism</b>	BCL is providing opportunity to their employees, their families, and BCL ecosystem to engage in volunteering activities that will benefit to the community in which they live and work.
<b>Communication</b>	It is very important principle, the company have two-way communication channel, where we communicate with community people to understand their needs, expectations and aspirations can be mapped and their satisfaction can be obtained.
<b>Innovation</b>	BCL will endeavor to develop innovative solution to solve seemingly intractable social problem.

#### AREAS OF INTEREST:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
2. Promoting education, employment enhancing vocation skills and the differently abled and livelihood enhancement projects.
3. Promoting gender equality, empowering women by setting up homes and hostels, setting up old age homes and orphanage house, day care centers and other facilities for senior citizens.
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil or air and water including contribution to the clean Ganga set-up by the the Central Government for rejuvenation of river Ganga.

5. Promotion and protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries.
6. Measure for the benefit of armed forces veterans, war widows and their dependents.
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports.
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief fund and welfare of the schedule castes, the scheduled tribes, other backward classes, minorities and women.  
[Contribution to any fund set up by Central Government means it does not include the fund set up by State Government or any local Government.
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
10. Rural development projects.
11. Slum area development.
12. Disaster Management, Including relief, rehabilitation and reconstruction Activities.

# CSR Annual Report for FY 2023-24:

## ANNEXURE-II

### THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2023-24

1	<b>Brief outline on CSR Policy of the Company.</b>	The Company intends to make a Positive Difference to Society and Contribute its share towards the Social Cause of betterment of Society and area in which Company Operates. The Company aims to create educated, healthy, sustainable and culturally vibrant communities. We also contribute as a Company to various charitable causes and we seek to participate in ways that touch people's lives in these communities.		
2	<b>Composition of CSR Committee:</b>			
SR. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Suresh J Patel	Chairman/ Chairman and MD	4	3
2	Mr. Ankit S Patel	Member/Executive Director	4	4
4	Mr. Rohit B Maloo	Member/Independent Director	4	4
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	<a href="https://www.bodal.com/files/titlepdf1631788494_61431dce09849.pdf">https://www.bodal.com/files/titlepdf1631788494_61431dce09849.pdf</a>		
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable		
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Board and CSR Committee decide to Excess CSR Amount of FY 23-24 will be carry forward in Next Year		
SR. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)	
	Not Applicable as No Amount is Available for set off in pursuant to Sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014			
6	Average net profit of the company as per section 135(5).		87,25,00,797.66	
7	(a) Two percent of average net profit of the company as per section 135(5)		1,74,50,015.95	
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.		0	
	(c) Amount required to be set off for the financial year, if any		0	
	(d) Total CSR obligation for the financial year (7a+ 7b- 7c)		1,74,50,015.95	

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
FY 2023-24	0	0	0	0	0





(d) Amount spent in Administrative Overheads	Nil
(e) Amount spent on Impact Assessment, if applicable	Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e)	2,20,67,987.68
(g) Excess amount for set off, if any	₹ 46,17,971.73 Board and CSR Committee dated 24 <sup>th</sup> May 2024 decided to Excess CSR Amount of FY 23-24 will be carry forward in Next Year

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,74,50,015.95
(ii)	Total amount spent for the Financial Year	2,20,67,987.68
(iii)	Excess amount spent for the financial year [(ii)-(i)]	46,17,971.73
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	46,17,971.73

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)	Reason for not Transfer
				Name of the Fund	Amount (in ₹)	Date of transfer		
1	FY 2020-21	0	3,57,17,851.00	Nil	NIL	Nil	Nil	Nil
2	FY 2021-22	0	2,59,49,004.70	Nil	NIL	Nil	Nil	Nil
3	FY 2022-23	0	2,22,66,654.00	Nil	NIL	Nil	Nil	Nil
	<b>Total</b>	<b>0</b>	<b>8,39,33,509.70</b>					

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

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
			No CSR Amount spent in the Financial year for Ongoing Projects of the preceding financial years					
	<b>TOTAL</b>							

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

(asset-wise details)	
(a) Date of creation or acquisition of the capital asset(s).	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	Not Applicable

# ANNEXURE 7 TO THE DIRECTORS' REPORT

## FORM NO. AOC-2

### Particulars of Contracts/arrangements made with related parties

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

**Forms 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 arms length transactions under third proviso thereto**

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

There were no contracts or arrangements or transactions entered into during the year ended on 31<sup>st</sup> March 2024, which were not at arm's length basis.

#### B. Details of transactions at arm's length basis

There were no material transactions entered into during the year ended on 31<sup>st</sup> March 2024 with the related parties of the Company. Further below mentioned transactions entered by the Company with related parties were at arm's length basis for the year ended 31<sup>st</sup> March 2024.

Sr. No	Particulars	Details	Details	Details
1.	Name(s) of the related party and nature of relationship	Shanti Inorgo Chem (Guj.) Pvt. Ltd. Mr. Suresh J. Patel, Chairman and Managing Director is interested through his brother who is Director and member in Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Bodal Chemicals Trading Private Ltd. Wholly owned Subsidiary Company of Bodal Chemicals Ltd.	Pluto Ecco Enviro Association Associate company of BCL
2.	Nature of contracts/arrangements/transactions	Sale and purchase	Sale and purchase	Sale of Land
3.	Duration of the contracts /arrangements/transactions	Repetitive during the year	Repetitive during the year	-----
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 3.39 Million	-----	-----
5.	Date(s) of approval by the Board	28 <sup>th</sup> May, 2014	9 <sup>th</sup> February, 2021	9 <sup>th</sup> June 2021
6.	Amount paid as advances, if any :	-----	-----	-----

Sr. No	Particulars	Details	Details	Details	Details
1.	Name(s) of the related party and nature of relationship	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd. (w.e.f. 3 <sup>rd</sup> January, 2019) Wholly owned Subsidiary Company of Bodal Chemicals Ltd	SENER BOYA KIMYA TEKSTIL SANAYI VE TICARETANONIM SIRKETI (Subsidiary Company of Bodal Chemical s Ltd)	Bodal Bangla Ltd (w.e.f. 22-09-2019) Wholly Owned Subsidiary of Bodal Chemicals Ltd)	PT Bodal Chemicals Indonesia-
2.	Nature of contracts/arrangements/ transactions	Sale and purchase	Sale and purchase	Sale and purchase	Sale and Purchase
3.	Duration of the contracts /arrangements/ transactions	Repetitive during the year	Repetitive during the year	Repetitive during the year	Repetitive during the year
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 305.5 Million	₹ 209.2 Million	3.2 Million	₹ 32.1 Million
5.	Date(s) of approval by the Board	9 <sup>th</sup> February, 2021	9 <sup>th</sup> February, 2021	9 <sup>th</sup> February, 2021	11 <sup>th</sup> Feb 2023
6.	Amount paid as advances, if any :	--	--	--	--

For and on behalf of the Board of Directors of  
**Bodal Chemicals Limited**

**SURESH J. PATEL**

Chairman & Managing Director  
 (DIN: 00007400)

Date : 14-08-2024  
 Place : Ahmedabad

# REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V and Regulation 17 to 27 and 46 of SEBI (LODR) Regulations 2015 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is as follows:

## COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company appreciates the noble idea of Corporate Governance and endeavors not only to abide by and comply with, the stipulated requirements related thereto, both in its word and spirit, but has also voluntarily contemplated to establish and maintain Good Corporate Governance standards and mechanism in conformity with the contemporary national and international practices on various relevant matters including prompt dissemination of information and expeditious redress of grievances of investors and public in general.

The policies and practice of Corporate Governance of the Company are inspired by following philosophy and principles with an earnest attempt to accomplish the same:

### (a) Transparency:

To maintain in all aspects, high standards of transparency, in our interactions and dealings.

### (b) Disclosures:

To ensure timely dissemination of all price sensitive information and matters of importance to protect the interest of investors.

### (c) Accountability:

To demonstrate highest levels of personal responsibility and continually affirm that employees are responsible to themselves for the pursuit of excellence.

### (d) Compliances:

To comply with all the laws and regulations as applicable to the Company.

### (e) Ethical conduct:

To conduct in an ethical manner, the affairs of the Company.

### (f) Stakeholders' interest:

To promote the interests of all stakeholders including of customers, shareholders, employees, vendors, governments and the community.

The Company's philosophy of Code of Corporate Governance is aimed at assisting the top management in the efficient conduct of its business and fulfilling its obligations towards the Government, its shareholders, employees and other stakeholders.

Your Board believes that Corporate Governance is a powerful medium of sub-serving the long-term interests of its stakeholders for the attainment of transparency, accountability and equity in all

facets of its operations by enhancing and sustaining its corporate value through growth and innovation.

The Company has established systems, policies and actions which are fully compliant with the requirements stipulated by the Securities and Exchange Board of India ("SEBI") from time to time under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These systems, policies and actions of the Company are designed to further the objectives of Good Corporate Governance of the Company, thereby enhancing its performance and increasing stakeholder's value.

This report sets out the compliance status of the Company during the financial year 2023-2024 with respect to the conditions of corporate governance.

## Board of Directors:

### a. Composition of the Board

The Company's board consists of 8 (Eight) Directors as on 31.03.2024. Out of 8 Directors, 4 Directors are Independent Directors (Non Executive) including one (1) woman Director. The Chairman of the Board is an Executive Director. The Profile of the Directors can be found on website of the Company: [www.bodal.com](http://www.bodal.com). The Composition of Board is in conformity with Regulation 17 of the SEBI Listing Regulation read with Section 149 of the Act.

The Composition of Board is as follows:

Promoter-Promoter Group Director	Executive Director	Independent Director (Non- Executive)
Mr. Suresh J. Patel (Din:00007400) Promoter Chairman & Managing Director	Mr. Rajarshi Ghosh (DIN:08715159) Director-HSE	Mr. Nalin Kumar (Din: 03060741)  Mrs. Neha Huddar (Din:00092245)
Mr. Bhavin S. Patel (Din:00030464) (Promoter Group) Executive Director		Mr. Mayank K Mehta (Din: 03554733)  Mr. Rohit B Maloo (Din: 09806284)
Mr. Ankit S. Patel (Din:02173231) (Promoter Group) Executive Director		

**Notes:**

1. None of the Independent Directors of the Company had any material pecuniary relationship or transactions with the Company, its promoter, its management during the Financial Year 2023-24, which may affect independence of the Independent Directors.
2. None of the Directors on the Board hold directorship in more than ten public Companies. None of the Independent Directors serve as an Independent director on more than Seven Listed Entities. Necessary Disclosures regarding Committee positions in other public Companies as on 31<sup>st</sup> March, 2024 have been made by the Directors.
3. All Directors mentioned above as Independent Directors, they fall within the expression of "Independent Directors" as mentioned in regulation 16(b) of the SEBI (Listing Obligation and Disclosure) Regulations, 2015.
4. The Independent Directors of the Company fully meet the requirements laid down under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of Independence as laid down under this regulation as well as Section 149(6) of the Companies Act, 2013.
5. In terms of Regulation 25(8) of SEBI LODR Listing Regulations, All Independent Directors have Confirmed that they are not aware of any circumstances or Situation which exists or may be reasonably anticipated that could Impair or Impact their ability to discharge their duties.
6. In accordance with the erstwhile Clause 49 of the Listing agreement, the Company has issued formal Letter of Appointment to all the Independent Directors. The terms and Conditions of their appointment have also been disclosed on the website of the Company. [www.bodal.com](http://www.bodal.com)

**b. Board Meeting and Agenda:**

The Board generally meets once in a quarter to review the Quarterly/Half Yearly/Annual performance and financial result of

the Company. The Compliance Reports in respect of applicable laws are placed before the Board periodically. Agenda papers containing the necessary information/ documents are made available to the Board to discharge its responsibility effectively and take effective decisions. In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events and approvals obtained, if necessary.

The Company Secretary, while preparing the Agenda, Notes to Agenda and Minutes of the Meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India (ICSI). Draft Minutes are circulated to the Board/Committee Board Members for their comments. The Minutes are entered in the Minutes Book within 30 days from the Conclusion of the meeting. The Company Secretary attends and acts to as secretary of all the Meetings of the Board and its Committees.

Further, Relaxation given by Ministry of Corporate Affairs and SEBI in their circular, all Board Meetings and Committee meetings conducted through Video Conference ("VC") and ("OAVM") Mode.

Furthermore, Company has been complied with all clause for Conducted Board Meetings and Committee meetings through Video Conference ("VC") and Other Audio Visual Means ("OAVM"). Further, recording of Proceedings and Quorum of All Board Meetings and Committee meetings has been kept with secretarial department of the Company.

During the year, Information as mentioned in Part A of Schedule II of SEBI Listing Regulations, has been placed before the Board for its Consideration.

The Board periodically reviews the Compliance reports of all laws applicable to the Company.

### Attendance record of Board meetings:

During the Financial Year, 2023-24, 5 (Five) Board meetings were held on 30-05-2023, 11-08-2023, 06-11-2023, 13-02-2024 and 06-03-2024. The time gap between two Board Meetings was less than 120 days.

Details regarding attendance of Board Meeting held during Financial Year 2023-24 and the Last Annual General Meeting held on the 28<sup>th</sup> September 2023.

Name of the Member and Category of Members	Attendance at the Meeting held on					Total Meetings Attended/Total Meetings During the year	Attendance at the Last AGM
	30-05-2023	11-08-2023	06-11-2023	13-02-2024	06-03-2024		
Mr. Suresh J. Patel MD & CEO	Yes	Yes	Yes	LoA	Yes	4/5	Yes
Mr. Bhavin S. Patel Executive Director	LoA	Yes	Yes	Yes	Yes	4/5	No
Mr. Ankit S. Patel Executive Director	Yes	Yes	Yes	Yes	Yes	5/5	Yes
Mr. Rajarshi Ghosh Director-HSE	Yes	Yes	Yes	Yes	Yes	5/5	Yes
Mrs. Neha Huddar Independent Director	Yes	Yes	Yes	Yes	Yes	5/5	Yes
Mr. Nalin Kumar Independent Director	Yes	Yes	Yes	Yes	Yes	5/5	Yes
Mr. Mayank K Mehta Independent Director	Yes	LoA	Yes	Yes	Yes	4/5	Yes
Mr. Rohit B Maloo Independent Director	Yes	Yes	Yes	Yes	Yes	5/5	Yes

Note: ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED – Executive Director; LOA – Leave of Absence; AD-additional Director (“VC”)- Video Conference, NA-Not Applicable

### Details regarding Directorship(s) and Committee Membership(s) in Other Listed Companies:

Name of Director	Designation	Directorship in other companies *		No of Committee position held in other Companies*		Directorship in other listed entity- Category of Directorship
		Chairman	Member	As Chairman	As Member	
Mr. Suresh J. Patel- DIN: 00007400	Chairman and MD	NIL	NIL	NIL	NIL	NIL
Mr. Bhavin S. Patel- DIN: 00030464	Executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Ankit S. Patel- DIN: 02173231	Executive Director	NIL	NIL	NIL	NIL	NIL
Mr. Rohit B Maloo- DIN: 09806284	Independent Director	NIL	NIL	NIL	NIL	NIL
Mr. Nalin Kumar- DIN: 03060741	Independent Director	NIL	NIL	NIL	NIL	NIL
Mrs. Neha S. Huddar- DIN: 00092245	Independent Director	NIL	1	1	3	Independent Director
Mr. Rajarshi Gosh- DIN: 08715159	Director-HSE	NIL	NIL	NIL	NIL	NIL
Mr. Mayank K Mehta DIN: 03554733	Independent Director	NIL	NIL	NIL	NIL	NIL

The Directorships/Committee Memberships are based on the latest disclosures received by the Company:

**Notes:**

\*Other Directorship do not include directorship of unlisted public/ private Limited companies, foreign companies and companies registered under Section 8 of the Act, Further, None of them is a member of more than ten Committees or Chairman of five Committees across all the public companies in which he/she is Director. For the purpose of determination of limits of the Board Committees, Chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been Considered as per Regulation 26(1) (b) of SEBI Listing Regulations.

In Bodal, the Board has constituted Nine Standing Committees, namely Audit Committee, Share Transfer Committee, Stakeholders' Relationship Committee/Investor Grievance Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Management Committee, Risk Management Committee and Business Growth Committee.

The Board constitutes additional functional committees, from time to time, depending on the business needs.

The details of sitting fees, commission and remuneration paid to each director appear later under the disclosure relating to Remuneration to Directors.

**c. Details of Share Holdings of Executive and Non-Executive Directors as on 31.03.2024:**

Sr. No.	Name of Director With Designation	Status/Category	Relationship between Directors	No. of Share Held as on 31.03.2024	% holding as on 31.03.2024
1	Mr. Suresh J. Patel Chairman & M. D.	Promoter Executive Director	Mr. Bhavin S Patel, Executive Director and Mr. Ankit S Patel, Executive Director are sons of Mr. Suresh J Patel (Chairman and MD)	3,71,12,857	29.50
2	Mr. Bhavin S. Patel Executive Director	Promoter group Executive Director	Mr. Suresh J Patel (Chairman and MD) is father and Mr. Ankit S Patel, Executive Director is brother of Mr. Bhavin S Patel (Executive Director)	1,04,96,342	8.34
3	Mr. Ankit S. Patel Executive Director	Promoter group Executive Director	Mr. Suresh J Patel (Chairman and MD) is father and Mr. Bhavin S Patel, Executive Director is brother of Mr. Ankit S Patel (Executive Director)	72,61,072	5.77
4	Mr. Nalin Kumar Independent Director		Independent Director Non-Executive Director	NIL	NIL
5	Mrs. Neha Huddar Independent Director		Independent Director Non-Executive Director	1000	0.00
6	Mr. Rajarshi Ghosh		Director-HSE	NIL	NIL
7	Mr. Mayank K Mehta		Independent Director	NIL	NIL
8	Mr. Rohit B Maloo		Independent Director	NIL	NIL

**d. Code of Conduct**

The Company has adopted a revised/amend Code of Conduct for Directors and Senior Management of the Company as per Regulation 17(5) of the SEBI (LODR) Regulations, 2015 and subsequent amendments as SEBI (LODR) Amendments Regulations, 2018. The Company has received confirmation

from the Directors and Senior Management regarding compliance with the code for the financial year ended 31<sup>st</sup> March, 2024. A declaration to this effect duly signed by CEO of the Company is attached herewith and forms a part of Corporate Governance Report. The code has been displayed on the Company's website [www.bodal.com](http://www.bodal.com)

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ENSUING ANNUAL GENERAL MEETING

The information as required by regulations 26 & 36(3) of the SEBI (LODR) regulation, 2015 with the stock exchange in relation to appointment/reappointment of Directors of the Company are as follows:

<b>Name of the Director</b>	Mr. Bhavin S Patel- Executive Director	Mr. Rajarshri Ghosh Director – HSE
<b>DIN</b>	00030464	08715159
<b>Date of Birth</b>	01-11-1982	03-04-1973
<b>Date of First Appointment</b>	01-06-2005	27-05-2020
<b>Qualification</b>	Bachelor in Economics, MBA (Finance)	PG Diploma in Marketing Management with a certified degree in Fire Safety Engineering with an International Certificate in Safety.
<b>Name of the Companies in which he is a Director other than Bodal Chemicals Ltd.*</b>	- Bodal Chemicals Trading Pvt. Ltd.	-----
<b>Specific Functional Areas/Experience</b>	Mr. Bhavin S. Patel is part of promoter group of the company. He is elder son of Mr. Suresh J. Patel, promoter of the company. He is young and dynamic personality, who has been associated with our Company for 16 years and He has vital experience in the chemical industry, specifically in marketing of dyestuff. He, Bhavin S. Patel, has contributed significantly in development of dyestuff business of the company and also heads the dyestuff division of our Company, including production, marketing and new growth areas. He is leading the liquid dyestuff initiatives. It is highly beneficial for the company to avail his valuable services for further development of the company by re-appointing him as Executive Director of the company for the further period of three (3) years with effect from 13 <sup>th</sup> May, 2023 on such terms and conditions and remuneration as set out in resolution no.04 of the accompanying notice.	Having More than 25 years of Progressive experience in Cross functional management and senior leadership roles. Well versed in EHSS (Environment, Health, Safety and Sustainability) Management, Principles of Risk Management Planning and implementation and Management System (ISO: 9001, ISO: 14001 & ISO 45001) auditing Skills. Strategic business change agent who has achieved broad based success to attain desired outcomes enhancing Operational and Process efficiencies aligning EHSS with the business objectives.
<b>Chairmanship / Membership of Committee (s) of Board of Director of the Company.</b>	Member in Share transfer Committee, Management Committee, Shareholders Relationship Committee and Audit Committee	NIL
<b>Chairman/Member of the Committee (s) of Board of Directors of other Public Limited Companies in which he is a Director</b>	NIL	NIL
<b>Shareholding in the Company as on 31-03-2020 &amp; percentage of paid up capital</b>	1,04,96,342 (8.34%)	NIL

*\*This number of companies also includes the Directorship held in a Pvt. Ltd Companies; Foreign Companies and Company registered u/s 8 of Companies Act, 2013.*

## COMMITTEE OF THE BOARD

### Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the

Company consists of Four Directors. All the members of the Committee are financially literate. The Chairman of the Committee is Mr. Rohit B Maloo, Non Executive and Independent Director. The Other Members of the Committee are Mr. Nalin Kumar, Non Executive and Independent Director, Mrs. Neha S. Huddar, Non Executive and Independent Director and Mr. Bhavin S Patel, Executive Director.

**Brief description of terms of reference:**

The terms of reference of the Audit Committee cover the matters specified Under Regulation 18 read with Part C of Schedule II to the SEBI LODR and Section 177 of the Companies Act, 2013. The terms of reference for the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management the annual financial statements and the auditor's report thereon, before submission to the Board for approval, with particular reference to:
  - Matters required to be included in Director's Responsibility Statement included in Board's report;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries based on exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, statement of uses and application of funds raised through an issue, statement of funds utilised for other purposes and report of monitoring agency.
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. 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.
18. To review the functioning of the Whistle-Blower mechanism.
19. Approval of appointment of Chief Financial Officer.
20. To review report submitted by Monitoring Agency informing material deviations in the utilization of issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.
21. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving the merger, demerger, amalgamation etc., on the listed entity and its shareholders.

**The audit committee shall mandatorily review the following information:**

- management discussion and analysis of financial condition and results of operations;- management letters / letters of internal control weaknesses issued by the statutory auditors;- internal audit reports relating to internal control weaknesses; and- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.- statement of deviations:



- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

During the year under review, the Committee met 05 times on 30-05-2023, 11-08-2023, 06-11-2023, 13-02-2024 and 06-03-2024.

Attendance of the Members at the meetings was as follows:

Name of Members	Status of Members		30-05-2023	11-08-2023	06-11-2023	13-02-2024	06-03-2024	Total No. of Meetings Attend/Total Number of Meetings held during the year
	Category	Designation						
Mr. Rohit B Maloo	ID-NED	Chairman	Yes	Yes	Yes	Yes	Yes	5/5
Mr. Bhavin S Patel	ED	Member	LoA	Yes	Yes	Yes	Yes	4/5
Mr. Nalin Kumar	ID-NED	Member	Yes	Yes	Yes	Yes	Yes	5/5
Mrs. Neha S. Huddar	ID-NED	Member	Yes	Yes	Yes	Yes	Yes	5/5

ID - NED Independent Director-Non Executive Director; ED – Executive Director

#### Notes:

Five Meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.

Committee invites such of the Executives as it considers appropriate, representative of the Statutory Auditors and Internal Auditors to be present at Committee Meetings.

The Company Secretary acts as the secretary to the Audit Committee.

Quarterly Reports are sent to the members of the Committee on matters relating to the Insider trading Code.

The Previous AGM of the Company was held on 28<sup>th</sup> September 2023 and was attended by Mr. Rohit B Maloo, Chairman of Audit Committee of the Company.

The Audit Committee has reviewed the Management Discussion and Analysis of financial condition and results of operations forming part of this Annual Report and other information.

The following business was conducted during the year.

- Review of quarterly financial statements.
- Review of internal control systems with reference to the audits conducted by the internal auditors.
- Review of annual financial statements for the financial year 2023-24.
- Review of related party disclosures by the Directors.
- Review of Business performance of the Company.
- Review of Other business/Business Transactions which were covers under Scope and term of reference of Audit Committee.

#### Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) of the Board consists of Independent Directors (Non Executive) only.

During the year under review, the Committee met 02 times on 17-06-2023 and 11-08-2023. Details of Members of the Committee and attendance of the members at the meetings ware as follows:

Name of Members	Status		Attendance at the Meeting Held on		No. of Meeting attended/Total Number of Meeting
	Category	Designation	17-06-2023	11-08-2023	
Mr. Rohit B Maloo	ID-NED	Chairman	Yes	Yes	2/2
Mr. Nalin Kumar	ID-NED	Member	Yes	Yes	2/2
Mrs. Neha S. Huddar	ID-NED	Member	Yes	Yes	2/2

ID - NED Independent Director-Non Executive Director; ED – Executive Director;

**Notes:**

Mr. Ashutosh B. Bhatt is acting as Secretary to the NRC Committee.

All the members of the Nomination and Remuneration Committee are Non-Executive Independent Directors.

The terms of reference of the Committee are in line with the requirements of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI LODR.

❖ **Terms of Reference**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
- Formulation of criteria for evaluation of performance of Independent Directors and the Board
- Devising a policy on Board diversity
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
- Whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors.

- Recommend to the board, all remuneration, in whatever from, payable to senior management.

**Remuneration Policy:**

The Remuneration Committee of the Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The remuneration of key Managerial Personnel is to be recommended by the NRC Committee to Board.

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks, which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- **Following criteria are also to be Considered: -**
  - Responsibilities and duties;
  - Time & efforts devoted;
  - Value addition;
  - Profitability of the Company & growth of its business;
  - Analyzing each and every position and skills for fixing the remuneration yardstick;
  - Standards for certain functions where there is a scarcity of qualified resources.
  - Ensuring tax efficient remuneration structures.
  - Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
  - Other criteria as may be applicable.

- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard to making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated/ disclosed adequately.

### Remuneration paid to Executive Directors for the Financial Year 2023-24

The remuneration paid to Executive Directors was recommended by NRC Committee and fixed by the Board of Directors and approved by the shareholders in general meetings. The remuneration paid to Executive Directors in pursuant to Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013. The details of remuneration paid to Executive Directors are as below:

(Amount in ₹)					
Particulars	Mr. Suresh J. Patel Chairman & Managing Director	Mr. Bhavin S. Patel Executive Director	Mr. Ankit S. Patel Executive Director	Mr. Rajarshi Ghosh Director-HSE	Total
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,62,00,000	1,08,00,000	1,08,00,000	24,91,164	4,02,91,164
(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	1,47,07,96	6,56,135	39,600	32,400	21,98,931
(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
Stock Options	NIL	NIL	NIL	NIL	NIL
Sweat Equity	NIL	NIL	NIL	NIL	NIL
Sitting Fees	NIL	NIL	NIL	NIL	NIL
Commission					
Others (Contribution to PF)	NIL	NIL	NIL	142199	142199
<b>Total</b>	<b>1,76,70,796</b>	<b>1,14,56,135</b>	<b>1,08,39,600</b>	<b>26,65,763</b>	<b>4,26,32,294</b>
Ceiling as per the Act (@10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					69,93,872

Note: Company has passed Special resolution in terms of Section 197,198 Hence, Company can pay Remuneration as per approved limit.

### Sitting Fee paid to Non-Executive Directors for the Financial Year 2023-24.

(Amount in ₹)					
Sr. NO.	Particulars	Fees for attending Board Meeting/Committee Meeting	Commission	Others, Specify	Total Amount
<b>Independent Directors</b>					
1	Mr. Nalin Kumar	3,60,000	Nil	Nil	3,60,000
2	Mrs. Neha Huddar	3,20,000	Nil	Nil	3,20,000
3	Mr. Mayank K Mehta	1,60,000	Nil	Nil	1,60,000
4	Mr. Rohit B Maloo	3,60,000	Nil	Nil	3,60,000
<b>TOTAL</b>		<b>12,00,000</b>	<b>Nil</b>	<b>Nil</b>	<b>12,00,000</b>

There is no pecuniary relationship or transaction of the Company with any of the Non-Executive Directors.

The Company has paid sitting fees to Non-Executive (Independent) Directors and no stock option is available to the Directors.

No remuneration or Commission is paid to the Non-Executive (Independent) Directors apart from sitting fees for attending the meeting of Board of Directors.

### Stakeholders Relationship Committee:

In compliance with the provisions of section 178 of the Companies Act, 2013 and the Listing Regulation 20 of the Listing Regulations, the Board has formed a "Stakeholder's Grievance & Relationship Committee". The Stakeholder's Grievance & Relationship Committee as a Committee of the Board has been constituted mainly to focus on the redressal of Shareholders'

and Investors' Grievances, if any, like transfer/transmission/dematerialisation of shares, loss of share certificates, non-receipt of Annual Report, Dividend Warrants and various other grievances of many stakeholders.

❖ **Terms of Reference**

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

❖ **Composition, Meetings and attendance:**

**During the Financial Year, 4 meetings were held on 30-05-2023, 11-08-2023, 06-11-2023 and 13-02-2024.**

Name of Members and Category	Designation	Attendance at the Meeting held on				Total Meetings attended/ Total No. of Meetings held during the year
		30.05.2024	11.08.2023	06.11.2023	13.02.2024	
Mr. Rohit B Maloo- ID-NED	Chairman	Yes	Yes	Yes	Yes	4/4
Mr. Nalin Kumar ID-NED	Member	Yes	Yes	Yes	Yes	4/4
Mr. Bhavin S Patel ED	Member	LoA	Yes	Yes	Yes	3/4

ID - NED Independent Director-Non Executive Director; ED – Executive Director;

**Name, Designation, Address and Contact details of the Compliance Officer**

**Mr. Ashutosh B. Bhatt**

Company Secretary & Compliance Officer

Bodal Chemicals Ltd

"Bodal Corporate House," Besides Maple Green Residency, Nr. Shilaj Ring Road Circle, Thaltej, Ahmedabad- 380059, Gujarat, INDIA

Tel. No. 079- 68160100

Email: secretarial@bodal.com

**Details of Shareholders'/Investors' Complaints during the FY 2023-24:**

Link Intime India Pvt. Ltd (RTA) the Company, and SCORES- the official website of SEBI received shareholders/investors complaints and they were resolved by the company/the RTA in consultation with the Company for the Financial Year 2023-24. The details are as follows:

Sr. No.	Nature of Complaints	Opening Balance 01-04-2023	Received during the year	Redressed/ attended	Pending as on 31-03-2024
1	Non receipt of share certificates after transfer etc.	NIL	NIL	NIL	NIL
2	Non receipt of Dividend Warrants	NIL	NIL	NIL	NIL
3	Query regarding DEMAT credit	NIL	NIL	NIL	NIL
4	Non receipt of duplicate share certificates after issue	NIL	NIL	NIL	NIL
5	Others Received from SEBI/Stock Exchanges	NIL	01	01	NIL
<b>Total</b>		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

❖ **Prohibition of Insider Trading**

The Company in their meeting held on 06<sup>th</sup> February, 2019 adopted revise code of practice and Procedures and code of conduct to regulate, Monitor and Report Trading in Securities by designated persons and relative of designated persons in compliance with SEBI (Prohibition of Insider Trading) (Amendments), Regulations, 2018 and Code of Practices and Procedures for fair Disclosures of Unpublished Price Sensitive Information in compliance with SEBI (Prohibition of Insider Trading) (Amendments), Regulations, 2018

## SHARE TRANSFER COMMITTEE

The members of Share Transfer Committee are as below:

### ❖ Composition

Name of Members	Status	
	Category	Designation
Mr. Suresh J. Patel	Chairman & Managing Director	Chairman
Mr. Bhavin S. Patel	Executive Director	Member
Mr. Ankit S. Patel	Executive Director	Member

The role, terms of reference, authority and powers of the Share Transfer Committee are in conformity with the provisions of the Companies Act, 2013.

## MANAGEMENT COMMITTEE

### ❖ Composition

Name of Members	Status	
	Category	Designation
Mr. Suresh J. Patel	Chairman & Managing Director	Chairman
Mr. Bhavin S. Patel	Executive Director	Member
Mr. Ankit S. Patel	Executive Director	Member

## BUSINESS GROWTH COMMITTEE:

Board of Directors at their Board Meeting held on 27<sup>th</sup> May 2022 constituted a committee to discover, study and explore opportunities for In organic growth having Direct or Indirect Synergies with the business model of the Company.

### ❖ Composition

Name of Members	Status	
	Role in Committee	Nature of Directorship
Mr. Suresh J. Patel	Chairman	Chairman and MD
Mr. Ankit S Patel	Member	Executive Director
Mr. Rohit B Maloo	Member	Independent Director
Mr. Mayur B Padhya	Member	Chief Financial Officer

## INDEPENDENT DIRECTORS MEETING

During the year under review, at least One meeting of Independent Directors of the Company without the presence of Non-Independent Directors and Members of Management was held on 13<sup>th</sup> February 2024 as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. The meeting was attended by all the Independent Directors and Mr. Rohit B Maloo chaired the said meeting.

During the year, 1(One) meeting of Independent Directors was held on 13-02-2024. Attendance of Independent Committee meeting as below:

Name of Members	Status		Attendance at the Meeting Held on 13-02-2024	No. of Meeting attended/ Total Number of Meeting
	Category	Designation		
Mr. Rohit B Maloo	ID-NED	Chairman	Yes	1/1
Mr. Nalin Kumar	ID-NED	Member	Yes	1/1
Mrs. Neha S. Huddar	ID-NED	Member	Yes	1/1
Mr. Mayank K Mehta	ID-NED	Member	Yes	1/1

The Independent Directors reviewed following matter in their Meeting:

- I. Performance of Non Independent Directors and the Board as whole
- II. Performance of Chairperson of the Board taking into account the view of Executives Director and Non- Executives Directors; and

III. Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties and The Independent Directors have expressed satisfaction.

#### **DIRECTORS' INDUCTION AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis. An induction kit is provided to new Directors which includes the annual report, overview of the Company and its operating subsidiaries, Investor/ Earning Presentation, highlights of the major events, projects of the Company, Code of Conduct for Non-Executive Directors including Independent Directors,

Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, etc.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Corporate Social Responsibility, Data Analytics, Tax and Litigation updates. Besides the above, Investor/Earning presentation on of the Company are made at their respective Board Meetings and Committees where some of the Independent Directors are also members.

A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

The inductee has been introduced with the Key Managerial Personnel of the company. A visit to the Company's Plants was arranged.

Detailed of Familiarization program is also available of website of the Company [www.bodal.com](http://www.bodal.com)

#### **MATRIX SETTING OUT SKILL BOARD OF DIRECTORS:**

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

1	Technical skills- Chemical Industry	2	Business operation and management
3	Research and Development	4	Project Management
5	Risk management	6	Quality and Performance management
7	Board and Governance	8	Strategic planning
9	Global market awareness	10	Finance, Accounting, Auditing,
11	Indian Corporate Laws and Compliance Global Corporate Laws and Compliance	12	Safety management
13	Stakeholder Engagement	14	Merger and acquisitions
15	Government and Government/ industrial policy which in impact to Chemicals business sector	16	Market Awareness of Chemicals Product (Domestic as well as International) awareness of Demand, Supply and Price of Chemicals products
17	Business Ethics as well as Corporate Ethics	18	Human Resources Management and labour Relations/ Labour Laws

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Name of Board Members and Designation	Mr. Suresh J Patel	Mr. Bhavin S Patel	Mr. Ankit S Patel	Mr. Rajarshi Ghosh	Mr. Rohit B Maloo	Mr. Nalin Kumar	Mrs. Neha Huddar	Mr. Mayank K Mehta
	MD-CEO	ED	ED	ED	ID	ID	ID	ID
Technical skills- Chemical Industry	√	√	√	√	--	√	--	-
Business operation and management	√	√	√	√	√	--	√	√
Research and Development	√	√	--	--	--	--	--	-
Project Management	√	√	√	√	√	√	√	√
Risk management	√	√	√	√	√	√	√	√
Quality and Performance management	√	√	√	√	--	--	--	√
Board and Governance	√	√	√	√	√	√	√	√

Name of Board Members and Designation	Mr. Suresh J Patel	Mr. Bhavin S Patel	Mr. Ankit S Patel	Mr. Rajarshi Ghosh	Mr. Rohit B Maloo	Mr. Nalin Kumar	Mrs. Neha Huddar	Mr. Mayank K Mehta
	MD-CEO	ED	ED	ED	ID	ID	ID	ID
Strategic planning	√	√	√	√	√	√	√	√
Global market awareness	√	√	√	√	--	--	--	√
Finance, Accounting, Auditing,	√	√	√	--	√	√	√	√
Indian Corporate Laws and Compliance Global Corporate Laws and Compliance	--	--	√	√	√	--	√	-
Safety management	√	√	--	√	--	--	--	-
Stakeholder Engagement	--	--	√	√	√	√	√	-
Merger and acquisitions	√	--	√	√	√	√	√	√
Government and Government/ industrial policy which in impact to Chemicals business sector	√	√	--	√	--	--	--	-
Market Awareness of Chemicals Product (Domestic as well as International) awareness of Demand, Supply and Price of Chemicals products	√	√	√	--	--	--	--	-
Business Ethics as well as Corporate Ethics	√	√	√	√	√	√	√	√
Human Resources Management and labor Relations/ Labor Laws	√	√	--	√	--	--	--	√

ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED – Executive Director; AD-Additional Director

#### KYC of Directors-

Pursuant to Companies (Appointment and Qualification of Directors) fourth Amendment Rules, 2018, All the Directors of the Company have completed KYC for the financial year 2023-2024.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In compliance with the provisions of section 135 of the Companies Act, 2013 the Board has formed a “Corporate Social Responsibility (CSR) Committee”.

The CSR Committee has been entrusted with the specific responsibility of reviewing Corporate social responsibility programs, health and safety framework and sustainable development. The overall roadmap, as well as specific issues of concern including those related to safety and climate change is reviewed in detail. The scope of the CSR Committee also includes approving the budget of CSR, reviewing the CSR Programmes and monitoring the CSR spends.

#### Composition and Attendance of the Meeting:

During the financial year, 4(Four) meetings were held on 30-05-2023, 11-08-2023, 06-11-2023 and 13-02-2024.

Name of Members	Status		Attendance at the Meeting held on				Meetings attended/ Total No. Meetings held during the year
	Category	Designation	30-05-2023	11-08-2023	06-11-2023	13-02-2024	
Mr. Suresh J. Patel	MD & CEO	Chairman	Yes	Yes	Yes	LoA	3/4
Mr. Ankit S. Patel	ED	Member	Yes	Yes	Yes	Yes	4/4
Mr. Rohit B Maloo	ID	Member	Yes	Yes	Yes	Yes	4/4

ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED – Executive Director

In line with the amended Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company revised its CSR Policy and Charter of the CSR Committee during the year under review. The same is displayed on the website of the Company at [www.bodal.com](http://www.bodal.com)

The annual report on CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board's Report as an Annexure. All details related to CSR initiatives of the Company are displayed on the Company's website at [www.bodal.com](http://www.bodal.com)

The Committee meets as and when required. The Committee inter alia devises/recommends to the Board, a CSR policy which indicates activities, projects or programs, to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

### Risk Management Committee:

The Risk Management Committee Consists of the following Directors and Senior Management of the Company:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Suresh J Patel	Chairman	Chairman and Managing Director
Mr. Ankit S. Patel	Member	Executive Director
Mr. Rajarshi Gosh	Member	Director-Health, Safety and Environment (HSE)
Mr. Rohit B Maloo	Member	Independent Director
Mr. Mayur B. Padhya	Member	Employee-CFO of the Company
Mr. Bansi M Patel	Member	President-Employee

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-today operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat risks.

Brief description of terms of reference of the Committee, inter alia, includes the following:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.

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

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors

During the year, 2 (Two) meetings were held on 11-09-2023 and 13-02-2024. Attendance of Risk Management Committee as below:

Name of Members	Status		Attendance at the Meeting Held on		No. of Meeting attended/Total Number of Meeting
	Category	Designation	11-09-2023	13-02-2024	
Mr. Suresh J Patel	Chairman-MD	Chairman	Yes	LoA	1/2
Mr. Ankit S Patel	ED	Member	Yes	Yes	2/2
Mr. Rajarshi Ghosh	D-HSE	Member	Yes	Yes	2/2
Mr. Mayur B Padhya	CFO	Member	Yes	Yes	2/2
Mr. Bansi M Patel	President	Member	Yes	Yes	2/2
Mr. Rohit B Maloo	ID	Member	Yes	Yes	2/2



### Business Responsibility & Sustainability Report:

The Business Responsibility and Sustainability Report (BRSR) of your Company for the year ended 31<sup>st</sup> March 2024 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 as Annexure\_

### OTHER POLICIES MANDATED UNDER SEBI (LODR) REGULATIONS, 2015

#### ❖ Archival Policy

In Compliance with Regulation 30(8) of SEBI (LODR) Regulations, 2015, the Company discloses on its website all such events, information which has been disclosed to the Stock Exchange(s) under Regulations 30. Such disclosures shall be posted on website of the Company for minimum five years and there after determine further action as per the archival policy of the Company.

#### ❖ Policy for preservation of Documents

In Compliance with Regulation 9 of SEBI (LODR) Regulations, 2015, The Board of Directors has adopted policy on preservation of Documents.

#### ❖ Policy for Determining Materiality of Events

In Compliance with Regulations 30 of SEBI (LODR) Regulations, 2015, the Board of Directors has adopted a policy on Determining Materiality of Events or Information. The objective of this policy is to ensure timely and adequate disclosure of events or information.

#### ❖ Policy for Determining Material Subsidiaries

In compliance with requirement of Clause 49(V)(D) of the Listing Agreement. The Board of Directors adopted a policy on Determining Material Subsidiaries. This Policy is intended to ensure the governance of the Company's Material Subsidiaries.

#### ❖ Whistle Blower Policy

The Company encourages an open door policy (called Whistle Blower Policy) where employees have access to the Head of the business /function. In terms of Company's Code of Conduct, any instance of non adherence to the code / any other observed unethical behavior are to be brought to the attention of the immediate reporting authority, who is required to report the same to the Compliance Officer of the Company or in exceptional circumstances to the Chairman of the Audit Committee.

#### ❖ Policy on Board Diversity

The Company recognizes and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates.

#### ❖ Policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information

In compliance with requirement of regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 The Board of Directors adopted a policy on procedure for Inquiry in case of leak of Unpublished Price Sensitive Information.

#### ❖ The Dividend Distribution Policy:

Company has adopted the Dividend Distribution Policy in accordance with Regulation 43A of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 ("Listing Regulations") to determine the distribution of dividends on equity shares of the Company.

#### ❖ Statutory Auditor's remuneration:

Disclosures of total fees for all services paid by the Company and its subsidiaries, on consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor as required by the provisions of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 is ₹ 2 Millions.

### GENERAL BODY MEETINGS:

Details of the last three years Annual General Meetings (AGM) or Extra Ordinary General Meetings (EGM) are as under:

YEAR	DATE	TIME	VENUE
2020-21 AGM	24.09.2021	12.00 P.M.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
2021-22 AGM	26.09.2022	11.00 A.M.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
2022-23 AGM	28.09.2023	12.00 P.M.	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")

### Details of the Special Resolution Passed at the previous three Annual General Meeting

Sr. No.	Date of AGM	Details of Special Resolutions Passed
1	24.09.2021	Re-Appointment of Mr. Nalin Kumar as a Independent Director of the Company for second term for period of five years : Re-Appointment of Mrs. Neha Huddar as a Independent Director of the Company for second term for period of five years :
2	26.09.2022	No Special Resolution was passed
3	28.09.2023	No Special Resolution was passed

The special resolutions indicated above were passed by Remote E Voting and Voting at the time of Meetings.

Further, During the year, No resolution was passed as special resolution through Postal Ballot for FY 2023-24.

### Details of Holding/Subsidiary/Associates Companies:

Name of the Company	CIN	Holding/ Subsidiary/ Associate	% of Share Held	Applicable Section
Bodal Chemicals Trading Pvt Ltd	U51597GJ2018PTC105513	Wholly Owned Subsidiary	100%	2(87)
Bodal Chemicals trading Shijiazhuang Ltd-China	-----	Foreign Wholly Owned Subsidiary	100%	2(87)
Şener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Şirketi	-----	Foreign Subsidiary	100%	2(87)
Bodal Bangla Ltd.	-----	Foreign Wholly Owned Subsidiary	100%	2(87)
Senpa Dis Ticaret Anonim Sirketi	-----	Step down subsidiary (wholly owned subsidiary of Şener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Şirketi – Subsidiary of Bodal Chemicals Ltd)	----	-----
Plutoeco Enviro Association	U85300GJ2020NPL117736	Associate	25%	2(87)
PT Bodal Chemicals Indonesia	-----	Wholly Owned Subsidiary	100%	2(87)

Regulation 16 of the Listing Regulations defines a 'material subsidiary' as subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, the Company does not have any unlisted material subsidiary incorporated in India or out of India.

The subsidiaries of the Company function independently with an adequately empowered Board of Directors and sufficient resources. For more effective governance, the minutes of Board Meetings of subsidiaries are placed before the Board of the Company for its review on a quarterly basis and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board.

Pursuant to the explanation under Regulation 16(1)(c) of the Listing Regulations, the Company has formulated a policy for determining material subsidiaries which is disclosed on the Company's website at [www.bodal.com](http://www.bodal.com)

The Company has complied with other requirements under Regulation 24 of the Listing Regulations with regard to the subsidiary companies.

### 11. Means of Communication

#### OTHER COMPLIANCES:

#### RELATED PARTY TRANSACTIONS

- All related party transactions that were entered into during FY 2023-24 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Company has revised the Related Party Transactions Policy in accordance with the Act and SEBI Listing Regulations and the same is uploaded on the Company's website at [www.bodal.com](http://www.bodal.com)

For details, about related parties transactions see Note No. 41 of Notes on Accounts of Balance Sheet of the Company.

### Statutory Compliance, Penalties and Strictures-

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the year, Company Received SEBI Order, Under Section 15-I of the SEBI Act, 1992 read with Rules 5 of the SEBI (Procedure for Holding Inquiry and Imposing penalties) Rules, 1995, in the matter of M/s. Bhageria Industries Limited, Bodal is a Connected Party and for that through SEBI order dated 31<sup>st</sup> March, 2023, penalty of ₹ 7 Lacs was levied, which was paid by the Company as on 10<sup>th</sup> May, 2023. However, no Direct case/matter has been initiated against the Bodal.

### Details of utilisation of funds raised through preferential allotment or qualified institutional Placement Compliance by the Company

During the year, Board members at their meeting held on 06<sup>th</sup> day of March 2024 considered and decided to make Proposal for raising of funds by way of issue of one or more of instruments comprising of Equity Shares, Convertible Securities of any other description or Warrants or Debt Securities, through Private Placement/ Preferential Issue/Qualified Institutions Placement or such other methods or combinations thereof and conducted Extra Ordinary General Meeting which was held on 3<sup>rd</sup> April 2024 to seek approval of shareholder. However, the Company has not received any subscription amount (25% of warrant issued price) from proposed subscriber during the offering period starting from 14<sup>th</sup> April 2024 and ended on 20<sup>th</sup> April 2024. Hence, considered this management committee of the Company at their meeting held on 22<sup>nd</sup> April 2024 has unanimously decided to repeal the preferential Issue.

Further, outcome of Committee meeting of Non-Receipt of 25% subscription amount under Preferential Issue Of Warrants intimated to Stock Exchange (BSE and NSE) dated 22-04-2024.

### Loans and advances in the nature of loans to firms / companies in which Directors are interested

The Company has not given any loans or advances to any firm / company in which its Directors are interested.

### Acceptance of recommendations of Committees by the Board of Directors

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

### Disclosure of Accounting Treatment

- In preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies which are consistently applied have been set out in the Notes to the Accounts.

### CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As required by the provisions of SEBI (PIT) Regulations, 2015, the Company has adopted a Code of Conduct for prevention of Insider Trading. Company Secretary of the Company is the Compliance Officer. The Code of Conduct is applicable to all Directors and such identified employees of the Company as well as who are expected to have access to unpublished price sensitive information relating to the Company.

## SHAREHOLDERS' INFORMATION

1	<b>Registered Office (up to 31<sup>st</sup> May 2024)</b>	Plot No. 123 & 124, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445
	<b>Corporate Office</b>	Bodal Corporate House, Besides Maple Green Residency, Nr. Shilaj Ring Road Circle, Thaltej, Ahmedabad- 380059, Gujarat, INDIA
2	<b>Annual General Meeting Date, Time and Venue</b>	24 <sup>th</sup> September, 2024 (Tuesday) through Video conferencing (VC) or Other Audio Visual Means (OAVM)
3	<b>Financial Year</b>	2023-24 (consisting of 12 months) 01/04/2023 to 31/03/2024
4	<b>Date of Book Closure</b>	21 <sup>st</sup> September 2024 to 24 <sup>th</sup> September 2024 (Both days inclusive)
5	<b>Listing on Stock Exchange</b>	BSE LTD Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block Bandra-Kurla Complex Bandra (E), Mumbai 400 051

6	<b>Stock Codes</b>	BSE Scrip Code: 524370 NSE Scrip Code: BODALCHEM Demat ISIN: INE338D01028 CIN: L24110GJ1986PLC009003
7	<b>Types of Security</b> <b>No. of paid up shares</b> <b>Market lot of shares</b>	Equity Shares of the Company 12,57,89,565 equity shares of ₹ 2/- each fully paid as on 31 <sup>st</sup> March 2024. 1 Equity Share
8	<b>Registrar &amp; Share Transfer Agent</b>	<b>M/s. Link Intime India Pvt Ltd.</b> <b>Mumbai:</b> C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400 083. <b>Ahmedabad Branch:</b> 5 <sup>th</sup> Floor, 506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellishbridge, Ahmedabad – 380 006 ahmedabad@linkintime.co.in Tel.: 079-26465179/87 Fax: 079-26465179
9	<b>Compliance Officer / Company Secretary</b>	Mr. Ashutosh B. Bhatt Bodal Corporate House, Besides Maple Green Residency, Nr. Shilaj Ring Road Circle, Thaltej, Ahmedabad- 380059, Gujarat, INDIA Phone No: 079 68160100 Fax No: 079 2583 4223, 2583 5437
10	<b>Depository System</b>	Currently 99.67% of the Company share capital is held in dematerialized form. For any assistance in converting physical shares in electronic form, investor may approach Link Intime India Pvt Ltd or Mr. Ashutosh B. Bhatt, Company Secretary & Compliance officer
11	<b>Bank details for Electronic Shareholding</b>	Members are requested to notify their Depository Participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank account, including the MICR codes of their bank.
12	<b>Furnish copies of Permanent Account Number (PAN)</b>	The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002
13	<b>Investor complaint to be addressed to</b>	Link Intime India Pvt Ltd or Mr. Ashutosh B. Bhatt, Company Secretary & Compliance officer
14	<b>E-mail ID of Grievance Redressal Division</b>	secretarial@bodal.com
15	<b>Payment of Listing Fees</b>	Annual listing fee for the financial year 2024-25 has been paid by the Company to BSE & NSE
16	<b>Payment of Depository Fees</b>	Annual Custody / Issuer fee for the Financial Year 2024-25 has been paid by the Company to CDSL & NSDL.
17	<b>Outstanding Warrants GDRs/ADRs, and Convertible Bonds, Conversion date and likely impact on equity</b>	Not Applicable
18	<b>Plant Locations</b>	<b>Unit-I</b> Plot No. 110, Phase-II, G.I.D.C., Vatva, Ahmedabad-382 445. <b>Unit-II</b> Plot No. 123&124 & C-1-B/111-114, Phase-I, G.I.D.C., Vatva, Ahmedabad-382 445. <b>Unit-III</b> Plot No. 2102, Phase-III, G.I.D.C., Vatva, Ahmedabad-382 445. <b>Unit-IV</b> Plot No. 252,253 & C-1/254, Phase-II, G.I.D.C., Vatva, Ahmedabad-382 445 <b>Unit-V</b> Plot No. 301 to 430 + 433 to 440/1, Juned-Bhersam Estate, Saykha GIDC, Taluka: Vagra, Dist.: Bharuch, Gujarat <b>Unit-VI</b> A-2 UPSIDC Industrial Area, Kosi, Kotwan, Kosi Kalan., Dist. Mathura - 281403. Uttar Pradesh. <b>Unit VII</b> Block No. 804, Village- Dudhwada, Ta. Padra, Dist. Vadodara, Gujarat. <b>Unit VIII</b> Block No.106, 108, Village: Ekalbara, Ta. Padra, Dist. Vadodara, Gujarat. <b>Unit IX</b> Block No. 598/A, Village: Piludra, Ta. Jambusar, Dist. Baruch, Gujarat.

<b>Plant Locations</b>	<p><b>Unit X</b> Plot No: 525, Village: Dudhwada, Ta: Padra, Dist: Vadodara, Gujarat</p> <p><b>UNIT- XI</b> Survey No. 382 Located at Moje-Neja, Khambhat- Vataman Road, Ta.-Khambhat, Dist.- Anand, Gujarat</p> <p><b>UNIT XII</b> Charatrapur, Vill. Khadauli/Sardargarh, P.B.No. 52, P.O. Rajpura, Distt. Patiala, Punjab Due to technological changes plant- I, II, III, IV are no longer economically viable Hence, Board of members at their Board Meeting 24<sup>th</sup> May 2024 decided to permanently stop production Activities at the manufacturing facilities at above mentioned Units of the Company.</p>	
<b>19 Nomination Facility</b>	It is in the interest of the shareholders to appoint nominee for their investments in the Company. Those members who are holding shares in physical mode and has not appointed nominee or want to change the nomination, are requested to send us nomination form duly filled in and signed by all the joint holders.	
<b>20 Change in Shareholders details / Investors Communication</b>	<p>In case you are holding your shares in dematerialized form (e.g. in electronic mode), dematerialization of your share certificates or other inquiries should be addressed to your DP where you have opened your Demat Account, quoting your client ID number. In case of physical holding of shares, any communication for change of any details should be addressed to our R&amp;T agent M/s. <b>Link Intime India Pvt Ltd.</b>, at address mentioned below.</p> <p><b>Mumbai Office:</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.</p> <p><b>Ahmedabad Branch:</b> 5<sup>th</sup> Floor, 506 TO 508, Amarnath Business Centre – 1, Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off C G Road, Navrangpura, Ahmedabad – 380 009 ahmedabad@linkintime.co.in 079 - 2646 5179</p>	
<b>21 Physical Transfer of Shares</b>	The SEBI issued Circulars to mandating transfer of securities only in electronic form effective April 1, 2019.	
<b>22 List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year</b>	<b>Ratings as on 31-03-2024</b>	<b>Ratings as on 31-03-2023</b>
	<b>India Ratings</b>	<b>India Ratings</b>
<b>Long Term Bank Facilities</b>	IND BBB+/Negative	IND A/Negative
<b>Short Term Bank Facilities</b>	IND BBB+/Negative/IND A2	IND A/ Negative/IND A1

#### Share Transfer System:

Company has appointed M/s. Link Intime India Private Limited for dealing in with the Shares of the Company in physical and electronic mode, the process of transfers of shares will be completed by them at earliest, subject to the documents being valid and complete in all aspects.

#### Results were announced During FY 2023-24 (1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024)

Sr. No.	Particulars	Date of Meeting
1	Unaudited Quarterly Results for the Quarter ended on 30 <sup>th</sup> June, 2023	11-08-2023
2	Unaudited Quarterly Results for the Quarter ended on 30 <sup>th</sup> September, 2023	06-11-2024
3	Unaudited Quarterly Results for the Quarter ended on 31 <sup>st</sup> December, 2023	13-02-2024
4	Audited Financial Results for the financial year ended 31 <sup>st</sup> March, 2024	24-05-2024

#### Results will be announced during F.Y. 2024-25 (1<sup>st</sup> April, 2024 to March 31, 2025): (Tentative)

Sr. No.	Particulars	Date of Meeting
1	Unaudited Quarterly Results for the Quarter ended on 30 <sup>th</sup> June, 2024	Second week of August, 2024
2	Unaudited Quarterly Results for the Quarter ended on 30 <sup>th</sup> September, 2024	Last week of October, 2024
3	Unaudited Quarterly Results for the Quarter ended on 31 <sup>st</sup> December, 2024	Last week of January, 2025
4	Audited Financial Results for the financial year ended 31 <sup>st</sup> March, 2025	Last week of May, 2025

Stock Data: Monthly equity share price data on BSE and NSE for the financial year 2023-2024 are as under.

**BSE:**

Month	High Price	Low Price	Close Price	Total Turnover (in Lacs)
Apr-23	70.8	58.6	69.94	311.99
May-23	72.7	63.95	64.75	243.29
Jun-23	78.6	64.29	73.33	790.42
Jul-23	79.75	68.81	70.95	684.93
Aug-23	89.09	68.3	82.42	1407.13
Sep-23	94.33	77.5	83.8	2421.59
Oct-23	83.85	70.7	74.71	483.45
Nov-23	78.05	72.65	73.85	453.97
Dec-23	86.78	73.37	82.82	1712.68
Jan-24	89.21	78.05	86.24	2084.47
Feb-24	91.07	74.05	84.49	2297.93
Mar-24	100.95	72.65	73.26	4331.74
Apr-24	87.18	74.54	77.86	1249.42
May-24	79.5	70.56	70.81	772.47
Jun-24	82.8	66	77.77	963.36

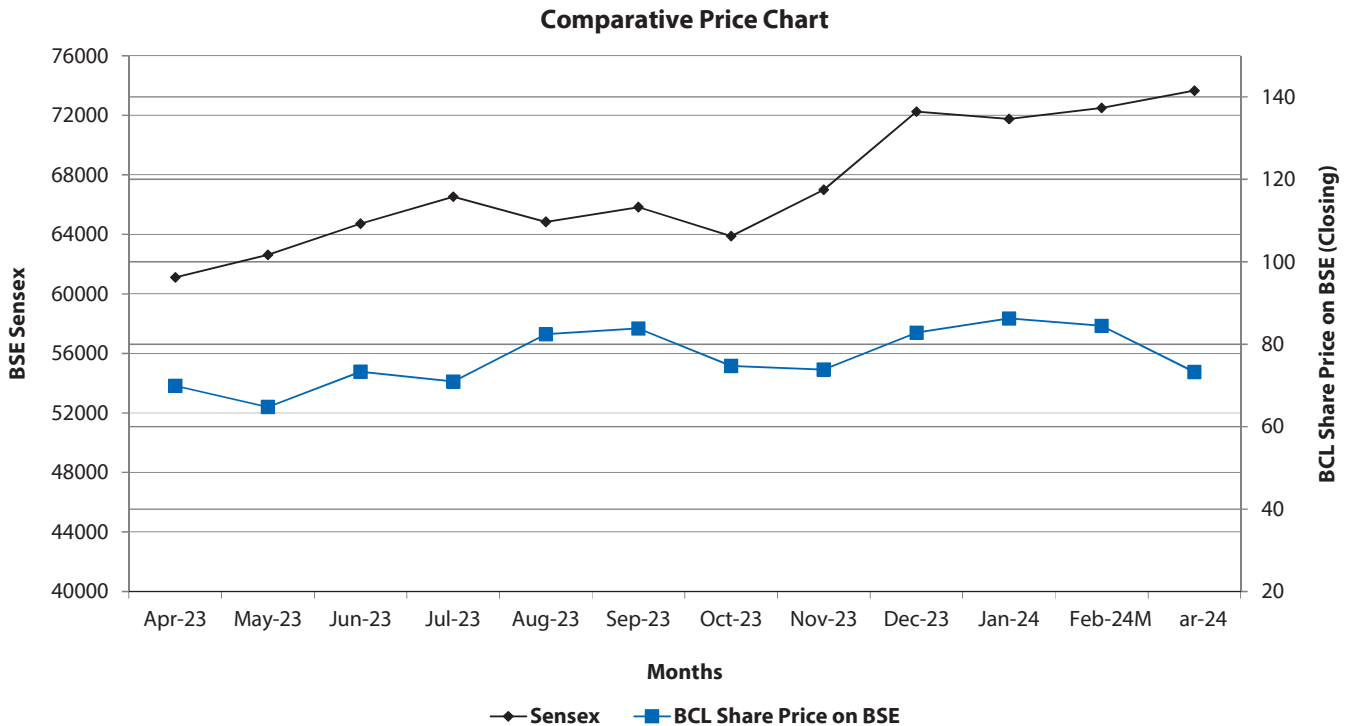
(Source from BSE Website)

**NSE:**

Month	High Price	Low Price	Close Price	Volume (Lakhs)
Apr-23	70.50	58.60	70.10	2,803.11
May-23	72.60	64.15	64.80	2,736.93
Jun-23	78.70	64.30	73.30	8,803.98
Jul-23	79.85	68.85	70.90	5,544.94
Aug-23	89.30	68.90	82.35	21,168.24
Sep-23	94.35	77.50	83.85	21,433.93
Oct-23	84.35	70.55	74.70	5,427.65
Nov-23	78.25	72.75	73.85	4,032.42
Dec-23	86.80	73.95	82.70	16,629.56
Jan-24	89.40	78.05	86.30	19,893.48
Feb-24	91.20	74.00	84.40	25,822.02
Mar-24	100.95	72.60	73.45	50,075.11

(Source from NSE Website)

### Comparison of Bodal Chemical's share price with S&P BSE SENSEX



### Shares held in physical and dematerialized form

#### Equity Shares

Dematerialization of Shares and liquidity: Company's Paid-up capital has been dematerialized up to 31.03.2024 as per the following details. The Company's Equity Shares are actively traded shares on the Indian Stock Exchanges.

Share Held in	2023-24		2022-23	
	No. of Shares	% of share capital of the Company	No. of Shares	% of share capital of the Company
Electronic form with NSDL	70507271	56.03	7,04,31,052	56.07
Electronic form with CDSL	54867354	43.62	5,47,28,908	43.57
Physical Form	414940	0.33	4,63,505	0.37
<b>Total</b>	<b>12,57,89,565</b>	<b>100</b>	<b>12,56,23,465</b>	<b>100</b>

Note: Equity shares of the Company are listed on Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited. Investors can exercise dematerialization through a recognized Depository Participant (DP) who is connected to NSDL or CDSL.

Those shareholders whose shares are held in physical form are requested to dematerialize the same at the earliest in their own interest. Thus, Investors can exercise dematerialization through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. The DEMAT security code (ISIN) for the equity shares of ₹ 2/- each is **INE – 338 D 01028**.

#### Bank Mandate for Dividend

As per SEBI Guidelines, it is mandatory for the companies to print bank account details of the shareholders on dividend warrants. Those members who have still not furnished their bank account details, are requested to furnish the same immediately either to their DP or to the Registrar of the Company.

### Unclaimed Dividends to be transferred to the Investor Education and Protection Fund

The dividend for the following years remaining unclaimed for 7 years from the date of declaration are required to be transferred by the Company to Investor Education and Protection Fund and the various dates for transfer of such amount are as under:

Sr. No.	Financial Year	Date of Declaration	Due for Transfer on
1.	2016-17 (Final)	23-09-2017	28-10-2024
2.	2017-18 (Final)	17-09-2018	22-10-2025
3.	2018-19 (Final)	20-09-2019	25-10-2026
4.	2019-20(Interim)	12-02-2020	19-03-2027
5.	2020-21 (Final)	24-09-2021	29-10-2028
6.	2021-22 (Final)	26-09-2022	31-10-2029
7.	2022-23 (Final)	28-09-2023	04-10-2030

Members who have not encashed their Dividend Warrants or those who have not received the Dividend Warrants so far, are requested to seek issuance of duplicate Dividend Warrants. Otherwise, all above said unclaimed dividend to be transferred to Investor Education and Protection Fund on above said Due Dates. Further, Shareholders are requested to send cancelled Cheque to duplicate dividend warrant claims.

Further, pursuant to Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Shares on which dividend has not been encashed for last 7 years have to be transferred to suspense account open by IEPF Authority.

Further, The Company has uploaded complete details of such Shares which were already transferred to DEMAT Account of IEPF Authority on its website: [www.bodal.com](http://www.bodal.com).

Furthermore, Shareholders may claim back the shares which were already credited along with the unclaimed dividend amount from IEPF Authority after following the procedures prescribed under IEPF Rules. The procedures for claiming the same is available at [www.mca.gov.in](http://www.mca.gov.in) and [www.iepf.gov.in](http://www.iepf.gov.in).

- During the year, Company had transferred 12175 No of shares to the IEPF Authority Account for Unclaimed and encashed dividend for 7 years from the date of declaration of Dividend by the Company for FY 2015-16 (2<sup>nd</sup> Interim Dividend)
- During the year, Company had transferred 12506 No. of Shares to the IEPF Authority Account for unclaimed and encashed Dividend for 7 years from the date of Declared of Dividend by the Company for FY 20106-17 (Interim Dividend).

### Distribution of Shareholding as on 31-03-2024.

DISTRIBUTION OF SHAREHOLDING (SHARES)							
SR. NO.	SHAREHOLDING OF SHARES			SHAREHOLDER	PERCENTAGE OF TOTAL	TOTAL SHARES	PERCENTAGE OF TOTAL
1	1	to	500	66000	83.66	8538323	6.79
2	501	to	1000	6343	8.04	5164481	4.11
3	1001	to	2000	3269	4.14	4988108	3.97
4	2001	to	3000	1132	1.44	2914849	2.32
5	3001	to	4000	512	0.65	1863400	1.48
6	4001	to	5000	466	0.59	2215357	1.76
7	5001	to	10000	673	0.85	5031832	4.00
8	10001	to	*****	492	0.62	95073215	75.58
<b>Total</b>				<b>78887</b>	<b>100.0000</b>	<b>125789565</b>	<b>100.00</b>



### Pattern of / Category of Shareholding of the Company As on 31-03-2024

Category	No of Shares	% of Share holding
Promoter & Promoter Group	7,21,95,662	57.39
Banks	11,000	0.01
NBFCs registered with RBI	52,000	0.04
Foreign Portfolio Investors Category I	9,66,985	0.77
State Government / Governor	7,525	0.01
Investor Education and Protection Fund (IEPF)	7,91,161	0.63
Resident Individuals holding nominal share capital up to ₹ 2 lakhs	3,57,02,221	28.38
Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	78,39,659	6.23
Non Resident Indians (NRIs)	11,78,204	0.94
Bodies Corporate	45,42,419	3.61
Any Other (specify)		
Director or Director's Relatives	1,000	0.00
Clearing Members	7,845	0.01
HUF	22,96,939	1.83
LLP	1,96,945	0.16
<b>Total</b>	<b>12,57,89,565</b>	<b>100.00</b>

#### Means of Communication

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans with all stakeholders which promotes management – shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual reports, media/press releases, Earning Presentations, Investor Presentations and Company's website and through green initiatives.

#### - Stock Exchange Intimations

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS / NSE Digital portal and with BSE Limited ('BSE') through BSE Online Portal.

#### - Financial Results

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board meetings and Committee meetings were also published in newspapers as per regulation of 47 of SEBI (LODR) Regulations, 2015

#### - Analyst/Investor Meets

Investor/Earning Presentations, Press release and Earning/Con Call Transcript and Recordings of Con Call of the Company are available at the website of the Company:- [www.bodal.com](http://www.bodal.com)

#### Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. It is a comprehensive reference of the Company's Management, vision, mission, policies, corporate governance, corporate sustainability, disclosures to investors, updates and news. The section on 'Investors' serves to inform the Members by furnishing complete financial details, annual reports, shareholding patterns, presentations made to institutional investors and analysts, corporate actions, information relating to stock exchange intimations, Company policies, RTA, etc. The website also has details of press releases, awards and campaigns.

The Company has also uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website.

All the above details can be accessed from the website of the Company – [www.bodal.com](http://www.bodal.com)

#### CEO AND CFO CERTIFICATION

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Clause 49 of Listing Agreement with the Stock Exchange(s). The annual Compliance Certificate given by Chairman & Managing Director and the Chief Financial Officer is published in the Annual Report.

#### Secretarial Audit:

➤ Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a yearly basis, by a Company

Secretary in practice, certifying due compliance of share transfer formalities by the Company.

- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).
- Pursuant to Regulation 24A of the Listing SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 and amend thereon, Mr. Tapan Shah, Company Secretary in practice has issued Secretarial Compliance report for the FY 2023-2024 and Company has same filed to BSE (Bombay Stock Exchange) and National Stock Exchange of India (NSE).
- Mr. Tapan Shah, a Company Secretary in practice has conducted a Secretarial Audit of the Company for FY 2023-24. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Boards Report as Annexure..

#### **Certificate from Practising Company Secretary**

Mr. Tapan Shah, Practising Company Secretaries, has issued a certificate 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 SEBI/Ministry of Corporate Affairs or any such statutory authority.

In accordance with the SEBI Circular dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. Tapan Shah, Practising Company Secretaries confirming

compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended 31<sup>st</sup> March 2024.

#### **Compliance with Code of Conduct**

In accordance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/Clause 49 of Listing Agreement with the Stock Exchange(s), the Board Members and senior management personnel of the Company have confirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March 2024.

#### **Mandatory Requirements**

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

#### **Non-Mandatory Requirements**

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

- During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The Company follows a Effective process of communicating with the shareholders which has been elaborated in the Report under the Heading "Means of Communication"
- The Internal Auditors reports to the Audit Committee.

#### **Confirmation by the Board of Directors' acceptance of recommendations of Committees:**

In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from all its Committees.

**Important weblinks for Corporate Information / Policies:**

Sr. No.	Particulars	Weblink
1	Bodal Code of Conduct	<a href="https://www.bodal.com/files/titlepdf1630902060_6135972c15f41.pdf">https://www.bodal.com/files/titlepdf1630902060_6135972c15f41.pdf</a>
2	Code of Conduct for its Non-Executive Directors	<a href="https://www.bodal.com/files/titlepdf1630902007_613596f78cad4.pdf">https://www.bodal.com/files/titlepdf1630902007_613596f78cad4.pdf</a>
3	Detailed profiles of the Directors	<a href="https://www.bodal.com/files/titlepdf1673071076_63b909e48a83a.pdf">https://www.bodal.com/files/titlepdf1673071076_63b909e48a83a.pdf</a>
4	Terms & Conditions of Independent Directors	<a href="https://www.bodal.com/files/titlepdf1664542342_6336e686be30d.pdf">https://www.bodal.com/files/titlepdf1664542342_6336e686be30d.pdf</a>
5	Familiarisation programmes	<a href="https://www.bodal.com/files/titlepdf1664542486_6336e716641b7.pdf">https://www.bodal.com/files/titlepdf1664542486_6336e716641b7.pdf</a>
6	Code of Corporate Disclosure practice and Policy of determination of Legitimate Purpose	<a href="https://www.bodal.com/files/titlepdf1630902083_61359743f240c.pdf">https://www.bodal.com/files/titlepdf1630902083_61359743f240c.pdf</a>
7	Remuneration Policy	<a href="https://www.bodal.com/files/titlepdf1652445493_627e513513498.pdf">https://www.bodal.com/files/titlepdf1652445493_627e513513498.pdf</a>
8	Related Party Transactions Policy	<a href="https://www.bodal.com/files/titlepdf1652445557_627e51758c1c1.pdf">https://www.bodal.com/files/titlepdf1652445557_627e51758c1c1.pdf</a>
9	Policy on Archival	<a href="https://www.bodal.com/files/titlepdf1631788477_61431dbd4fbde.pdf">https://www.bodal.com/files/titlepdf1631788477_61431dbd4fbde.pdf</a>
10	Policy on Preservation of Documents	<a href="https://www.bodal.com/files/titlepdf1631788671_61431e7f05776.pdf">https://www.bodal.com/files/titlepdf1631788671_61431e7f05776.pdf</a>
11	Policy on Determination of Materiality for Disclosures of Events or Information	<a href="https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf">https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf</a>
12	Dividend Distribution Policy	<a href="https://www.bodal.com/files/titlepdf1652445603_627e51a3a88a1.pdf">https://www.bodal.com/files/titlepdf1652445603_627e51a3a88a1.pdf</a>
13	Whistleblower Policy and Vigil Mechanism	<a href="https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf">https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf</a>
14	Details of unclaimed dividends	<a href="https://www.bodal.com/company-announcements.php">https://www.bodal.com/company-announcements.php</a>
15	Details of Transfer of shares to IEPF	<a href="https://www.bodal.com/company-announcements.php">https://www.bodal.com/company-announcements.php</a>
16	Quarterly / Half yearly / Annual Results	<a href="https://www.bodal.com/financials.php">https://www.bodal.com/financials.php</a>
17	Policy on Corporate Social Responsibility	<a href="https://www.bodal.com/files/titlepdf1689150996_64ae66144a55c.pdf">https://www.bodal.com/files/titlepdf1689150996_64ae66144a55c.pdf</a>
18	Policy for determining material subsidiaries	<a href="https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf">https://www.bodal.com/files/titlepdf1631788627_61431e537beea.pdf</a>
19	Stock Exchange Intimations	<a href="https://www.bodal.com/company-announcements.php">https://www.bodal.com/company-announcements.php</a>
20	Investor Service Request Forms	<a href="https://www.bodal.com/company-announcements.php">https://www.bodal.com/company-announcements.php</a>
21	Policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information	<a href="https://www.bodal.com/files/titlepdf1689150876_64ae659c4fe20.pdf">https://www.bodal.com/files/titlepdf1689150876_64ae659c4fe20.pdf</a>
22	Policy on Board Diversity	<a href="https://www.bodal.com/files/titlepdf1631788901_61431f65d3d1f.pdf">https://www.bodal.com/files/titlepdf1631788901_61431f65d3d1f.pdf</a>

## Annexure

### CERTIFICATE BY THE CEO & CFO OF THE COMPANY

We, Suresh J. Patel, Chief Executive Officer and Mayur B. Padhya, Chief Financial Officer of Bodal Chemicals Ltd., to the best of our knowledge and belief certify that;

1. We have reviewed the Balance Sheet, Profit & Loss Account, its schedule and notes to accounts and cash flow statement for the year ended **31<sup>st</sup> March 2024** and that to the best of our knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
  - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee :-
  - (a) significant changes in internal control over financial reporting during the year ;
  - (b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
  - (c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Suresh J. Patel**

Chief Executive Officer  
Chairman & Managing Director

**Mayur B. Padhya**

Chief Financial Officer

Date: 24<sup>th</sup> May 2024

## Annexure

### DECLARATION BY THE MANAGING DIRECTOR

I, Suresh J. Patel, Chairman & Managing Director of Bodal Chemicals Limited, hereby declare that all the Members of Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulations 26(3) of SEBI (LODR) Regulations, 2015.

Date: 24<sup>th</sup> May 2024

Place: Ahmedabad

**Suresh J. Patel**

Chief Executive Officer,  
Chairman & Managing Director  
(DIN: 00007400)

## Annexure

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

**BODAL CHEMICALS LIMITED**

CIN :L24110GJ1986PLC009003

PLOT NO 123 AND 124, PHASE -1, GIDC VATVA,  
 AHMEDABAD - 382 445.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BODAL CHEMICALS LIMITED**, having **CIN L24110GJ1986PLC009003** and having registered office at Plot No 123 and 124 Phase -1,GIDC, Vatva, Ahmedabad 382445 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Sureshbhai Jayantibhai Patel	00007400	*01/06/2005
2.	Bhavin Suresh Patel	00030464	*01/06/2005
3.	Ankit Sureshbhai Patel	02173231	*24/05/2008
4.	Neha Sunil Huddar	00092245	10/05/2017
5.	Rohit Bhoorchand Maloo	09806284	12/12/2022
6.	Nalin Kumar	03060741	13/02/2017
7.	Rajarshi Ghosh	08715159	27/05/2020
8.	Mayank Kulinchandra Mehta	03554733	09/02/2021

*\* based on Form No. 32 filed by the Company*

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

Signature:

Name: **Tapan Shah**

Membership No.: FCS4476

CP No.: 2839

UDIN : F004476F000395262

PR No.: 673/2020

Place: Ahmedabad

Date : 24/05/2024

# Annexure

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Registration No.: L24110GJ1986PLC009003

Nominal Capital: ₹ 711500000/-

To,

The Members of

**BODAL CHEMICALS LIMITED**

Plot No. 123-124, Phase-1,

GIDC, Vatva, Ahmedabad - 382 445.

I have examined the compliance of conditions of corporate governance by **BODAL CHEMICALS LTD**, for the year ended on March 31, 2024 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time, pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the mandatory conditions as stipulated in abovementioned Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement of the said Company with stock exchanges.

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

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

Signature:

Name of Company Secretary : **TAPAN SHAH**

Membership No.: **FCS4476**

CP No.: **2839**

UDIN : **F004476F000395273**

PR No.: **673/2020**

Place: Ahmedabad

Date : 24/05/2024

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	:	L24110GJ1986PLC009003
2	Name of the Listed Entity	:	BODAL CHEMICALS LIMITED
3	Year of incorporation	:	1986
4	Registered office address (up to 31-05-2024)	:	Plot No 123-124, Phase-I, GIDC, Vatva, Ahmedabad-382445, Gujarat, INDIA
5	Registered and Corporate address (w.e.f 01-06-2024)	:	Bodal Corporate House, Besides Maple Green Residency, Nr. Shilaj Ring Road Circle, Thaltej, Ahmedabad-380059 Gujarat, INDIA
6	E-mail	:	secretarial@bodal.com
7	Telephone	:	+919909950856, 07968160100
8	Website	:	https://www.bodal.com/
9	Financial year for which reporting is being done	:	2023-2024
10	Name of the Stock Exchange(s) where shares are listed	:	1. BSE Limited 2. National Stock Exchange of India Limited
11	Paid-up Capital	:	₹ 25,15,79,130.00
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mr. Bhavin S Patel Executive Director Phone : 07968160100 secretarial@bodal.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	:	Standalone basis

### II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Chemicals Manufacturing	Manufacturing and Sales of Chemicals	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Caustic Soda	20119	16%
2	Vinyl Sulphone	20119	15%
3	H Acid	20119	10%
4	Others	20119	59%

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	12	2	14
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	PAN INDIA
International (No. of Countries)	33 Countries



- b. What is the contribution of exports as a percentage of the total turnover of the entity? - ~28%
- c. A brief on types of customers –

Bodal Chemicals serves a wide variety of industrial customers across sectors including textiles, leather, paper, dye intermediates, dyestuffs, agrochemicals, alumina, detergents, food, pharmaceuticals, and more. The Company's diversified customer base spans key industries in India and abroad.

#### IV. Employees

18. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1978	1948	98.48%	30	1.52%
2.	Other than Permanent (E)	NIL	NIL	N.A.	NIL	N.A.
3.	Total employees (D + E)	1978	1948	98.48%	30	1.52%
<b>WORKERS</b>						
4.	Permanent (F)	155	155	100.00%		
5.	Other than Permanent (G)	1680	1680	100.00%	NIL	N.A.
6.	Total workers (F + G)	1835	1835	100.00%		

- b. Differently abled Employees and workers:

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

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50
Key Management Personnel	2	0	0

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.32	0.52	13.84	7.92	25.00	8.24	10.66	10.26	10.65
Permanent Workers	0.42	NIL	0.42	7.59	NIL	7.59	10.83	NIL	10.83

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

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

S. No.	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Bodal Chemicals Trading Private Limited	Wholly Owned Subsidiary	100.00	No
2	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	Wholly Owned Subsidiary	100.00	No
3	Şener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Şirketi	Wholly Owned Subsidiary	100.00	No
4	Bodal Bangla Ltd	Wholly Owned Subsidiary	100.00	No
5	Bodal Indonesia PT	Wholly Owned Subsidiary	100.00	No
6	Senpa Dis Ticaret Anonim Sirketi	Step down subsidiary	-	No
7	Plutoeco Enviro Association	Associate Company	25.00	No

## VI. CSR Details

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

(i) Turnover (in ₹): ₹ 13,864.36 Million

(ii) Net worth (in ₹): ₹ 10,765.42 Million

## VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY Current Financial Year 2023-2024			FY Previous Financial Year 2022-2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No. However, a mechanism is in place to interact with community leaders to understand and address their concerns, if any.	NIL	N.A.	N.A.	NIL	N.A.	N.A.
Shareholders	Yes. The same can be reviewed on the following weblinks - <a href="https://scores.gov.in/scores/Welcome.html">https://scores.gov.in/scores/Welcome.html</a> <a href="https://smartodr.in/login">https://smartodr.in/login</a>	01	NIL	N.A.	NIL	N.A.	N.A.
Employees and workers	Yes. The same can be reviewed on the following weblink- <a href="https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf">https://www.bodal.com/files/titlepdf1689150717_64ae64fd03df3.pdf</a>	NIL	N.A.	N.A.	NIL	N.A.	N.A.
Customers	No	NIL	N.A.	N.A.	NIL	N.A.	N.A.
Value Chain Partners	No	NIL	N.A.	N.A.	NIL	N.A.	N.A.
Other (please specify)			N.A.				

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environmental impacts	Risk	Hazardous waste is produced by the use of harmful raw materials in many dyes and dye intermediates. It is essential to practise responsible disposal, treatment, and environmental footprint minimisation using greener chemistry.	<ul style="list-style-type: none"> <li>• Cultivate sustainable production practices</li> <li>• Optimise resource utilisation</li> <li>• Adopt cleaner technologies</li> <li>• Manage waste and emissions effectively</li> <li>• Encourage eco-friendly innovations</li> <li>• Enhance environmental monitoring and reporting</li> <li>• Invest in renewable energy sources</li> </ul>	Negative
2	Product safety	Opportunity	To gain entry into the market, dyes and dye intermediates must comply with safety regulations on human health and environmental effects. Toxicological testing and data are important.	<ul style="list-style-type: none"> <li>• Enhance product testing and quality control</li> <li>• Implement rigorous safety standards</li> <li>• Provide clear product usage guidelines</li> <li>• Offer comprehensive labelling and information</li> <li>• Conduct regular safety audits</li> <li>• Engage in continuous improvement through customer feedback</li> </ul>	Positive
3	Supply chain traceability	Risk	In the context of intricate global supply chains, it is becoming increasingly important to trace raw material sources and ensure ethical and responsible sourcing. The ability to monitor and regulate raw materials and processes may be compromised by a lack of traceability, which could result in unsafe or defective products.	<ul style="list-style-type: none"> <li>• Implement traceability systems</li> <li>• Require suppliers to disclose sources</li> <li>• Regularly audit suppliers</li> <li>• Collaborate with ethical suppliers</li> </ul>	Negative
4	Resource use	Risk	Water, energy, and raw materials are needed in large quantities for dyes and dye intermediates. A sustainable strategy must incorporate efficiency, recycling, and circular approaches to minimise resource consumption.	<ul style="list-style-type: none"> <li>• Adopt resource-efficient processes</li> <li>• Invest in energy-efficient technologies</li> <li>• Conduct life cycle assessments</li> <li>• Engage employees in resource conservation</li> <li>• Explore circular economy initiatives</li> </ul>	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Product quality and consistency	Opportunity	For dyes and pigments, it is crucial to meet consumer requirements regarding colour, fastness, strength, and consistency. It is essential to control quality. A company's reputation could be harmed and significant financial losses could arise from product recalls, legal actions, and liability claims brought about by inferior products.	<ul style="list-style-type: none"> <li>Implement rigorous quality control measures</li> <li>Invest in advanced testing equipment</li> <li>Train employees in quality assurance</li> <li>Develop standardized processes</li> <li>Conduct regular product testing</li> <li>Establish customer feedback mechanisms</li> </ul>	Positive
6	Regulatory compliance	Opportunity	Continuous monitoring and compliance management are necessary due to the ever-changing environmental standards, REACH, VOC norms, and chemical management recommendations. Adopting compliance can spur innovation and improve process effectiveness, which can result in lower costs, more output, and a competitive edge in the market.	<ul style="list-style-type: none"> <li>Stay informed about relevant regulations</li> <li>Conduct regular audits</li> <li>Engage legal experts for guidance</li> <li>Maintain accurate records and documentation</li> <li>Implement corrective actions promptly</li> <li>Foster a culture of compliance awareness</li> </ul>	Positive
7	Talent and R&D	Opportunity	The key to being competitive is luring and keeping specialised chemists who can create novel dyes, dye intermediates, and production methods.	<ul style="list-style-type: none"> <li>Invest in employee training and development</li> <li>Foster a culture of innovation</li> <li>Allocate resources for research and development</li> <li>Encourage collaboration of teams</li> </ul>	Positive
8	Stakeholder concerns	Opportunity	Stakeholder engagement and transparency are necessary to manage concerns about possible health and ecological implications from NGOs, communities, and consumers.	<ul style="list-style-type: none"> <li>Establish regular communication and feedback channels</li> <li>Implement sustainable practices based on input</li> <li>Collaborate with NGOs and local communities</li> </ul>	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Sr. No	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	<a href="https://www.bodal.com/files/titlepdf1686219333_6481aa45ed91f.pdf">https://www.bodal.com/files/titlepdf1686219333_6481aa45ed91f.pdf</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr. No	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
4	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	1.	2.	3.	4.	5.					
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has established time-bound ESG goals spanning climate action, resource conservation, workplace safety, diversity & inclusion, governance and more. It is committed to reducing emissions as per science-based targets and improving energy, water and waste efficiency. The Company aims to further embed sustainability through goals on renewable energy, recycled material usage, community investment and ethical conduct. Its vision demonstrates the priority placed on environmental, social and governance performance.									
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has made steady progress on specific ESG commitments and targets spanning climate action, resource conservation, ethical conduct and more. The Company has made progress around improving energy efficiency across operations, reducing scope 1 emissions through process improvements, and increasing waste management. Bodal Chemicals is committed to accelerating efforts and investments to meet further goals in the next financial year through dedicated focus and collaboration.									

#### Governance, leadership and oversight

7	<b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):</b>  Bodal Chemicals integrates environmental, social, and governance principles across operations to improve stakeholder quality of life. It adheres to product stewardship, enhancing health, safety, and minimizing environmental impacts across product lifecycles. Key ESG focus areas of the Company are climate action via Science Based Targets, resource conservation of energy and water, and responsible waste management. Robust Safety, Health and Environment policies safeguard employees and communities. The Company provides ethical, fair, and safe working conditions, demonstrating its commitment to human rights.  Despite ESG challenges, Bodal Chemicals has achieved emissions reductions, water savings, and other targets through its sustainability efforts. But the ESG journey has miles to go with upcoming initiatives being planned. By embedding ESG into business strategy and operations, Bodal Chemicals aims to create long-term value for stakeholders in a responsible manner.										
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Suresh J. Patel, chairman and Managing Director (DIN : 00007400) under the guidance of the Board of Directors and its Committees, is responsible for implementation and oversight of the Business Responsibility policies									
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes Mr. Bhavin S. Patel Executive Director Contact Number : 07968160100 Email : secretarial@bodal.com									

#### 10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee										Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Performance against above policies and follow up action	As a practice, Business Responsibility policies of the Company are reviewed periodically or on a need basis by Senior Leadership Team including Managing Director. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.										Periodically								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Bodal Chemicals complies with all applicable regulations. A Statutory Compliance Certificate affirming adherence to relevant laws is furnished to the Board of Directors by the Managing Director, Chief Financial Officer and Company Secretary. This regular compliance reporting demonstrates the Company's commitment to responsible business conduct.										Regularly								

11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		The Company undertakes periodic reviews of its sustainability policies by Senior Management and the Board. These reviews help drive continuous improvement across policies, projects and performance related to business responsibility and sustainability. By regularly revisiting policies, the Company ensures they evolve in line with emerging priorities.								

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

Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									N.A.
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

##### Sr. No Essential Indicators

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

Segment	Total no of training and awareness programmes held	Topics / principals covered under the training and impact	% age of persons in respective category covered by the awareness programme
Board of Directors		During the year, the Board of Directors of the Company (including its Committees) has invested time on various updates comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters.	100.00
Key Managerial Personnel	1	Code of Conduct	100.00
Employees other than BOD & KMPs	147	Health and safety measures	100.00
	56	Skill upgradation	77.50
Workers	33	Health and safety measures	100.00

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

	NGRBC Principal	Name of the regulatory/ enforcement / judicial institutions	Monetary		Brief of the Case	Has an appeal been preferred? (Yes/No)
			Amount (In INR)			
Penalty / Fine		SEBI	₹ 7,00,000/-		As per Section 15-I of the SEBI Act, 1992 and Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, Bodal Chemicals was considered a Connected Party to M/s Bhageria Industries Limited. Through a SEBI order dated 31 <sup>st</sup> March 2023, a penalty of ₹ 7 lakhs was levied on Bodal and paid by the Company on 10 <sup>th</sup> May 2023. However, no direct case or matter has been initiated against Bodal Chemicals by SEBI. The Company has not been subject to any direct regulatory penalties or actions.	No
Settlement					NIL	
Compounding Fee						

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

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

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

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

The Company's Business Responsibility Policy ingrains core values of trust, respect, responsibility, fairness and care, with zero tolerance for corruption and bribery. Bodal Chemicals is committed to professional, fair and ethical conduct in all business dealings and relationships globally.

The Company engages with supply chain partners adhering to laws and regulations governing labour practices, human rights, anti-bribery, occupational health & safety, and environment. By selecting suppliers upholding robust compliance standards, we aim to extend our culture of integrity across our value chain.

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

	FY 2023-24 ( Current Financial Year)	FY 2022-23 ( Previous Financial Year)
Directors		
KMPs		
Employees		NIL
Workers		

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

	FY 2023-24 ( Current Financial Year)	FY 2022-23 ( Previous Financial Year)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL

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

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

**Sr. No Essential Indicators**

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

	2023-2024	2022-2023	Details of improvements in environmental and social impacts
R&D	0.30%	0.26%	The Company integrates sustainable design into upgrades and process improvements to strategically minimize effluent and waste generation from the outset.
Capex	0.03%	0.02%	

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

Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

In recent years, Bodal has transitioned from importing most materials from China to sourcing about 90% locally in Gujarat, building a robust local supply chain. This has cut Bodal's carbon footprint by reducing transportation needs, economically empowered the community, and enabled closer oversight to ensure suppliers follow ethical, eco-conscious practices.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

- a. Plastics (including packaging) – The Company has registered under the Extended Producer Responsibility program for managing plastic waste generated from operations and packaging. The Company aims to maximize reuse and recycling of plastic waste, reducing the quantities requiring disposal. For instance, plastic bags and containers received from raw material suppliers are returned for reuse, avoiding new bags and saving resources. Used bags are also leveraged for solid waste packing to extend their lifecycle. Such initiatives showcase the Company's commitment to responsible plastic waste.
- b. Hazardous waste- The Company continuously works to minimize hazardous waste generation over time. Rather than landfill disposal, solid hazardous waste is increasingly sent to authorized actual users, promoting a circular economy. For example, chemical gypsum is sent to cement units for co-processing and spent acids are reused or sent to legitimate downstream users. Such initiatives showcase the Company's commitment to responsible hazardous waste management.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Bodal Chemicals has registered under the Extended Producer Responsibility (EPR) program for plastic waste, demonstrating our commitment to responsible management of post-consumer plastic packaging.

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

**Sr. No Essential Indicators**

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	1948	787	40.40	787	40.40	NIL	N.A.				
Female	30	12	40.00	12	40.00	30	100.00	NIL	N.A.	NIL	N.A.
<b>Total</b>	<b>1978</b>	<b>799</b>	<b>40.39</b>	<b>799</b>	<b>40.39</b>	<b>30</b>	<b>1.52</b>				
<b>Other than Permanent employees</b>											
Male											
Female											
<b>Total</b>											

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	155	155	100.00	155	100.00						
Female	NIL	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.
<b>Total</b>	<b>155</b>	<b>155</b>	<b>100.00</b>	<b>155</b>	<b>100.00</b>						
<b>Other than Permanent employees</b>											
Male	1680	1680	100.00	1680	100.00						
Female	NIL	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.	NIL	N.A.
<b>Total</b>	<b>1680</b>	<b>1680</b>	<b>100.00</b>	<b>1680</b>	<b>100.00</b>						



Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	85.65	91.60	Y	86.75	80.01	Y
Gratuity	100.00	100.00	Y	100.00	100.00	Y
ESI	41.25	92.67	Y	53.90	94.95	Y
Others – please specify	N.A.					

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

**3. Accessibility of workplaces**

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

Bodal Chemicals ensures workplace accessibility for differently abled employees through ramps, elevators, wheelchair facilities and accessible washroom stalls in most premises. The Company's inclusive infrastructure upholds equal opportunity and dignity.

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

The Company provides equal employment opportunities to all employees and applicants regardless of race, caste, religion, color, marital status, gender, sexual orientation, age, nationality, ancestry, disability or any other protected status. We are committed to fair treatment and do not tolerate any unlawful discrimination in our hiring or workplace policies and practices.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	NIL	NIL
Female				
<b>Total</b>				

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Any concerns received through email, letter, or other means are logged and reviewed by the Ombudsperson for validity. Complaints warranting further inquiry are assigned to an internal or external investigator. The investigator gathers information, analyzes data, and documents observations and recommendations in an investigation report. The Ombudsperson reviews this report and may refer serious matters, along with proposed actions, to the Audit Committee. For extremely serious cases, the Audit Committee can further escalate to the Board with recommendations. The Board then decides appropriate measures. By having robust protocols and escalation procedures, concerns can be addressed at the appropriate levels through unbiased investigation.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category	No. of employees/workers in respective category, who are part of association(s) or Union(D)	% (D / C)
Total Permanent Employees	1978	NIL	N.A.	1918	NIL	N.A.
Male	1948			1882		
Female	30			36		
Total Permanent Workers	155	68	43.87	158	68	43.00
Male	155	68	43.87	158	68	43.00
Female			N.A.			

**8. Details of training given to employees and workers:**

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	1948	1948	100.00	1514	77.72	1882	1882	100.00	1381	73.38
Female	30	30	100.00	19	63.33	36	36	100.00	24	66.66
<b>Total</b>	<b>1978</b>	<b>1978</b>	<b>100.00</b>	<b>1533</b>	<b>77.50</b>	<b>1918</b>	<b>1918</b>	<b>100.00</b>	<b>1405</b>	<b>73.25</b>
<b>workers</b>										
Male	1835	1835	100.00	NIL	N.A.	1604	1604	100.00	NIL	N.A.
Female			N.A.					N.A.		
<b>Total</b>	<b>1835</b>	<b>1835</b>	<b>100.00</b>	<b>NIL</b>	<b>N.A.</b>	<b>1604</b>	<b>1604</b>	<b>100.00</b>	<b>NIL</b>	<b>N.A.</b>

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2023-2024			FY 2022-2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Permanent Employees</b>						
Male	1948	1570	80.59	1882	85	4.52
Female	30	19	63.33	36	4	11.11
<b>Total</b>	<b>1978</b>	<b>1589</b>	<b>80.33</b>	<b>1918</b>	<b>89</b>	<b>4.64</b>
<b>Permanent workers</b>						
Male	155	146	94.19	158	148	93.67
Female	0	-	-	0	-	-
<b>Total</b>	<b>155</b>	<b>146</b>	<b>94.19</b>	<b>158</b>	<b>148</b>	<b>93.67</b>

**10. Health and safety management system:**

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

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

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

The Company has a process for Risk Management, which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. Considering the hazards associated with operations and hazardous

chemicals used, sites have deployed structured Hazard Assessment, Risk Assessment and Management Process – both qualitative and quantitative, which is regularly reviewed, and mitigation plans are put in place for high-risk areas. The process also considers roles and responsibilities, monitoring control measures, competency training and awareness of individuals associated with such activities. Formal risk assessment training has been provided as appropriate.

For all activities including routine or non-routine (permit / project activities) hazards are identified by a trained cross-functional team and risk assessment is done through Hazard Identification and Risk Assessment (HIRA)/ Job Safety Analysis (JSA)/ Standard Operating Procedure (SOP) which is referred before starting any activity. The Company has procedures for process safety and functional safety including Layers of Protection Analysis (LOPA) and Safety Integrity Level (SIL). Identified hazards and associated risks are addressed through operational control measures using hierarchy of control approach. Techniques like Process Hazard Analysis (PHA), what-if-analysis, Failure Mode Effect Analysis (FMEA) are carried out on a case-to-case basis. On a day-to-day basis unsafe conditions and hazards are also identified by employees and reported. It is also extended to contractors working on sites to ensure their concerns are captured and actions initiated for closure in a time bound manner.

Storing and handling of toxic chemicals like ammonia, chlorine, flammable materials like fuel, etc. are identified as the major process hazards at the site for which the Company has carried out Quantitative Risk Assessment; HAZOP study and engineering review by external / internal experts as appropriate.

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

Yes, we encourage our employees to report near-miss incidents is analyzed and learnings are widely shared with all concerned. All sites have specific procedure for reporting of work-related hazard, injuries, unsafe condition and unsafe act.

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

Yes, all eligible employees are covered under the ESI scheme and Company has taken suitable insurance for employees who are not covered under ESI.

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

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.2029	0
	Workers	0.3891	0.2594
Total recordable work-related injuries	Employees	2	0
	Workers	3	2
No. of fatalities	Employees	0	0
	Workers	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	0	0

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

The Company is committed to continuously employ world-class Safety, Health, and Environment ('SHE') practices through benchmarking with the companies that are best in the business. The Company has a Board level Safety, Health, Environment and Sustainability ('SHES') representation, chaired by a Director. Sustainability, Safety, Health and Environmental policies and activities are reviewed to ensure that the Group is in compliance with appropriate laws and legislation.

The Company has integrated Safety, Health & Environment policy. Each of the sites/subsidiaries have adopted the Corporate SHE (Safety, Health & Environment) Policy or have its own policy aligned to Corporate Policy and local regulatory requirement focusing on site-specific issues. The Corporate SHE Policy is aligned to the Group Safety Policy, Corporate Sustainability and the safety of key stakeholders and accountability through the reporting performance.

To ensure steady improvement in the SHE performance, the Company is adopting voluntary standards such as Process Safety and Risk Management (PSRM), ISO 45001, Responsible Care and the British Safety Council guidelines. The Company's commitment to its safety management programs follows a top-down approach with the senior management persistently working towards establishing, demonstrating, sustaining, and improving the safety culture and incorporating the Company's core value of safety in their daily responsibilities. The employees are specially trained to tackle any potential hazards that may arise in the course of their work. Additionally,

tailored periodic medical check-ups are administered to the Company's employees, based on the risk profile of their work area, to identify risks to human health. Adequate medical facilities are present at all manufacturing sites and specialized medical facilities are provided through tie-ups with other hospitals, nursing homes, etc.

In line with our continual improvement journey for our safety performance through Target Zero Harm, key lead and lag measures aligned to our functional process and strategic objectives are identified and targets are set considering past performance, stakeholder, legal and voluntary requirements, best practices learning & sharing and benchmarking with leading companies.

For data analysis, tools like trends analysis, Root Cause Analysis and comparative performance analysis are used to assess current performance and the improvements required. Positive Assurance Matrix is also introduced at all the sites to track SHE, Fire Safety and Electrical Safety Performance which is reviewed at Board level.

The Company is tracking 11 lead indicators under five Progressive Safety Index (PSI) elements to determine the safety progress. Annual targets are set for each element based on organizational requirements and past performance of the locations; the elements of PSI have been selected through prevalent legislative requirements of the respective locations as well as the world-class frameworks for Safety Management Systems like ISO 45001 etc.

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions						
Health & Safety		NIL	N.A.		NIL	N.A.

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00
Working Conditions	100.00

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

Cross-functional team investigates all incidents. All critical factors involved in an incident are determined through root cause analysis & investigation and corrective / preventive actions are identified to prevent recurrence.

The detailed investigation and root causes are identified by cross-functional team further reviewed by Senior Management. Learning from incidents are further discussed in the morning safety meeting, toolbox talk, safety committee meet, contractor communication meet, etc. to bring awareness and prevent recurrence of incidents.

The closure of investigation action points are reviewed in safety reviews on a periodic basis. Additionally, the MD & CEO reviews the details of the incident and corrective / preventive action plans.

There is a process of collating all the safety incidents (critical near miss, LWC, RWC, MTC, FAC, process safety, fire incidents, etc.) This report forms the basis for the monthly report which is sent to senior leadership team and to all concerned periodically. The report is circulated to all sites of the Company.

The Company also shares best practices across sites for prevention of injuries / incidents and ensures safety improvements as well as takes several steps to prevent accidents at workplace such as:

Implementation of control measures to reduce the risk of workplace accidents

- Periodically review the Policies and Procedures
- Performing regular inspections
- Implementation of consequence management system
- Hold regular trainings

- Job roles and responsibilities including those on Safety are documented for all employees
- Providing suitable PPEs
- Behavioral-based safety observation round
- Design, Construction and Operational Control Safety Consideration in Project Lifecycle
- Asset Management
- Comprehensive process for Emergency Preparedness, Response and Crisis Management
- Engage and communicate with the stakeholders by utilizing both formal and informal mechanisms
- Risk based approach is followed for preventing incidents, injuries, occupational disease, emergency control and prevention and business continuity

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

**Sr. No Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company has identified and regularly engages with key internal and external stakeholders like employees, shareholders, communities, customers, suppliers, vendors and banking partners. These groups directly influence operations and business objectives currently, so transparent communication allows addressing mutual concerns and aligning on sustainable growth strategies for the company.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, shareholder meets, email, Stock Exchange (SE) intimations, investor / analysts meet / conference calls, annual report, quarterly results, media releases, Company / SE website	Need based and Quarterly calls	<ul style="list-style-type: none"> <li>• Facilitating shareholders to raise concerns about company policies and strategy.</li> <li>• Informing and educating the investor community.</li> <li>• Assessing shareholder expectations and feedback.</li> </ul>
Employees and workers	No	Senior leaders' communication / talk / forum, briefing, goal setting and review meetings, exit interviews, union meetings, wellness initiatives, engagement survey, email, intranet, flat screens, websites, circulars.	Ongoing	<ul style="list-style-type: none"> <li>• Professional development through career growth, training programs, and learning opportunities.</li> <li>• Performance incentives including rewards and recognition.</li> <li>• Safe and healthy work environment along with supportive company policies.</li> <li>• Fair grievance redressal processes.</li> <li>• Employee-friendly and engaging work policies.</li> </ul>
Customers	No	Website, distributor / retailer / direct customer meets, senior leader-customer meets / visits, customer plant visits, focus group discussion, trade body membership, complaints management, information on packaging, customer surveys	Ongoing	<ul style="list-style-type: none"> <li>• Gaining insight into client needs, industry dynamics, and business obstacles.</li> <li>• Recognizing opportunities to enhance products and services.</li> <li>• Evaluating investments and capabilities necessary to meet client demand.</li> <li>• Comprehending client data privacy and security requirements.</li> <li>• Leveraging knowledge of clients and industry landscape to identify areas for improvement, investments and capabilities to better serve clients while ensuring data protection.</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	Communication and partnership meet, plant visits, MoU and framework agreements, trade association meets/ seminars, professional networks, contract management / review, product workshops / onsite presentations, satisfaction surveys.	Ongoing	<ul style="list-style-type: none"> <li>Consistent and reliable demand for products/services.</li> <li>Financial stability and good creditworthiness.</li> <li>Ethical practices and integrity.</li> <li>Equitable business dealings.</li> <li>Strong corporate governance.</li> </ul>
Government	No	Advocacy meetings with local / state / national government and ministries,	Frequent and need based	<ul style="list-style-type: none"> <li>Identify opportunities for sustainable growth.</li> <li>Exchange thought leadership and insights on public and business matters.</li> <li>Partner to develop solutions addressing Social challenges.</li> <li>Maintain compliance with all applicable laws, rules, and regulations.</li> </ul>
Banks	No	Email, letters, representation, in person meeting (Visit at banks) etc.	Frequent and need based	<ul style="list-style-type: none"> <li>Financial requirements and transactions</li> </ul>
Communities	Yes	CSR directly or indirectly and meets (of community / local authority / location head /council), community visits and partnership with local charities, volunteerism.	Ongoing	<ul style="list-style-type: none"> <li>Minimising negative environmental impact</li> <li>Local employment</li> <li>CSR Activities</li> </ul>

**PRINCIPLE 5: Businesses should provide goods and services in a manner that is sustainable and safe**

**Sr. No Essential Indicators**

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	1978	NIL	N.A.	1918	NIL	N.A.
Other than permanent	NIL	NIL	N.A.	NIL	NIL	N.A.
<b>Total Employees</b>	<b>1978</b>	<b>NIL</b>	<b>N.A.</b>	<b>1918</b>	<b>NIL</b>	<b>N.A.</b>
<b>Workers</b>						
Permanent	155	NIL	N.A.	158	NIL	N.A.
Other than permanent	NIL	NIL	N.A.	NIL	NIL	N.A.
<b>Total Workers</b>	<b>155</b>	<b>NIL</b>	<b>N.A.</b>	<b>158</b>	<b>NIL</b>	<b>N.A.</b>

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

Category	FY 2023-24 Current Financial Year					FY2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>										
Male	1948	1188	60.99	760	39.01	1882	981	52.13	901	47.87
Female	30	15	50.00	15	50.00	36	4	11.12	32	88.88
<b>Other than Permanent</b>										
Male	N.A.				N.A.					
Female	N.A.				N.A.					
<b>Workers</b>										
<b>Permanent</b>										
Male	155	39	25.16	116	74.84	158	32	20.25	126	79.75
Female	N.A.				N.A.					
<b>Other than Permanent</b>										
Male	1680	1680	100.00	NIL	N.A.	1446	1446	100.00	NIL	N.A.
Female	N.A.				N.A.					

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (per annum)	Number	Median remuneration/salary/ wages of respective category (per annum)
Board of Directors (BoD)*	4	₹ 1,08,00,000.00	0**	N.A.
Key Managerial Personnel†	2	₹ 40,48,002.00	0	N.A.
Employees other than BoD and KMP	1942	₹ 2,93,460.00	30	₹ 3,41,382.00
Workers	155	₹ 2,91,876.00	0	N.A.

\* Sitting fees paid to Independent Directors is not included for calculation of Median remuneration of BoDs

\*\* Women Director is an Independent Director

† In KMP, one Chairman and Managing Director, 2 executive Director and a Director-HSE are not covered, as they are covered under Board of Directors.

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

Bodal Chemicals has an established governance mechanism with location heads reporting to the CMD to address human rights grievances. This provides a management mechanism for transparently reviewing and resolving any human rights issues.

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

The Company has implemented a multi-step grievance redressal mechanism to investigate any human rights concerns raised by stakeholders. Upon receiving a complaint through email, letter or other means, it is logged and vetted. Valid complaints warranting further inquiry are handled by an empowered ombudsman who gathers information, analyzes data, and documents observations and recommendations. A thorough, unbiased investigation is conducted before findings are submitted. Recommended actions are implemented, recorded and reviewed by senior management and the Audit Committee for closure.

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

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL		N.A.	NIL		N.A.
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

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

The Company has robust whistleblower and Prevention of Sexual Harassment policies that uphold strict confidentiality when receiving complaints to protect reporter anonymity to foster ethical conduct by enabling employees to come forward without fear.

Moreover, the Company's Code of Conduct prohibits retaliation against legitimate concern reporting, enforcing discipline for targeting whistleblowers and promoting transparent ethics aligned with Company's values.

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

Bodal Chemicals actively recognizes and respects human rights while encouraging suppliers to adhere to applicable laws, environmental, social, and governance (ESG) standards.

**9. Assessments for the year:**

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

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. Not required to carry out any audit**

Not Applicable

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

**Sr. No Essential Indicators**

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total electricity consumption (A) (in GJ)	7,79,387.30	7,76,951.78
Total fuel consumption (B) (in GJ)	14,96,310.6	9,92,480.79
Energy consumption through other sources (C)	NIL	NIL
Coal used in CPP		
<b>Total energy consumption (A+B+C)</b>	22,75,697.3	17,69,432.57
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	(2275697.3/13946.21) <b>163.17</b>	127.82
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

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

Yes, Mandatory energy audit conducted by the accredited energy auditor (AEA:0018) M/s TMCC, TMCC is accredited by Bureau of Energy Efficiency in the year-2022 (Once in three year).



2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Target for the assessment year 2024-25 is 0.29 TOE/TO Eq. Product.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NIL	NIL
(ii) Groundwater	7,90,073	6,99,533
(iii) Third party water (Canal water)	9,11,279	9,10,660
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	1,701,352	16,10,193
<b>Total volume of water consumption (in kilolitres)</b>	17,01,352	16,10,193
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	(1701352 /13946.21) <b>121.99</b>	103.54
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	NA	NA

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

Yes, Environmental & Safety audit carried out by an external agency M/s SAFE T, KOLKATA in September-2023 under MSIHC rules, 1989.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres):</b>		
<b>(i) To Surface water</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(ii) To Groundwater</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(iii) To Seawater</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(iv) Sent to third-parties</b>		
No treatment	0	0
With treatment – please specify level of treatment	4,02,797.00	3,60,787.00
<b>(v) Others</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>4,02,797.00</b>	<b>3,60,787.00</b>

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

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, we are having MEE plant to treat SBP generated waste water. We are treating SBP generated effluent through MEE and condensate is re-use but due to market slump SBP is in stopped condition since May-2023.

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

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Kg/Day	13.54	17
Sox	Kg/Day	14	31
Particulate matter (PM)	Kg/Day	129	140
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	Kg/Day	0.3568 WAD-Cl2 Neutralizer 0.1417 SBP- Cl2 Neutralizer 0.1273 CPW Cl2 Neutralizer	0.178 WAD-Cl2 Neutralizer 0.13997 SBP- Cl2 Neutralizer
Others – please specify Acid Mist	Kg/Day	0.0086 HCL Synthesis 0.0113 HCL Dispatch	0.2048 HCL Synthesis 0.2048 HCL Dispatch

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

The Company conducts regular environmental monitoring across its operating units. Half-yearly ambient air, quarterly stack emission, and treated water analyses are carried out by external agencies for the company's Punjab and Gujarat facilities. Testing is performed by accredited third parties including Noida Testing Laboratories, EcoCare Solutions, and auditors allotted by the Gujarat Pollution Control Board.

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	NA	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA		

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

NA

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

NA

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	NIL	NIL
E-waste (B)	5060 Kg	NIL
Bio-medical waste (C)	Yellow:4.814 kg Red:1.138 kg	Yellow:7.692 kg Red: 4.66 kg
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	Cat No. 35.3 -3.12 MT Used/spend oil: Cat No.5.1- 2863 liters	Cat No. 35.3 -10.73 MT Used/spend oil: Cat No.5.1- 1065 Liters
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	VDF Brine sludge, Wet: 3376 MT (2026 MT on dry basis)	VDF Brine sludge, Wet: 3396 MT (2038 MT on dry basis)
<b>Total (A+B + C + D + E + F + G + H)</b>	...	...

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	10,465.08	NA
(ii) Re-used	NA	10.0 KL per Day
(iii) Other recovery operations	NA	NA
<b>Total</b>	<b>10,465.08</b>	<b>NA</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	14,474.34	NA
(iii) Other disposal operations	35,391.78	NIL
<b>Total</b>	<b>49,866.12</b>	<b>NA</b>

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

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

The Company ensures responsible waste management through recycling and safe disposal across locations as per government regulations. Its chemical manufacturing inherently involves some hazardous materials. The Company maintains robust handling practices and complies with all applicable laws for storage and use of hazardous chemicals.

Hazardous waste generated from wastewater treatment and air emission control facilities is collected, stored, and transported to authorized disposal facilities or co-processing units through the online manifest system. The Company maximizes utilization of liquid hazardous waste internally, sending any surplus to actual users as per Rule-9 protocols.

The Company continuously improves its processes to reduce hazardous material consumption and waste generation through enhanced raw material conversion, learning from past experiences. For instance, it neutralizes acidic effluent onsite using hydrated lime to produce gypsum for cement industry use, reducing effluent load. The aim is to improve resource efficiency and minimize waste.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
While the Company's units are not situated in or near ecologically sensitive areas, the company obtains all necessary environmental approvals and clearances. Bodal has secured the required clearances for all of its operating units.			

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

Name and brief details of Project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable.					

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes. The Company's units have secured valid Consent to Operate from the State Pollution Control Board, fulfilling and upgrading compliances on an ongoing basis.				

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

**Sr. No Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations- 7
- b. List the top 10 trade and industry chambers/ associations the entity is a member of/ affiliated to. – membership fees ledger

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Gujarat Chamber of Commerce & Industry	State
2	Chemexcil	National
3	Gujarat Dyestuff Manufacturers Association	State
4	Dyestuff Manufacturers Association of India	National
5	Vatva Industrial Association	State
6	Alkali Manufacturers Association of India (AMAI)	National
7	Sayakha Industries Association	State

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

**Essential Indicators**

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

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

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable					

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

Bodal Chemicals has implemented a formal community grievance process to receive and resolve concerns. Site-level committees with cross-functional teams investigate issues, conduct joint field visits, and address concerns appropriately and timely. All community concerns are logged and tracked through resolution. This robust system enables Bodal Chemicals to maintain strong local relationships by promptly and satisfactorily resolving community grievances.

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	22.37%	5.85%
Sourced directly from within the district and neighboring districts	54.59%	61.39%

The raw material and packing material purchases from within the same state where the company's manufacturing facilities are located have been considered for sourcing from within district and neighboring districts.

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

**Essential Indicators**

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

Customers with complaints regarding Bodal Chemicals' products can contact the company's Marketing heads to initiate the complaint process. The Marketing team will then visit the customer or request additional details as needed to evaluate the complaint. Based on the nature of the issue, Bodal Chemicals escalates and resolves complaints within established timelines. The company is committed to addressing customer concerns promptly and satisfactorily through this complaint management system.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

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

	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services		NIL			NIL	
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls	NIL	NIL

**13. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Bodal Chemicals recognizes the importance of maintaining robust cybersecurity policies and practices to safeguard data privacy. The Company strives to identify, monitor and mitigate cyber risks as well as ensure compliance with relevant data privacy regulations.

**14. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

During the reporting period, Bodal Chemicals received no complaints about advertising, delivery, cybersecurity, or data privacy. No products were recalled, and no fines, penalties or regulatory actions were imposed for product or service safety.

# INDEPENDENT AUDITOR'S REPORT

To  
 The Members of  
**BODAL CHEMICALS LIMITED**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying standalone financial statements of **BODAL CHEMICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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 31<sup>st</sup> March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Timely recognition of revenue</b>            (Refer Note 1.3 and Note 27 to the Standalone Financial Statements for notes on revenue from operations)</p> <p>We focused on this area as a Key audit matter due to the risk of incorrect timing of revenue recognition. Since the Company focuses on revenue as a key performance measure, it could create an incentive for revenue to be recognized though the performance obligations have not been satisfied by the Company.</p>	<p><b>Principal audit procedures performed:</b></p> <p>Our audit procedures were a combination of test of controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>Evaluated the design of internal controls relating to recording of revenues at reporting periods.</li> <li>Selected a sample of invoices and tested the operating effectiveness of internal controls relating to revenue cut off's.</li> <li>Performed cut-off procedures (early and late cut off's) for sample of revenue transactions at year-end by testing the underlying invoices to the related delivery documents.</li> </ul>
2	<p><b>Inventories</b></p> <p>We consider Inventories as key audit matter due its size being ₹ 2470.11 million that constitutes 31.68 % of the current assets of the company as at 31<sup>st</sup> March 2024.</p>	<p><b>Testing the inventory provisioning and challenging the assumptions for inventory valuation basis non-moving/slow moving items.</b></p> <ul style="list-style-type: none"> <li>Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations.</li> <li>Sample testing of management physical verification report.</li> <li>We observe the physical verification process at locations of financial significance.</li> </ul>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance Report and Management Discussion & Analysis, but does not include consolidated financial statements, standalone financial statements, and our auditor's reports thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.'

### 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 including other comprehensive income, cash flows and changes in equity 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures

in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 A". 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, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), 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 that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 18.2 to the financial statements, the Board of Directors of the Company have

proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vii. Based on our examination which included test checks, except for the instances mentioned below, the Company has used 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 respective software:
- no audit trail enabled at the database level for accounting software (except for Unit-XII) and
  - In respect of payroll software, the audit trail feature has not been enabled throughout the year.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

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

For **Naresh J Patel & Co.**

Chartered Accountants  
Firm Registration No.: 123227W

**Chintan N Patel**

Partner  
Membership No.: 110741  
UDIN No.: 24110741BKFXZG4204

Place: Ahmedabad  
Date: May 24, 2024

# ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

## **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 Bodal Chemicals Limited ("the Company") as of 31<sup>st</sup> 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Company's 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 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 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 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<sup>st</sup> March, 2024, based on the criteria for internal financial control over financial reporting 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 **Naresh J Patel & Co.**  
Chartered Accountants  
Firm Registration No.: 123227W

**Chintan N Patel**  
Partner  
Membership No.: 110741  
UDIN No.: 24110741BKFXZG4204

Place: Ahmedabad  
Date: May 24, 2024

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i) (a) (A) The Company has maintained records showing particulars, including quantitative details and situation of property, plant and equipment. However, the quantitative details for the period prior to 1.4.2019 are separately maintained that are yet to be incorporated in fixed assets register.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work in-progress and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and non-current assets held for sale are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment including Right of Use assets and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The inventories except for (goods-in-transit and stocks held with third parties) were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/ alternate procedures performed as applicable, when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- iii) The Company has made investments in, provided guarantee or security, and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
  - (a) During the year, the Company has not provided any loans, stood guaranties and any advances in the nature of loans or security to any other entity during the year.
  - (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
  - (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
  - (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to its Promoters, related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act").
- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues, including Goods & Service Tax, Provident Fund, and Employees' State Insurance, Income Tax, Customs Duty, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods & Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2024 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2024 on account of disputes are given below:

(Amounts in Million)

Name of the statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved	Amount unpaid
Income Tax Act, 1961	Demand for Tax	Appellate Tribunal	AY 2006-2007	62.75	-
			AY 2007-2008		
			AY 2008-2009		
		Commissioner (Appeals)	AY 2010-2011		
			AY 2016-2017	23.24	6.53
			AY 2017-2018		
Central Excise Act, 1944	Demand for Tax and Penalty	Assessing Officer	Various	0.84	-
			FY 2005-2015	17.14	17.14
		Commissioner (Appeals)	FY 2009-2015	5.64	5.64
			Assistance Commissioner	FY 2016-2022	1.58
Custom Act, 1962	Demand for Tax	Commissioner	FY 2016-2017	8.26	8.26
Finance Act 1994	Demand for Tax	Commissioner	FY 2015-2016	20.95	20.95
GST ACT 2017	Demand of Tax	Tribunal	FY 2017-2018	3.12	3.12
		Sales Tax Officer	FY 2017-2022	0.07	0.07
		Deputy Commissioner	FY 2023-2024	27.47	27.47

- viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application in respect of term loans raised towards the end of the year.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds

from any entity or person on account of or to meet the obligations of its subsidiaries and associates. The Company does not have any joint ventures.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. The Company does not have any joint ventures.
- x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have not considered for the period under audit, the internal audit reports issued to the Company during the year including those issued after the balance date and covering the period up to March 2024.
- xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

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

- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi) According to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiaries and associates included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For **Naresh J Patel & Co.**  
 Chartered Accountants  
 Firm Registration No.: 123227W

**Chintan N Patel**  
 Partner  
 Membership No.: 110741  
 UDIN No.: 24110741BKFXZG4204

Place: Ahmedabad  
 Date: May 24, 2024

Standalone Balance Sheet as at 31<sup>st</sup> March, 2024

₹ in Million

Particulars	Notes	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>			
<b>Non - Current Assets :</b>			
Property, Plant and Equipment	2	12,938.30	9,516.49
Right of Use Assets	3	59.08	5.48
Capital Work-in-progress	4	677.35	1,934.67
Goodwill	5	22.58	22.58
Other Intangible Assets	5	3.09	5.14
<b>Financial Assets</b>			
Investments	6	1,003.40	1,003.22
Loans	7	26.72	30.30
Other Financial Assets	8	457.36	264.01
Non-Current Tax Assets (Net)	39	94.37	140.92
Other Non-Current Assets	9	277.92	653.95
<b>Total Non - Current Assets</b>		<b>15,560.17</b>	<b>13,576.76</b>
<b>Current Assets</b>			
Inventories	10	2,470.11	2,749.62
<b>Financial Assets</b>			
Investments	11	130.10	-
Trade Receivables - Other than Customers Bill Discounted	12	3,186.74	3,446.43
Trade Receivables - Customers Bill Discounted	12	567.87	621.19
Cash and Cash Equivalents	13	184.98	47.71
Bank Balances other than above	14	93.25	18.74
Loans	15	18.98	22.60
Other Financial Assets	16	35.03	39.01
Current Tax Assets (Net)	39	75.41	69.03
Other Current Assets	17	1,033.48	1,034.40
Assets held for Sale		0.14	0.14
<b>Total Current Assets</b>		<b>7,796.09</b>	<b>8,048.87</b>
<b>Total Assets</b>		<b>23,356.26</b>	<b>21,625.63</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	251.58	251.25
Other Equity	19	11,076.37	11,013.24
<b>Total Equity</b>		<b>11,327.95</b>	<b>11,264.49</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	20	4,429.98	3,618.33
Lease Liabilities	46	49.40	-
Provisions	21	0.23	-
Deferred Tax Liabilities (Net)	39	630.75	600.11
<b>Total Non-Current Liabilities</b>		<b>5,110.36</b>	<b>4,218.44</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings - Other than Customers Bill Discounted	22	3,971.82	3,301.87
Borrowings - Customers Bill Discounted	22	567.87	621.19
Lease Liabilities	46	10.48	5.72
Trade Payables	23		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		475.44	100.05
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,470.49	1,668.59
Other Financial Liabilities	24	175.83	212.30
Other Current Liabilities	25	182.90	114.62
Provisions	26	59.84	115.08
Liabilities Directly Associated with Assets Classified as held for Sale		3.28	3.28
<b>Total Current Liabilities</b>		<b>6,917.95</b>	<b>6,142.70</b>
<b>Total Liabilities</b>		<b>12,028.31</b>	<b>10,361.14</b>
<b>Total Equity and Liabilities</b>		<b>23,356.26</b>	<b>21,625.63</b>
See Accompanying Notes forming part of the Financial Statements	1 to 54		

As Per Our Report of even date attached  
For **Naresh J. Patel & Co.**  
Chartered Accountants  
Firm Registration No. 123227W

**Chintan N. Patel**  
Partner  
Membership No. 110741

Ahmedabad  
24<sup>th</sup> May, 2024

For and on behalf of the Board of Directors

**Suresh J. Patel**  
Chairman & Managing Director  
DIN : 00007400

**Mayur B. Padhya**  
Chief Financial Officer

Ahmedabad  
24<sup>th</sup> May, 2024

**Bhavin S. Patel**  
Executive Director  
DIN : 00030464

**Ashutosh B. Bhatt**  
Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 <sup>st</sup> March, 2024			₹ in Million
Particulars	Notes	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>INCOME</b>			
Revenue from Operations	27	13,864.36	15,551.22
Other Income	28	154.34	79.80
<b>Total Income</b>		<b>14,018.70</b>	<b>15,631.02</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	29	6,838.16	8,246.50
Purchases of Stock-in Trade	30	1.51	0.29
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	31	181.85	664.17
Employee Benefits Expense	32	985.13	918.84
Finance Costs	33	518.80	344.07
Depreciation and Amortisation expense	34	595.79	521.58
Other Expenses	35	4,779.05	4,510.06
<b>Total Expenses</b>		<b>13,900.29</b>	<b>15,205.51</b>
<b>Profit Before Tax</b>		<b>118.41</b>	<b>425.51</b>
<b>Tax Expenses</b>	39		
Current Tax on Profit for the Year		-	48.08
(Short)/Excess Provision of Tax of Prior Years		6.19	(99.70)
Deferred Tax		34.90	165.70
<b>Total Tax Expense</b>		<b>41.09</b>	<b>114.08</b>
<b>Profit for the Year</b>		<b>77.32</b>	<b>311.43</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		(16.93)	1.23
Income Tax relating to items that will not be reclassified to profit or loss		4.26	(0.31)
<b>Other Comprehensive Income for the Year</b>		<b>(12.67)</b>	<b>0.92</b>
<b>Total Comprehensive Income for the Year</b>		<b>64.65</b>	<b>312.35</b>
Earnings per equity share (Face value of ₹ 2 each)	42		
Basic (in ₹)		0.61	2.48
Diluted (in ₹)		0.61	2.48
See Accompanying Notes forming part of the Financial Statements	1 to 54		

As Per Our Report of even date attached  
For **Naresh J. Patel & Co.**  
Chartered Accountants  
Firm Registration No. 123227W

**Chintan N. Patel**  
Partner  
Membership No. 110741

Ahmedabad  
24<sup>th</sup> May, 2024

For and on behalf of the Board of Directors

**Suresh J. Patel**  
Chairman & Managing Director  
DIN : 00007400

**Mayur B. Padhya**  
Chief Financial Officer

Ahmedabad  
24<sup>th</sup> May, 2024

**Bhavin S. Patel**  
Executive Director  
DIN : 00030464

**Ashutosh B. Bhatt**  
Company Secretary



Standalone Statement of Changes In Equity for the year ended **31<sup>st</sup> March, 2024**

₹ in Million

**A) EQUITY SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Balance at the beginning of the year	251.25	244.96
Add : Issue of Shares under Common Control	-	5.94
Add : Issue of Shares under ESOP (refer Note 48)	0.33	0.35
<b>Balance at the end of the year</b>	<b>251.58</b>	<b>251.25</b>

**B) OTHER EQUITY**

	Reserves & Surplus							Total
	Capital Reserves	Capital Redemption Reserve	Securities Premium	Employee Stock Options Outstanding Account	General Reserve	Share Capital to be issued under Common Control	Retained Earnings	
Balance as at 1 <sup>st</sup> April, 2022 (A)	562.53	289.67	2,417.44	11.32	138.86	5.94	7,358.84	10,784.60
Additions during the year:								
Profit for the year	-	-	-	-	-	-	311.43	311.43
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	0.92	0.92
<b>Total Comprehensive Income for the Year 2022-23 (B)</b>	-	-	-	-	-	-	<b>312.35</b>	<b>312.35</b>
Securities Premium on Issue of Shares	-	-	18.17	-	-	-	-	18.17
Issue of Shares under Common Control	-	-	-	-	-	(5.94)	-	(5.94)
Addition due to Employee Share based Expense (refer note 48)	-	-	-	2.18	-	-	-	2.18
Reductions during the year								
Dividends	-	-	-	-	-	-	(98.12)	(98.12)
<b>Total (C)</b>	-	-	<b>18.17</b>	<b>2.18</b>	-	<b>(5.94)</b>	<b>(98.12)</b>	<b>(83.71)</b>
<b>Balance as at 31<sup>st</sup> March, 2023 (D) = (A+B+C)</b>	<b>562.53</b>	<b>289.67</b>	<b>2,435.61</b>	<b>13.50</b>	<b>138.86</b>	-	<b>7,573.07</b>	<b>11,013.24</b>
Additions during the year:								
Profit for the year	-	-	-	-	-	-	77.32	77.32
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-	-	-	(12.67)	(12.67)
Total Comprehensive Income for the Year 2023-24 (E)	-	-	-	-	-	-	64.65	64.65
Securities Premium on issue of shares	-	-	15.37	-	-	-	-	15.37
Change due to Employee Share based Expense (refer note 48)	-	-	-	(4.31)	-	-	-	(4.31)
Reductions during the year								
Dividends	-	-	-	-	-	-	(12.58)	(12.58)
<b>Total (F)</b>	-	-	<b>15.37</b>	<b>(4.31)</b>	-	-	<b>(12.58)</b>	<b>(1.52)</b>
<b>Balance as at 31<sup>st</sup> March, 2024 (D+E+F)</b>	<b>562.53</b>	<b>289.67</b>	<b>2,450.98</b>	<b>9.19</b>	<b>138.86</b>	-	<b>7,625.14</b>	<b>11,076.37</b>

See Accompanying Notes forming part of the Financial Statements

1 to 54

As Per Our Report of even date attached

For **Naresh J. Patel & Co.**

Chartered Accountants

Firm Registration No. 123227W

For and on behalf of the Board of Directors

**Chintan N. Patel**

Partner

Membership No. 110741

**Suresh J. Patel**

Chairman & Managing Director

DIN : 00007400

**Bhavin S. Patel**

Executive Director

DIN : 00030464

**Mayur B. Padhya**

Chief Financial Officer

**Ashutosh B. Bhatt**

Company Secretary

Ahmedabad  
24<sup>th</sup> May, 2024

Ahmedabad  
24<sup>th</sup> May, 2024

Standalone Statement of Cash Flows for the year ended 31 <sup>st</sup> March, 2024		₹ in Million
Particulars	Year 2023-24	Year 2022-23
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	118.41	425.51
Adjustments for		
Depreciation and Amortisation Expense	595.79	521.58
Unrealised Foreign Exchange Loss / (Gain)	5.01	(0.21)
Fair Value Loss / (Gain) on Financial Instruments measured through Profit or Loss	2.66	(7.88)
Impairment Loss / (Gain) under Expected Credit Loss Model	(2.95)	1.88
Liabilities no Longer Required Written Back	(0.06)	(0.14)
Finance Costs	518.80	344.07
Expenses recognised in respect of Share based Payments	9.73	18.98
Profit on Sale of Property, Plant & Equipment (Net)	(87.94)	(13.59)
Interest Income	(60.83)	(38.38)
Dividend Income	(0.26)	(0.28)
Profit on Sale of Investments (Net)	(0.53)	(0.43)
Operating Profit before Working Capital Changes	1,097.83	1,251.11
Adjustment for :		
Decrease in Trade Receivables	318.75	1,332.52
Decrease in Inventories	279.50	1,548.79
Increase in Financial Assets	(1.58)	(72.64)
Decrease / (Increase) in Other Assets	0.03	(394.80)
Increase / (Decrease) in Trade Payables	176.47	(661.83)
Increase / (Decrease) in Other Financial Liabilities	12.71	(325.14)
Decrease in Other Liabilities and Provisions	(3.60)	(145.86)
Cash generated from Operations	1,880.11	2,532.15
Income Taxes Paid / Refund Received (Net )	(33.97)	68.07
<b>Net Cash generated from Operating Activities (A)</b>	<b>1,914.08</b>	<b>2,464.08</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment including Capital Work in Progress and Capital Advances	(2,449.54)	(3,376.29)
Sale Proceeds of Property, Plant & Equipment	117.52	189.32
Loans given to Employees (Net)	7.19	12.12
Interest received	58.07	35.14
Dividend received	0.26	0.28
Investment in Term Deposits (Margin Money)	(267.63)	(35.50)
Redemption / Maturity of Term Deposits (Margin Money)	5.16	37.01
Investment in Current Investments	(830.00)	(500.00)
Proceeds from Sale of Current Investments	700.53	504.29
Proceeds from Sale of Non-Current Investments	-	0.10
Investments in Equity Shares in Subsidiaries	-	(13.36)
<b>Net Cash used in Investing Activities (B)</b>	<b>(2,658.44)</b>	<b>(3,146.89)</b>

Standalone Statement of Cash Flows for the year ended 31 <sup>st</sup> March, 2024		₹ in Million	
Particulars	Year 2023-24	Year 2022-23	
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Long Term Borrowings	1,653.02	2,151.61	
Repayment of Long Term Borrowings	(561.32)	-	
Increase / (Decrease) in Short Term Borrowings (Net)	329.61	(1,013.43)	
Proceeds from issue of Equity Shares under ESOP	1.66	1.71	
Finance Costs Paid	(516.75)	(343.34)	
Lease Liabilities Paid	(11.07)	(5.96)	
Dividend Paid on Equity Shares	(13.52)	(98.05)	
<b>Net Cash from Financing Activities (C)</b>	<b>881.63</b>	<b>692.54</b>	
<b>NET INCREASE IN CASH &amp; EQUIVALENTS</b>	<b>137.27</b>	<b>9.73</b>	
Cash & Cash Equivalents at the beginning of the year	47.71	37.98	
Cash & Cash Equivalents at the end of the year	<b>184.98</b>	<b>47.71</b>	

Note i): The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

Note ii): Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below.

	(₹ in Million)		
	Borrowing	Lease Liability	Unpaid Dividend on Equity Shares
<b>As at 1<sup>st</sup> April, 2022</b>	<b>6,402.09</b>	-	<b>3.93</b>
Cash Flows	1,138.18	(5.96)	(98.05)
Foreign Exchange movement	1.12	-	-
Addition during the year	-	10.96	-
Charged to P&L during the year	-	0.72	-
Dividend recognised during the year	-	-	98.12
<b>As at 31<sup>st</sup> March, 2023</b>	<b>7,541.39</b>	<b>5.72</b>	<b>4.00</b>
Cash Flows	1,421.31	(11.07)	(13.52)
Foreign Exchange movement	6.97	-	-
Addition during the year	-	63.17	-
Charged to P&L during the year	-	2.06	-
Dividend recognised during the year	-	-	12.58
<b>As at 31<sup>st</sup> March, 2024</b>	<b>8,969.67</b>	<b>59.88</b>	<b>3.06</b>

See Accompanying Notes forming part of the Financial Statements 1 to 54

As Per Our Report of even date attached  
For **Naresh J. Patel & Co.**  
Chartered Accountants  
Firm Registration No. 123227W

For and on behalf of the Board of Directors

**Chintan N. Patel**  
Partner  
Membership No. 110741

**Suresh J. Patel**  
Chairman & Managing Director  
DIN : 00007400

**Bhavin S. Patel**  
Executive Director  
DIN : 00030464

**Mayur B. Padhya**  
Chief Financial Officer

**Ashutosh B. Bhatt**  
Company Secretary

Ahmedabad  
24<sup>th</sup> May, 2024

Ahmedabad  
24<sup>th</sup> May, 2024

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## COMPANY BACKGROUND

Bodal Chemicals Limited ('the Company') is a public limited company incorporated in India. The registered office of the Company is located at Plot No. 123-124, Phase – I, G.I.D.C., Vatva, Ahmedabad - 382445, India. The Company is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE") Limited.

The Company is engaged in the business of manufacturing of Dyes, Dye Intermediates and Basic Chemicals.

## 1 Material Accounting Policies:

### 1.1 Statement of compliance:

These financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at 31<sup>st</sup> March, 2024 have been prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act.

The presentation of the Financial Statements is based on Ind AS Schedule III of the Act. The financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest million as per the requirement of Schedule III, except when otherwise indicated.

### 1.2 Basis of Preparation of Financial Statements:

The 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 below:

- Financial assets and liabilities are measured at fair value or at amortised cost depending on classification; (Refer note no 1.16 and 1.17)
- Derivative financial instruments and contingent consideration is measured at fair value; (Refer note no 1.18)
- Assets held for sale – measured at fair value less cost to sell; (Refer note no 1.31)
- Defined benefit plans – plan assets measured at fair value; (Refer note no 1.6)

- Lease liability and Right-of-use assets – measured at fair value; (Refer note no 1.4) and
- Share based payments – measured at fair value. (Refer note no 1.7)

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

## 1.3 Revenue Recognition:

### a) Revenue from contracts with customer

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

Revenue is measured on the basis of transaction price, which is the consideration, adjusted for volume discounts, rebates, schemes allowances, price concessions, incentives, amounts collected on behalf of government and returns, if any, as specified in the contracts with the customers. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

- b) Export incentives are recognized in the year where there is a reasonable assurance that the company will comply with the conditions attaching to it and that the export incentive will be received.

### c) Other Income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## 1.4 Lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be amortised over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

## 1.5 Foreign Currencies:

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of

exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

## 1.6 Employee Benefits:

### Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income in the period in which they occur. Remeasurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### **Termination benefits**

A liability for a termination benefit is recognized at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognizes any related restructuring costs.

### **Short-term and other long-term employee benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits such as compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. These are determined actuarially using the projected unit credit method.

## **1.7 Share Based Payments**

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Employee Stock Options Outstanding Account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## **1.8 Taxation:**

Income tax expense represents the sum of the current tax and deferred tax.

### **Current tax**

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and

items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### **Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

## **1.9 Property, plant and equipment:**

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it

is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

The Company had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e., 1<sup>st</sup> April, 2016 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

#### **Depreciation Methods, Estimated Useful Lives and Residual Value**

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives prescribed in Schedule II to the Companies Act, 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Freehold land is not depreciated

For certain class of assets, based on the technical evaluation and assessment, the Company believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the Company are different from those prescribed in the Schedule II.

Property, Plant & Equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

#### **Useful lives of tangible assets**

Estimated useful lives of the tangible assets are as follows:

Buildings	30-60 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	8-10 years
Office Equipments & Computers	1-5 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

#### **1.10 Intangible Assets other than Goodwill:**

##### **Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

##### **De-recognition of intangible assets**

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss when the asset is derecognized.

##### **Useful lives of intangible assets**

Estimated useful lives of the intangible assets are as follows:

Intangible assets are amortized on a straight-line basis as mentioned in the Companies Act, 2013, as mentioned below:

Computer Software	5 years
License/Membership Fees	10 years
Website	5 years

#### **1.11 Impairment of tangible and intangible assets other than goodwill:**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### 1.12 Inventories:

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

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.

Traded goods: 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.

Materials in transit are valued at cost-to-date.

### 1.13 Provision, Contingent Liabilities and Contingent Assets :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not; require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

### 1.14 Fair value measurement

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 at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 1.15 Financial Instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value 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 recognized immediately in profit or loss.

An equity instrument is any contract that evidences a residual interest in the assets of a Company after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

### 1.16 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer paragraph of Impairment of financial assets.

A financial asset that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVOCI).

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive

income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph of Impairment of financial assets.

All other financial assets are subsequently measured at fair value.

#### **Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

#### **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset that does not meet the amortised cost criteria or FVTOCI criteria (see above) is measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Company, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

#### **Investments in subsidiaries and associates**

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its

recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the profit or loss. Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and associates at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1<sup>st</sup> April, 2016.

#### **Impairment of financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial /instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of

the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

#### **Derecognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, 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 recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized

and the part that is no longer recognized on the basis of the relative fair values of those parts.

### **1.17 Financial liabilities**

#### **Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Financial liabilities**

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

#### **Financial liabilities subsequently measured at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss

incorporates any interest paid on the financial liability and is included in the 'Finance Costs' line item.

### 1.18 Derivative Financial Instrument and Hedge Accounting:

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

#### Recognition and measurement of fair value hedge:

Derivative financial instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of derivative financial instrument is recognized in the Statement of Profit and Loss. Derivative financial instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting dates is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

### 1.19 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 1.20 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

#### An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

#### A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 1.21 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 1.22 Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

### 1.23 Borrowing Costs:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 1.24 Government grants and Subsidies:

Government grants are recognized when there is a reasonable assurance that the Company will comply with the conditions attached to them and grants will be received.

Government grants are recognized in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the

Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in Statement Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government's grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

### 1.25 Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 1.26 Earnings per Share:

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

### 1.27 Use of Estimates

The preparation of financial statements requires management of the Company to make judgements, estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent

liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Followings are the critical judgements and estimates:

#### 1.27.1 Judgements

##### (i) Leases

Ind AS 116 -Leases requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

##### (ii) Income taxes

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable

income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**(iii) Provisions and contingent liabilities**

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**1.27.2 Estimates**

**(i) Useful lives of property, plant and equipment, and intangible assets**

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**(ii) Sales returns**

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent

with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates. With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

**(iii) Provision for rebates and discounts**

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on historical average rate actually claimed over a period of time, current contract prices with customers.

**(iv) Expected credit loss**

The Company applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on the following:

- Trade receivables and lease receivables.
- Financial assets measured at amortised cost (other than trade receivables and lease receivables).

In accordance with In accordance with Ind AS 109 - Financial Instruments, the Company applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

**(v) Accounting for defined benefit plans**

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal,

turnover, and mortality rates which require significant judgement. The actuarial assumptions used by the Company may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

**(vi) Impairment of non-financial assets**

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset specific risk factors.

**(vii) Fair value of financial instruments**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**(viii) Fair value of assets held for sale**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management uses its best estimate about the assumptions that market participants would make. These estimates

may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**1.28 Business Combinations**

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the standalone statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

**Business Combination under Common control**

Transactions arising from transfers of assets / liabilities, interest in entities or businesses between entities that are under the common control, are accounted at historical carrying amounts. The difference, between any consideration paid / received and the aggregate historical carrying amounts of assets / liabilities and interests in entities acquired / disposed (other than impairment, if any), is recorded in capital reserve / retained earnings, as applicable.

**1.29 Goodwill**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the

combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### 1.30 Dividend distribution to equity shareholders

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

### 1.31 Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will

genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

### 1.32 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief Financial Officer of the Company has been identified as CODM and he assesses the financial performance and position of the Company and make strategic decisions.



## 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Million)

	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
Opening Balance as at 1 <sup>st</sup> April, 2022	1,722.20	1,841.77	160.02	5,598.85	97.81	80.17	142.47	9,643.29
Additions	25.66	4.04	-	2,054.49	2.41	10.82	8.14	2,105.56
Disposals	0.15	-	-	84.55	-	0.44	2.98	88.12
Balance as at 31 <sup>st</sup> March, 2023	1,747.71	1,845.81	160.02	7,568.79	100.22	90.55	147.63	11,660.73
Additions	2.31	150.87	10.00	3,854.61	3.70	11.25	2.81	4,035.55
Disposals	1.06	-	-	65.76	-	-	0.34	67.16
Balance as at 31 <sup>st</sup> March, 2024	1,748.96	1,996.68	170.02	11,357.64	103.92	101.80	150.10	15,629.12

	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
<b>Accumulated Depreciation</b>								
Opening Balance as at 1 <sup>st</sup> April, 2022	-	262.94	8.42	1,243.33	27.24	46.65	45.78	1,634.36
Additions	-	60.58	2.54	411.83	8.82	14.22	16.12	514.11
Disposals	-	-	-	2.72	-	0.28	1.23	4.23
Balance as at 31 <sup>st</sup> March, 2023	-	323.52	10.96	1,652.44	36.06	60.59	60.67	2,144.24
Additions	-	61.84	2.58	480.67	9.09	13.61	16.37	584.17
Disposals	-	-	-	37.59	-	-	-	37.59
Balance as at 31 <sup>st</sup> March, 2024	-	385.36	13.54	2,095.52	45.15	74.20	77.04	2,690.82

Net Block	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
Balance as at 31 <sup>st</sup> March, 2023	1,747.71	1,522.29	149.06	5,916.35	64.16	29.96	86.96	9,516.49
Balance as at 31 <sup>st</sup> March, 2024	1,748.96	1,611.32	156.48	9,262.12	58.77	27.60	73.06	12,938.30

## 3. RIGHT OF USE ASSETS

(₹ in Million)

	Plant & Machinery
<b>GROSS CARRYING VALUE</b>	
Opening Balance as at 1 <sup>st</sup> April, 2022	-
Addition during the year	10.96
At 31 <sup>st</sup> March 2023	10.96
Addition during the year	63.17
At 31 <sup>st</sup> March, 2024	74.13
<b>ACCUMULATED DEPRECIATION</b>	
Opening Balance as at 1 <sup>st</sup> April, 2022	-
Depreciation for the year	5.48
At 31 <sup>st</sup> March, 2023	5.48
Depreciation for the year	9.57
At 31 <sup>st</sup> March, 2024	15.05
Net Carrying Value as at 31 <sup>st</sup> March, 2023	5.48
Net Carrying Value as at 31 <sup>st</sup> March, 2024	59.08

#### 4. CAPITAL WORK-IN-PROGRESS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening Balance	1,934.67	695.29
Addition during the Year*	2,769.88	3,234.42
Capitalised during the Year	4,027.20	1,995.04
<b>Closing Balance</b>	<b>677.35</b>	<b>1,934.67</b>

\* Addition during the year includes borrowing cost of ₹ 212.26 million (PY: ₹ 137.41 million)

##### (a) Capital Work in Progress (CWIP) Ageing Schedule as on 31<sup>st</sup> March, 2024:

(₹ in Million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	77.34	80.88	52.00	-	210.22
Projects temporarily suspended	68.04	335.51	63.58	-	467.13
<b>Total</b>	<b>145.38</b>	<b>416.39</b>	<b>115.58</b>	<b>-</b>	<b>677.35</b>

There were no material projects which has exceeded their original plan cost as at 31<sup>st</sup> March, 2024.

##### (b) Capital Work in Progress (CWIP) Ageing Schedule as on 31<sup>st</sup> March, 2023:

(₹ in Million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,178.69	282.28	14.88	-	1,475.85
Projects temporarily suspended	362.34	96.48	-	-	458.82
<b>Total</b>	<b>1,541.03</b>	<b>378.76</b>	<b>14.88</b>	<b>-</b>	<b>1,934.67</b>

There were no material projects which has exceeded their original plan cost as at 31<sup>st</sup> March, 2023.

#### CWIP completion schedule

(a) As on 31<sup>st</sup> March, 2024, the Company has 1 Capital-work-in progress, whose completion is overdue compared to its original plan. The details of which are given below.

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Sulphuric Acid Plant at Saykha	-	-	-	467.13	467.13

(b) As on 31<sup>st</sup> March, 2023, the Company has 1 Capital-work-in progress, whose completion is overdue compared to its original plan. The details of which are given below.

(₹ in Million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Sulphuric Acid Plant at Saykha	-	-	-	458.82	458.82

## 5. INTANGIBLE ASSETS

(₹ in Million)

	Goodwill	Other Intangible Assets			
		Computer Software	Licence / Membership Fees	Website	Total
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	<b>22.58</b>	<b>10.67</b>	<b>8.93</b>	-	<b>19.60</b>
Additions	-	2.33	-	-	2.33
Disposals	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>22.58</b>	<b>13.00</b>	<b>8.93</b>	-	<b>21.93</b>
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>22.58</b>	<b>13.00</b>	<b>8.93</b>	-	<b>21.93</b>
<b>Accumulated Amortisation</b>					
Opening Balance as at 1 <sup>st</sup> April, 2022	-	7.25	7.55	-	14.80
Additions	-	1.59	0.40	-	1.99
Disposals	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	-	<b>8.84</b>	<b>7.95</b>	-	<b>16.79</b>
Additions	-	1.66	0.39	-	2.05
Disposals	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	-	<b>10.50</b>	<b>8.34</b>	-	<b>18.84</b>
<b>Net Block</b>					
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>22.58</b>	<b>4.16</b>	<b>0.98</b>	-	<b>5.14</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>22.58</b>	<b>2.50</b>	<b>0.59</b>	-	<b>3.09</b>

## 6. INVESTMENTS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Quoted</b>		
<b>Investments in Equity Instruments - carried at FVTPL</b>		
100 (P.Y. : 100) Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up*	-	-
6,500 (P.Y. : 6,500) Equity Shares of Bhageria Industries Ltd. of ₹ 5/- Each Fully Paid Up	0.95	0.77
	<b>0.95</b>	<b>0.77</b>
Less : Impairment Loss*	-	-
<b>Total of Investments in Equity Instruments</b>	<b>0.95</b>	<b>0.77</b>
<b>Total of Quoted Investments</b>	<b>0.95</b>	<b>0.77</b>
<b>Unquoted</b>		
<b>Investments in Equity Instruments</b>		
Investment in Subsidiaries - carried at Cost		
10,000 (P.Y. : 10,000) Equity Shares of Bodal Chemicals Trading Pvt. Ltd. of ₹ 10/- Each Fully Paid Up.	0.10	0.10
Bodal Chemicals Trading (Shijiazhuang) Co. Ltd.	20.57	20.57
25,00,000 (P.Y. : 25,00,000) Equity Shares of PT Bodal Indonesia	13.36	13.36
582 (P.Y. : 582) Equity Shares of Bodal Bangla Ltd.	5.14	5.14
8,26,25,423 (P.Y. : 8,26,25,423) Equity Shares of Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	962.11	962.11
Investment in Associate - carried at Cost		
2,500 (P.Y. : 2,500) Equity Shares of Plutoeco Enviro Association of ₹ 10/- Each Fully Paid Up	0.03	0.03

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Investments in Other Entities - carried at FVTPL</b>		
250 (P.Y. : 250) Equity Shares of Green Environment Ser. Co-op.Soc. Ltd. of ₹ 100/- each Fully Paid Up	0.03	0.03
1,02,350 (P.Y. : 1,02,350) Equity Shares of BEIL Infrastructure Ltd of ₹ 10/-each Fully Paid Up	1.02	1.02
100 (P.Y. : 100) Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up#	-	-
10 (P.Y. : 10) Equity Shares of The Bhagyodaya Co-op. Bank Ltd. of ₹ 100/- Each Fully Paid Up	-	-
3,542 (P.Y. : 3,542) Equity Shares of Makarpura Ind.Est. Co-op. Bank Ltd. of ₹ 25/- Each Fully Paid Up	0.09	0.09
<b>Total of Investments in Equity Instruments (Unquoted)</b>	<b>1,002.45</b>	<b>1,002.45</b>
Less : Impairment Loss#	-	-
<b>Total of Unquoted Investments</b>	<b>1,002.45</b>	<b>1,002.45</b>
<b>Total of Non-Current Investments</b>	<b>1,003.40</b>	<b>1,003.22</b>

\*Provision for impairment loss on 100 Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up

#Provision for impairment loss on 100 Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up

## 7. LOANS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured and Considered Good)		
Loans to Employees	26.72	30.30
<b>Total</b>	<b>26.72</b>	<b>30.30</b>

## 8. OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Security Deposits	190.17	186.60
Margin Money Deposits with Bank with maturity after twelve months from the reporting date*	267.19	77.41
<b>Total</b>	<b>457.36</b>	<b>264.01</b>

\* Held as lien by bank against bank guarantees and letters of credit.

## 9. OTHER NON-CURRENT ASSETS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured and Considered Good)		
Capital Advances	263.14	640.07
Others		
Balance with Statutory Authorities	10.65	7.27
Prepaid Expenses	0.96	1.36
Gratuity Planned Assets (Net)	3.17	5.25
<b>Total</b>	<b>277.92</b>	<b>653.95</b>

9.1 Capital Advances include ₹ 15.03 million (P.Y. : ₹ 14.95 million) to related parties. (refer note 41)

9.2 Balance with statutory authorities includes balances with GST, Excise, Service Tax, & Customs Dept. etc.

## 10. INVENTORIES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Valued at the lower of Cost or Net Realisable Value)		
Raw Materials	404.27	537.10
Raw Materials in Transit	30.15	23.80
	<b>434.42</b>	<b>560.90</b>
Finished Goods	526.67	535.28
Finished Goods in Transit	195.61	130.86
	<b>722.28</b>	<b>666.14</b>
Work In Progress	1,079.44	1,317.56
	<b>1,079.44</b>	<b>1,317.56</b>
Stock In Trade	1.49	1.36
	<b>1.49</b>	<b>1.36</b>
Packing Materials	16.54	14.82
Packing Materials in Transit	-	0.13
	<b>16.54</b>	<b>14.95</b>
Fuel	13.29	13.52
Fuel in Transit	0.11	0.75
	<b>13.40</b>	<b>14.27</b>
Stores and Spares	201.32	173.81
Stores and spares in Transit	1.22	0.63
	<b>202.54</b>	<b>174.44</b>
<b>Total</b>	<b>2,470.11</b>	<b>2,749.62</b>

## 11. INVESTMENTS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Quoted</b>		
<b>Investments in Mutual Funds - carried at FVTPL</b>		
103,206.165 Units (P.Y. : Nil) of Union Bank of India Overnight Fund	130.10	-
<b>Total</b>	<b>130.10</b>	<b>-</b>

## 12. TRADE RECEIVABLES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Trade receivables		
Secured & Considered Good	4.03	3.51
Unsecured & Considered Good	3,753.11	4,069.59
Less : Allowance for Impairment (refer note 37)	2.53	5.48
<b>Total</b>	<b>3,754.61</b>	<b>4,067.62</b>
Customers Bill Discounted	567.87	621.19
Other Trade Receivables	3,186.74	3,446.43
<b>Total</b>	<b>3,754.61</b>	<b>4,067.62</b>

12.1 Trade Receivables include ₹ 203.36 million (P.Y. : ₹ 250.22 million) to related parties. (refer note 41)

(a) Trade Receivables Ageing Schedule as on 31<sup>st</sup> March, 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,553.43	15.33	43.68	86.99	57.71	3,757.14
(ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
	<b>3,553.43</b>	<b>15.33</b>	<b>43.68</b>	<b>86.99</b>	<b>57.71</b>	<b>3,757.14</b>
Less : Allowances for Credit Losses						2.53
<b>Trade Receivables</b>						<b>3,754.61</b>

(b) Trade Receivables Ageing Schedule as on 31<sup>st</sup> March, 2023:

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,578.17	233.80	168.78	77.93	14.42	4,073.10
(ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
	<b>3,578.17</b>	<b>233.80</b>	<b>168.78</b>	<b>77.93</b>	<b>14.42</b>	<b>4,073.10</b>
Less : Allowances for Credit Losses						5.48
<b>Trade Receivables</b>						<b>4,067.62</b>

13. CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Cash &amp; Bank Balances</b>		
Cash on Hand	2.18	2.24
Balance with Banks		
in Current Accounts	182.80	45.47
<b>Total</b>	<b>184.98</b>	<b>47.71</b>

#### 14. OTHER BANK BALANCES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Margin Money Deposits with Bank* (with original maturity of more than three months but less than twelve months)	90.20	14.75
Unclaimed Dividend Accounts	3.05	3.99
<b>Total</b>	<b>93.25</b>	<b>18.74</b>

\* Held as lien by bank against bank guarantees and letters of credit.

#### 15. LOANS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured & Considered good)		
Loans to Employees	18.98	22.60
<b>Total</b>	<b>18.98</b>	<b>22.60</b>

#### 16. OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Derivative Assets	0.89	4.70
Security Deposits	0.10	0.30
Other Receivables	34.04	34.01
<b>Total</b>	<b>35.03</b>	<b>39.01</b>

16.1 Other receivables include accrued interest on deposits and other claim receivables.

#### 17. OTHER CURRENT ASSETS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured & Considered good)		
Export Incentives Receivables	14.30	21.53
Advance to Suppliers	490.98	508.31
Balance with Statutory Authorities	477.27	446.29
Pre-paid Expenses	21.46	35.59
Gratuity Planned Assets (Net)	22.13	12.86
Others	7.34	9.82
<b>Total</b>	<b>1,033.48</b>	<b>1,034.40</b>

17.1 Balance with statutory authorities includes balances with GST, Customs, etc.

17.2 Others include Tour Advances, Discount Receivable, etc.

17.3 Advance to Suppliers include ₹ Nil ( P.Y. : ₹ 1.52 million) to related parties. (refer note 41)

## 18. EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised Share Capital</b>		
21,82,50,000 (P.Y. : 21,82,50,000) Equity Shares of ₹ 2/- each	436.50	436.50
2,75,00,000 (P.Y. : 2,75,00,000) Preference Share of ₹ 10/- each	275.00	275.00
<b>Total</b>	<b>711.50</b>	<b>711.50</b>
<b>Issued, Subscribed &amp; Paid up Share Capital</b>		
12,57,89,565 (P.Y. : 12,56,23,465) Equity Shares of ₹ 2/- each	251.58	251.25
<b>Total</b>	<b>251.58</b>	<b>251.25</b>

### 18.1 Reconciliation of the number of Shares

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	No. of Shares	No. of Shares
<b>Equity Shares</b>		
Opening balance	12,56,23,465	12,24,81,665
Issue of Shares under Common Control	-	29,70,700
Issue of Shares under ESOP (refer Note 48)	1,66,100	1,71,100
<b>Closing balance</b>	<b>12,57,89,565</b>	<b>12,56,23,465</b>

### 18.2 Rights, preferences and restrictions attached to shares

#### Equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

#### Preference shares

The Company has only one class of non-convertible, non-cumulative redeemable preference shares having a par value of ₹ 10/- per share. Each shareholder shall have a right to attend general meeting of the Company and vote on resolutions directly affecting their interest. In the event of liquidation, the preference shareholders shall be entitled to a preferential right of return of the amount paid up on the shares, but shall not have any further right or claim over the surplus asset of the Company. The holder of these shares shall be entitled to receive dividend at fixed rate i.e. @ 9% on paid up value of shares subject to declaration of dividend by the Company but do not have right to participate in surplus profit.

### 18.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% held	No. of Shares	% held
<b>Equity Shares :</b>				
Shri Suresh J. Patel	3,71,12,857	29.50	3,71,12,857	29.54
Shri Bhavin S. Patel	1,04,96,342	8.34	1,04,96,342	8.36
Shri Ankit S. Patel	72,61,072	5.77	72,61,072	5.78
Shakuntala J Patel	66,64,740	5.30	66,64,740	5.31



#### 18.4 Promoters' Shareholding as on 31<sup>st</sup> March, 2024

Promoter's Name	Shares held by promoters at the end of the year		% Change during the Year*
	No. of Shares	% of Total Shares	
1. Suresh J. Patel	3,71,12,857	29.50	(0.04)
2. Bhavin S. Patel	1,04,96,342	8.34	(0.02)
3. Ankit S. Patel	72,61,072	5.77	(0.01)
4. Meenaben S. Patel	52,28,960	4.16	-
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.30	(0.01)
10. Ramesh D. Patel	49,45,880	3.93	(0.01)

\*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under ESOP, percentage of their shareholding is changed.

#### 18.5 Promoters' Shareholding as on 31<sup>st</sup> March, 2023

Promoter's Name	Shares held by promoters at the end of the year		% Change during the Year*
	No. of Shares	% of Total Shares	
1. Suresh J. Patel	3,71,12,857	29.54	(0.76)
2. Bhavin S. Patel	1,04,96,342	8.36	(0.21)
3. Ankit S. Patel	72,61,072	5.78	(0.15)
4. Meenaben S. Patel	52,28,960	4.16	(0.11)
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.31	(0.13)
10. Ramesh D. Patel	49,45,880	3.94	(0.10)

\*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under ESOP, percentage of their shareholding is changed.

#### 19. OTHER EQUITY

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Capital Reserves</b>	562.53	562.53
<b>Capital Redemption Reserve</b>	289.67	289.67
<b>Securities Premium</b>		
At the commencement of the year	2,435.61	2,417.44
Add : Premium on shares issued under ESOP	15.37	18.17
At the end of the year	2,450.98	2,435.61
<b>Employee Stock Options Outstanding Account (refer note 48)</b>	9.19	13.50
<b>General Reserve</b>	138.86	138.86
<b>Retained Earnings</b>		
At the commencement of the year	7,573.07	7,358.84
Add :Profit during the year	77.32	311.43
Add :Remeasurements of Net Defined Benefit Plans (Net of tax)	(12.67)	0.92
	7,637.72	7,671.19
<b>Less : Appropriations :</b>		
Dividend on Equity Shares	12.58	98.12
	12.58	98.12
At the end of the year	7,625.14	7,573.07
<b>Total</b>	<b>11,076.37</b>	<b>11,013.24</b>

## 19.1 Nature and purpose of Reserves

### Capital Reserves

The Company recognised profit or loss on sale, issue, purchase or cancellation of the Company's own equity instruments to capital reserve. Capital reserve may be used by the Company only for some specific purpose.

### Capital Redemption Reserve

Capital redemption reserve is created during redemption of Preference Shares and it is a non-distributable reserve.

### Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

### Employee Stock Options Outstanding Account

The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

### General Reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes."

### Retained Earnings

Retained earnings represents the amount of profits of the Company earned till date net of appropriation that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

## 20. BORROWINGS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>		
Term loan from Banks	5,380.68	4,288.98
Less : Current Maturities of Long Term Borrowings	950.70	670.65
Term loan from Banks	4,429.98	3,618.33
<b>Total</b>	<b>4,429.98</b>	<b>3,618.33</b>

### 20.1 Nature of security and terms of repayment for non-current secured borrowings:

Term loan amounting to ₹ 5,218.68 million (P. Y. : ₹ 4,101.98 million) at rate of interest from 8.70% to 9.80% (P. Y. 8.05% to 9.20%)

The loan is repayable in 23 quarterly instalments, the first instalment payable in June 2023 and the last instalment payable in December 2028.

Term loan amounting to ₹ 162.00 million (P. Y. 187.00 million) carries an interest rate of 10.10% (P.Y. 8.60%)

The loan is repayable in 15 quarterly instalments, the first instalment payable in September 2023 and the last instalment payable in March 2027.

### 20.2 These facilities are secured by first pari passu mortgage /hypothecation and charge on all the Company's movable and immovable properties created or acquired at

- Unit VII - Block No. 804, Village - Dudhwada, Ta. Padra, Dist. Vadodara, Gujarat
- Unit VIII - Block No. 106, 108, Village: Ekalbara, Ta. Padra, Dist. Vadodara, Gujarat
- Unit X - Plot No. 525, Village: Dudhwada, Ta: Padra, Dist. Vadodara, Gujarat
- Saykha - Plant / Unit at Saykha project
- Plant / Unit at SIEL Chemical Complex" A second pari passu charge on all Company's current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future.

### 20.3 Current Maturities of Long Term Borrowings (Refer Note 22) of ₹ 950.70 million (P.Y. : 670.65 million)

## 21. PROVISIONS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision For Employee Benefits		
Provision For Leave Encashment (refer note 43)	0.23	-
<b>Total</b>	<b>0.23</b>	<b>-</b>

## 22. BORROWINGS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Repayable on Demand</b>		
<b>Secured</b>		
Working Capital Loans from Banks	2,606.08	2,247.29
Borrowing Bill Discounted	567.87	621.19
<b>Unsecured</b>		
Working Capital Loans from Banks	400.00	300.00
Loans From Related Parties	0.30	0.23
Borrowing from Other Party	14.74	83.70
<b>Current Maturities of Long Term Debt</b>		
From Bank (Secured)	950.70	670.65
<b>Total</b>	<b>4,539.69</b>	<b>3,923.06</b>
Borrowings - Customers Bill Discounted	567.87	621.19
Borrowings - Others	3,971.82	3,301.87
<b>Total</b>	<b>4,539.69</b>	<b>3,923.06</b>

**22.1** Secured Loan : Working capital loans from banks are secured by hypothecation of inventories, book debts and bills drawn under letters of credit and confirmed contracts and collaterally secured by equitable mortgage of immovable property and hypothecation of Plant & Machinery of Unit-5, Unit-7, Unit-8, Unit-10 and Unit-12 of the Company.

Rate of interest, linked to repo rate is from 7.36% to 10.45% (P.Y. 3.56% to 9.05%)

**22.2** There were no discrepancies between the quarterly returns/statements submitted to bank for current assets given as security and the books of account for the respective quarter.

## 23. TRADE PAYABLES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	475.44	100.05
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,470.49	1,668.59
<b>Total</b>	<b>1,945.93</b>	<b>1,768.64</b>

**23.1** Trade Payables include ₹ 3.09 million (P.Y. : ₹ 2.29 million) to related parties (refer note 41)

### (a) Trade Payables Ageing Schedule as on 31<sup>st</sup> March, 2024:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year <sup>#</sup>	1-2 years	2-3 years	More than 3 years	
(i) MSME	469.38	5.55	0.47	0.05	475.44
(ii) Others - billed	1,146.20	8.98	0.14	3.53	1,158.85
(iii) Others - unbilled	311.64	-	-	-	311.64
(iv) Disputed Dues - MSME	-	-	-	-	-
(v) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,927.22</b>	<b>14.52</b>	<b>0.61</b>	<b>3.58</b>	<b>1,945.93</b>

<sup>#</sup>Classification of Trade Payables as MSME is based on the information received from the suppliers.

Ageing for the year ended 31<sup>st</sup> March, 2024 is classified according to the status as on 31<sup>st</sup> March, 2024

(b) Trade Payables Ageing Schedule as on 31<sup>st</sup> March, 2023:

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	100.05	-	-	-	100.05
(ii) Others - billed	1,220.71	2.22	3.21	1.79	1,227.93
(iii) Others - unbilled	440.66	-	-	-	440.66
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,761.42</b>	<b>2.22</b>	<b>3.21</b>	<b>1.79</b>	<b>1,768.64</b>

24. OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unclaimed Dividends	3.05	3.99
Trade Deposits	20.74	19.69
Payable for Capital Expenditure	135.23	183.47
Other Payables	16.81	5.15
<b>Total</b>	<b>175.83</b>	<b>212.30</b>

24.1 Other Payables include interest payable and payable to employees.

25. OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance Received from Customers	104.68	47.28
Statutory Liabilities	78.20	67.32
Other Liabilities	0.02	0.02
<b>Total</b>	<b>182.90</b>	<b>114.62</b>

25.1 Statutory liabilities represent amounts payable towards GST, TDS, PF, ESIC etc.

26. PROVISIONS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision For Employee Benefits		
Provision for Leave Encashment	1.15	-
Provision for Expense	58.69	115.08
<b>Total</b>	<b>59.84</b>	<b>115.08</b>
<b>Movement of Provision for Expense</b>		
Opening Balance	115.08	143.37
Provision made during the year	55.54	42.84
Amount paid / adjusted during the year	(111.93)	(71.13)
<b>Closing Balance</b>	<b>58.69</b>	<b>115.08</b>

## 27. REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Sale of Products</b>	13,547.57	15,253.16
<b>Other Operating Revenues</b>		
Export Incentives	106.30	114.75
Scrap Sales	118.98	34.27
Others	91.51	149.04
<b>Total</b>	<b>316.79</b>	<b>298.06</b>
<b>Total Revenue From Operations</b>	<b>13,864.36</b>	<b>15,551.22</b>

### 27.1 RECONCILIATION OF SALE OF PRODUCTS

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Gross Revenue	13,628.77	15,395.48
Less : Discounts/Rebates/Credits/Incentives/Returns	81.20	142.32
<b>Net revenue recognised from contracts with customers</b>	<b>13,547.57</b>	<b>15,253.16</b>

## 28. OTHER INCOME

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Interest Income</b>		
On Deposits	9.24	4.80
On Insurance Claim	-	6.01
On Others*	51.59	33.58
Profit on Sale of Current Investments (Net)	0.53	0.43
Fair Value Gain/(Loss) on Investments measured at FVTPL (Net)	(2.66)	3.18
Reversal of Impairment Loss under Expected Credit Loss Model	2.95	-
Profit on Sale of Property, Plant & Equipment (Net)	87.94	13.59
Dividend Income	0.26	0.28
Liabilities no Longer Required Written Back	0.06	0.14
Others	4.43	17.79
<b>Total</b>	<b>154.34</b>	<b>79.80</b>

\* Other interest income includes interest income on income tax refund of ₹ 2.62 million (P.Y. 17.63 million); interest received from Electricity Companies of ₹ 11.41 million (P.Y. : ₹ 6.56 million), etc.

## 29. COST OF MATERIALS CONSUMED

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Opening Stock - Raw Materials	560.90	1,396.84
Add: Purchases during the year	6,711.68	7,410.56
	<b>7,272.58</b>	<b>8,807.40</b>
Less : Closing Stock - Raw Materials	434.42	560.90
<b>Total</b>	<b>6,838.16</b>	<b>8,246.50</b>

### 30. PURCHASE OF STOCK IN TRADE

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Purchase of Stock in Trade	1.51	0.29
<b>Total</b>	<b>1.51</b>	<b>0.29</b>

### 31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Inventories at the end of the year</b>		
Finished Goods	722.28	666.14
Work In Progress	1,079.44	1,317.56
Stock in Trade	1.49	1.36
<b>Total (A)</b>	<b>1,803.21</b>	<b>1,985.06</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	666.14	779.41
Work In Progress	1,317.56	1,867.14
Stock in Trade	1.36	2.68
<b>Total (B)</b>	<b>1,985.06</b>	<b>2,649.23</b>
<b>Changes In Inventories Of Finished Goods, Work In Progress &amp; Stock in Trade (B) - (A)</b>	<b>181.85</b>	<b>664.17</b>

### 32. EMPLOYEE BENEFIT EXPENSES

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Salaries, Wages & Bonus	854.54	778.95
Contribution to Provident & Other Funds	55.92	52.98
Employee Share Based Payments (refer note 48)	9.73	18.98
Staff Welfare Expenses	64.94	67.93
<b>Total</b>	<b>985.13</b>	<b>918.84</b>

### 33. FINANCE COSTS

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Interest on Loan at Amortised Cost	473.26	323.77
Interest Expense on Lease Liability	2.06	0.73
Other Interest Expenses	21.69	1.94
Loan Processing Fees & Bank Charges	21.79	17.63
<b>Total</b>	<b>518.80</b>	<b>344.07</b>

### 34. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Depreciation on Tangible Assets	584.17	514.11
Depreciation on Right of Use of Assets	9.57	5.48
Amortisation on Intangible Assets	2.05	1.99
<b>Total</b>	<b>595.79</b>	<b>521.58</b>

### 35. OTHER EXPENSES

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Stores Consumption	258.53	312.57
Power & Fuel Consumption	2,478.82	1,969.45
Repairs to		
Machinery	295.20	251.37
Building	35.28	40.89
Others	7.27	8.17
Pollution Control Expenses	268.49	239.91
Chlorine/HCL Disposal Charges	73.62	170.51
Rent & Taxes	15.93	21.32
Labour Charges	355.58	270.53
Insurance Expenses	38.01	41.21
Corporate Social Responsibility Expenses (refer note 47)	22.03	22.27
Directors' Sitting fees	1.20	1.15
Travelling & Vehicle Expense	39.26	45.07
Payment to Auditors (refer note 35.1)	2.10	1.95
Legal & Professional Fees	50.32	69.46
Exchange Rate Difference (Net)	4.64	88.87
Packing Material Consumption	215.33	212.55
Freight & Handling Charges	412.08	492.96
Advertisement & Business Promotion Expenses	5.82	8.93
Sales Commission	47.79	79.18
Impairment Loss under Expected Credit Loss Model	-	1.87
Other Expenses	151.75	159.87
<b>Total</b>	<b>4,779.05</b>	<b>4,510.06</b>

#### 35.1 Payment to Auditors include (excluding GST) as below:

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
I) As Statutory Auditors	2.00	1.95
II) Other Matters	0.10	-

### 36. FINANCIAL INSTRUMENTS CLASSIFICATION BY CATEGORY

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial Assets</b>		
<b>Financial Assets measured at fair value through profit and loss</b>		
Investments	132.19	1.91
Other Financial Assets - Derivative Assets	0.89	4.70
<b>Financial Assets measured at amortised cost</b>		
Loans	45.70	52.90
Trade Receivables	3,754.61	4,067.62
Cash and Cash Equivalents	184.98	47.71
Other Bank Balances	93.25	18.74
Other Financial Assets	491.50	298.32
<b>Total Financial Assets</b>	<b>4,703.12</b>	<b>4,491.90</b>

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial Liabilities</b>		
<b>Financial Liabilities measured at amortised cost</b>		
Borrowings	8,969.67	7,541.39
Lease Liability	59.88	5.72
Trade Payables	1,945.93	1,768.64
Other Financial Liabilities	175.83	212.30
<b>Total Financial Liabilities</b>	<b>11,151.31</b>	<b>9,528.05</b>

### Fair Value Hierarchy

#### Financial Assets measured at fair value 31<sup>st</sup> March, 2024

(₹ in Million)

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Measured at fair value through profit or loss</b>				
Investments in quoted equity shares / Mutual Fund	131.05	-	-	131.05
Other Financial Assets - Derivative Assets	-	0.89	-	0.89

#### Financial Assets measured at fair value 31<sup>st</sup> March, 2023

(₹ in Million)

	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
<b>Measured at fair value through profit or loss</b>				
Investments in quoted equity shares	0.77	-	-	0.77
Other Financial Assets - Derivative Assets	-	4.70	-	4.70

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

#### Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- ✓ The use of quoted market prices or dealer quotes for similar instruments
- ✓ The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- ✓ The fair value of investments in Mutual Fund Units is based on Net Asset Value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet Date. NAV represents the price at which the issuer will issue further units of Mutual Fund and the price at which issuers will redeem such units from investors.



## 37 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the impact of hedge accounting in the financial statements

### Risk

#### (A) Credit Risk

#### (B) Liquidity Risk

#### (C) Market Risk

- (i) Foreign Exchange Risk
- (ii) Interest Rates
- (iii) Security Price

#### (A) Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment in quoted equity shares, mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

#### Reconciliation of loss allowance provision

(₹ in Million)		
Particulars	2023-24	2022-23
Opening Balance	5.48	3.61
Recognition of loss allowance measured as per ECL	(2.95)	1.87
<b>Closing Balance</b>	<b>2.53</b>	<b>5.48</b>

#### (B) Liquidity Risk Management

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Company's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time.

The table below analyses financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

#### As at 31<sup>st</sup> March, 2024

(₹ in Million)				
	Less than 1 year	Between 1-5 years	More than 5 years	Carrying Value
<b>Financial Liabilities</b>				
Borrowings	4,539.69	4,429.98	-	8,969.67
Lease Liability	10.48	49.40	-	59.88
Trade Payables	1,945.93	-	-	1,945.93
Other Financial Liabilities	175.83	-	-	175.83

As at 31<sup>st</sup> March, 2023

(₹ in Million)

	Less than 1 year	Between 1-5 years	More than 5 years	Carrying Value
<b>Financial Liabilities</b>				
Borrowings	3,923.06	2,160.89	1,457.44	7,541.39
Lease Liability	5.72			5.72
Trade Payables	1,768.64	-	-	1,768.64
Other Financial Liabilities	212.30	-	-	212.30

(C) Market Risk Management

i) Foreign Currency Risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$ and EURO. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

(A) Foreign currency risk exposure

Particulars	As at 31 <sup>st</sup> March, 2024			As at 31 <sup>st</sup> March, 2023		
	USD	EUR	CNY	USD	EUR	CNY
<b>Financial Assets</b>						
Trade Receivables	9.51	0.38	7.62	9.94	0.04	-
<b>Financial Liabilities</b>						
Payable for Capital Expenditure	0.14	0.04	-	0.14	-	-
Trade Payables	2.87	-	-	4.24	0.00	-
Borrowings	8.81	-	-	14.68	-	-
<b>Net Exposure</b>	<b>(2.31)</b>	<b>0.34</b>	<b>7.62</b>	<b>(9.13)</b>	<b>0.04</b>	<b>-</b>

(B) Foreign currency forward contract outstanding as at the Balance Sheet date.

	Buy/Sell	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Forward contract USD	Sell	10.95	6.94
Forward contract EURO	Sell	0.36	0.16
Forward contract CNY	Sell	14.52	-
Forward contract USD	Buy	1.98	1.93

The forward contracts have been entered into to hedge the foreign currency risk on trade receivables and borrowings.

(C) Sensitivity (+/-5%)

(₹ in Million)

Currency	2023-24			2022-23		
	Movement in Rate	Impact on PAT	Impact on Other Equity	Movement in Rate	Impact on PAT	Impact on Other Equity
USD	5.00%	(4.69)	(4.69)	5.00%	(34.24)	(34.24)
USD	-5.00%	4.69	4.69	-5.00%	34.24	34.24
EUR	5.00%	1.28	1.28	5.00%	0.19	0.19
EUR	-5.00%	(1.28)	(1.28)	-5.00%	(0.19)	(0.19)
CNY	5.00%	3.29	3.29	5.00%	-	-
CNY	-5.00%	(3.29)	(3.29)	-5.00%	-	-

**ii) Cash flow and fair value interest rate risk**

The Company's interest rate risk arises mainly from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023, the Company's borrowings at variable rate were mainly denominated in INR & USD.

**(a) Interest rate risk exposure**

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Variable Rate borrowings	8,954.63	7,457.46

At the end of reporting period the Company had the following variable rate borrowings.

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Cash Credit Facility	8.74%	5.21	0.06%	7.82%	257.83	3.46%
Working Capital Loan Facility	7.92%	2,836.13	31.67%	7.33%	1,709.37	22.92%
Packing Credit Facility	6.41%	-	0.00%	4.01%	421.39	5.65%
Buyers Credit Facility	5.37%	164.74	1.84%	3.44%	158.70	2.13%
Bills Discounting Facility	6.21%	567.87	6.34%	3.56%	621.19	8.33%
Term Loan	8.48%	5,380.68	60.09%	7.46%	4,288.98	57.51%
Net Exposure		8,954.63	100.00%		7,457.46	100.00%

At the end of reporting period the Company had the following fixed rate borrowings.

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Reverse Factoring facility	8.13%	14.74	100.00%	7.46%	83.70	100.00%
Net Exposure		14.74	100.00%		83.70	100.00%

**Sensitivity (+/- 1%)**

(₹ in Million)

Particulars	Movement in Rate	2023-24	2022-23
Interest Rates	1.00%	66.90	55.18
Interest Rates	-1.00%	(66.90)	(55.18)

**iii) Security Price Risk**

The Company's exposure to securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

**Sensitivity (+/- 5%)**

(₹ in Million)

Particulars	Investment in Quoted Securities			
	2023-24		2022-23	
Increase/(decrease)	5%	-5%	5%	-5%
Impact on PAT	4.90	(4.90)	0.03	(0.03)

### 38 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- ✓ Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- ✓ Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Total Borrowings	8,969.67	7,541.39
Less : Cash and Cash Equivalents	184.98	47.71
Net Debt (₹)	8,784.69	7,493.68
Total Equity (₹)	11,327.95	11,264.49
Gearing Ratio	0.78	0.67

### 39 (A) INCOME TAXES

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current Tax	-	48.08
Taxes of earlier years	6.19	(99.70)
Deferred Tax	34.90	165.70
<b>Total Tax Expenses (excluding deferred tax benefit on OCI)</b>	<b>41.09</b>	<b>114.08</b>

#### Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Profit Before Tax	118.41	425.51
Statutory Tax Rate (%)	25.168%	25.168%
<b>Tax at Statutory rate</b>	<b>29.80</b>	<b>107.09</b>
Effect of expenses that are not deductible in determining taxable profit	4.37	3.78
Effect of tax on special rate income	(0.06)	(4.25)
Reversal of DTA on amalgamation	-	78.92
Deferred Tax on other comprehensive income	4.26	(0.31)
Others	(3.47)	28.55
<b>Income tax expense recognised in current year</b>	<b>34.90</b>	<b>213.78</b>
Adjustments recognised in the current year in relation to the current tax of prior years	6.19	(99.70)
<b>Income tax expense recognised in profit or loss</b>	<b>41.09</b>	<b>114.08</b>
Effective Tax Rate	34.698%	26.811%

#### (b) Non-Current Tax Assets (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Non-Current Tax Assets (Net)	94.37	140.92
<b>Total</b>	<b>94.37</b>	<b>140.92</b>

#### (c) Current Tax Assets (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current Tax Assets (Net)	75.41	69.03
<b>Total</b>	<b>75.41</b>	<b>69.03</b>

(d) Deferred Tax Liabilities (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities</b>		
Property, Plant and Equipment	735.48	598.58
Fair Value of Forward Contracts	0.23	1.18
Fair Value of Quoted Equity Shares and Mutual Fund	0.13	0.08
Expense claimed for tax purpose on payment basis	-	2.73
Unamortised Loan Processing Fees	4.86	1.19
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation & c/f loss	(29.30)	-
Expense claimed for tax purpose on payment basis	(77.70)	-
Allowance for Doubtful Debts	(0.64)	(1.38)
Carried Forward Loss on Sale of Land	(2.31)	(2.27)
<b>Total</b>	<b>630.75</b>	<b>600.11</b>

Movement in deferred tax assets and liabilities for financial year 2023-24

(₹ in Million)

Particulars	As at 1 <sup>st</sup> April, 2023	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2024
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment	(598.58)	(136.90)	-	(735.48)
Fair Value of Forward Contracts	(1.18)	0.95	-	(0.23)
Expense claimed for tax purpose on payment basis	(2.73)	76.17	4.26	77.70
Related to carried forward loss and unabsorbed depreciation	-	29.30		29.30
Fair Value of Quoted Equity Shares and Mutual Fund	(0.08)	(0.05)	-	(0.13)
Unamortised Loan Processing Fees	(1.19)	(3.67)	-	(4.86)
Carried Forward Loss on Sale of Land	2.27	0.04		2.31
Allowance for Doubtful Debts	1.38	(0.74)	-	0.64
<b>Total</b>	<b>(600.11)</b>	<b>(34.90)</b>	<b>4.26</b>	<b>(630.75)</b>

Movement in deferred tax assets and liabilities for financial year 2022-23

(₹ in Million)

Particulars	As at 1 <sup>st</sup> April, 2022	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment	(520.10)	(78.48)	-	(598.58)
Fair Value of Forward Contracts	0.02	(1.20)	-	(1.18)
Expense claimed for tax purpose on payment basis	6.32	(8.74)	(0.31)	(2.73)
Related to carried forward loss and unabsorbed depreciation	78.92	(78.92)	-	-
Fair Value of Quoted Equity Shares and Mutual Fund	(0.17)	0.09	-	(0.08)
Unamortised Loan Processing Fees	-	(1.19)		(1.19)
Carried Forward Loss on Sale of Land	-	2.27		2.27
Allowance for Doubtful Debts	0.91	0.47	-	1.38
<b>Total</b>	<b>(434.10)</b>	<b>(165.70)</b>	<b>(0.31)</b>	<b>(600.11)</b>

#### 40 SEGMENT INFORMATION

The company is engaged in Dyes, Dyes Intermediates and Basic Chemicals. Considering the nature of company's business and operations as well as reviews of operating results by the Chief Operating Decision Makers to make decisions about resource allocation, performance allocation and performance measurement, the company has identified Dyes, Dyes Intermediates and Basic Chemicals activities as only responsible segment in accordance with the requirements of Ind AS 108 operating segment.

The geographical segment has been considered for disclosure as secondary segment.

Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and export. Information about geographical segments are as below.

##### 1. Information about Geographical Areas

(₹ in Million)

	2023-24			2022-23		
	Domestic Operations	External Operations	Total	Domestic Operations	External Operations	Total
Segment Revenue	10,126.62	3,737.74	13,864.36	10,963.43	4,587.79	15,551.22
Carrying Cost of Segment Assets	22,429.76	926.50	23,356.26	20,477.44	1,148.19	21,625.63

##### 2. Information about Major Customers

1 customer individually accounted for 10% or more revenue during financial year ending on 31<sup>st</sup> March, 2024 (P.Y. : Nil)

Particulars	2023-24	2022-23
Revenue from Top Customer	10%	8%
Revenue from Top 5 Customers	20%	18%

#### 41 RELATED PARTY TRANSACTIONS:

##### (a) List of Related Parties

###### I. Key Management Personnel (KMP)

1	Shri Suresh J Patel	Chairman & Managing Director
2	Shri Bhavin S. Patel	Executive Director
3	Shri Ankit S. Patel	Executive Director
4	Shri Rajarshi Ghosh	Director
5	Shri Mayur B. Padhya	Chief Financial Officer
6	Shri Ashutosh B. Bhatt	Company Secretary
7	Shri Nalin Kumar	Independent Director
8	Smt. Neha Huddar	Independent Director
9	Shri Sunil K. Mehta	Independent Director (Upto 12 <sup>th</sup> December, 2022)
10	Shri Mayank K. Mehta	Independent Director
11	Shri Rohit Maloo	Independent Director (w.e.f. 12 <sup>th</sup> December, 2022)

###### II. Enterprise under significant influence of key management personnel (Enterprise)

1	Shanti Inorgo Chem (Guj.) Pvt. Ltd.
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###### III. Subsidiary Company (SC)

1	Bodal Chemicals Trading Private Ltd.
2	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.
3	Bodal Bangla Ltd.
4	Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.
5	Senpa Dis Ticaret Anonim Sirketi (step down subsidiary)
6	PT Bodal Chemicals Indonesia

###### IV. Associate Concern (AC)

1	Plutoeco Enviro Association
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b) Transactions with related parties

(₹ in Million)

Related party disclosure	Relationship	2023-24	2022-23
<b>Remuneration</b>			
Shri Suresh J. Patel	KMP	16.20	16.20
Shri Bhavin S. Patel	KMP	10.80	10.80
Shri Ankit S. Patel	KMP	10.80	10.80
Shri Rajarshi Ghosh	KMP	2.48	2.31
Shri Mayur B. Padhya	KMP	5.68	5.70
Shri Ashutosh B. Bhatt	KMP	1.54	1.32
<b>Employees Stock Option</b>			
Shri Mayur B. Padhya	KMP	0.60	0.87
Shri Ashutosh B. Bhatt	KMP	0.16	0.24
<b>Directors' Commission</b>			
Shri Suresh J. Patel	KMP	-	7.50
Shri Bhavin S. Patel	KMP	-	1.25
Shri Ankit S. Patel	KMP	-	1.25
<b>Directors' Sitting Fees</b>			
Shri Nalin Kumar	KMP	0.36	0.35
Smt. Neha Huddar	KMP	0.32	0.31
Shri Sunil K. Mehta	KMP	-	0.28
Shri Mayank Mehta	KMP	0.16	0.20
Shri Rohit B. Maloo	KMP	0.36	0.01
<b>Capital Advance Given</b>			
Plutoeco Enviro Association	AC	0.09	0.52
<b>Capital Advance Received Back</b>			
Plutoeco Enviro Association	AC	-	-
<b>Loan Received</b>			
Shri Bhavin S. Patel	KMP	0.39	2.45
Shri Ankit S. Patel	KMP	1.73	0.99
<b>Loan Repaid</b>			
Shri Bhavin S. Patel	KMP	0.32	2.45
Shri Ankit S. Patel	KMP	1.73	1.00
<b>Purchases of Materials</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.95	5.27
Bodal Chemicals Trading Pvt. Ltd.	SC	-	0.01
<b>Dividend Paid</b>			
Shri Suresh J. Patel	KMP	3.71	29.69
Shri Bhavin S. Patel	KMP	1.05	8.40
Shri Ankit S. Patel	KMP	0.73	5.81
Shri Mayur B. Padhya	KMP	0.02	0.16
Shri Ashutosh B. Bhatt	KMP	-	-
Smt. Neha Huddar	KMP	-	-
Shri Sunil K. Mehta	KMP	-	0.16
<b>Sales Commission Expense</b>			
Bodal Bangla Ltd.	SC	3.24	-
<b>Rent Income</b>			
Bodal Chemicals Trading Pvt. Ltd.	SC	0.36	0.36
<b>Sales of Materials</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.44	0.01

Related party disclosure	Relationship	2023-24	2022-23
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	209.17	430.81
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	305.46	288.84
PT Bodal Chemicals Indonesia	SC	32.10	24.16
<b>Sales of Land</b>			
Plutoeco Enviro Association	AC	-	34.71
<b>Investment in Equity Shares</b>			
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	-	327.69
PT Bodal Chemicals Indonesia	SC	-	13.36

c) **Related Party Balances as at the year end.**

(₹ in Million)			
Related party disclosure	Relationship	2023-24	2022-23
<b>Amount Payable</b>			
<b>As Unsecured Loan</b>			
Shri Suresh J. Patel	KMP	0.13	0.13
Shri Bhavin S. Patel	KMP	0.10	0.02
Shri Ankit S. Patel	KMP	0.07	0.07
<b>As Advances Received for sale of property</b>			
Plutoeco Enviro Association	AC	3.29	3.29
<b>As Trade Payables</b>			
Shri Suresh J. Patel	KMP	0.57	0.44
Shri Bhavin S. Patel	KMP	0.47	0.39
Shri Ankit S. Patel	KMP	0.86	0.96
Shri Rajarshi Ghosh	KMP	0.15	0.14
Shri Mayur B. Padhya	KMP	0.04	0.28
Shri Ashutosh B. Bhatt	KMP	1.00	0.08
<b>As Investment</b>			
<b>As Equity shares</b>			
Bodal Chemicals Trading Pvt. Ltd.	SC	0.10	0.10
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	962.11	962.11
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	20.57	20.57
Bodal Bangla Ltd.	SC	5.15	5.15
Plutoeco Enviro Association	AC	0.03	0.03
PT Bodal Chemicals Indonesia	SC	13.36	13.36
<b>Amounts Receivable</b>			
<b>As Trade Receivables</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.49	2.13
Bodal Chemicals Trading Pvt. Ltd.	SC	0.03	0.10
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	15.36	81.24
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	156.90	141.89
PT Bodal Chemicals Indonesia	SC	29.58	24.86
<b>As Advance to Suppliers</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	-	1.52
<b>As Capital Advance</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	3.88	3.88
Plutoeco Enviro Association	AC	11.15	11.07

**Notes :-**

- (i) No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.



## 42. EARNINGS PER SHARE

Particulars	2023-24	2022-23
Net Profit after Tax as per Statement of Profit and Loss (₹ In million)	77.32	311.43
Weighted average number of Equity Shares	12,57,54,620	12,55,44,712
Basic EPS (₹)	0.61	2.48
Diluted EPS (₹)	0.61	2.48
Nominal Value per Share (₹)	2	2

### 42.1 Details used in calculation of Diluted EPS

Particulars	2023-24	2022-23
Net Profit after Tax as per Statement of Profit and Loss (₹ In million)	77.32	311.43
Nominal Value per Share (₹)	2	2
Weighted average number of Equity Shares used for Basic EPS	12,57,54,620	12,55,44,712
Share deemed to be issued in respect of employee options	27,502	-
Weighted average number of Equity Shares used for diluted EPS	12,57,82,122	12,55,44,712

## 43. EMPLOYEE BENEFITS

(₹ in Million)

Defined Contribution Plan	2023-24	2022-23
Employer's contribution to Provident Fund	44.53	41.43

### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation was ₹ 1.38 million and ₹ Nil as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023, respectively.

Liabilities recognized in respect of other long-term employee benefits such as compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. These are determined actuarially using the projected unit credit method.

(₹ in Million)

	2023-24	2022-23
Leave Encashment Expense	16.88	14.58

### Post Employment Benefits

**Gratuity:** The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Company's financial statements based on actuarial valuations being carried out As at 31<sup>st</sup> March, 2024.

## Balance sheet disclosures

### (a) The amounts disclosed in the Balance Sheet and the movements in the defined benefit obligation over the year:

Particulars	2023-24	2022-23
Liability at the beginning of the year	114.17	109.53
Interest Costs	8.03	7.35
Current Service Costs	12.49	12.17
Benefits paid	(5.58)	(3.29)
Benefits paid by the Company	(3.74)	(9.40)
Actuarial (Gain)/Loss on obligations due to change in		
- Demography	-	-
- Financials	2.48	(2.97)
- Experience	8.14	0.78
Liability at the end of the year	135.99	114.17

### (b) Movements in the fair value of plan assets

Particulars	2023-24	2022-23
Fair value of plan assets at the beginning of the year	132.28	111.38
Interest Income	9.84	7.98
Expected return on plan assets	(6.31)	(0.96)
Contributions	31.06	17.17
Benefits paid	(5.58)	(3.29)
Fair value of plan assets at the end of the year	161.29	132.28

The entire funds on the plan assets are managed by insurer i.e. Life Insurance Corporation of India.

### (c) Net liability disclosed above relates to

Particulars	2023-24	2022-23
Fair value of plan assets at the end of the year	161.29	132.28
Liability as at the end of the year	135.99	114.17
Net (Liability)/Asset	25.30	18.11
Non-Current Portion	3.17	5.25
Current Portion	22.13	12.86

### (d) Balance Sheet Reconciliation

Particulars	2023-24	2022-23
Opening Net liability / (Asset)	(18.11)	(1.85)
- Expenses recognised in the statement of P&L	10.68	11.54
- Expenses recognised in the OCI	16.93	(1.23)
- Benefits paid by the Company	(3.74)	(9.40)
- Employer's Contribution	(31.06)	(17.17)
Amount recognised in the Balance Sheet	(25.30)	(18.11)

## Profit & Loss Disclosures

### (a) Net interest Cost for Current period

Particulars	2023-24	2022-23
Interest Cost	8.03	7.35
Interest Income	9.84	7.98
Net interest Cost/(Income)	(1.81)	(0.63)

### (b) Expenses recognised in the profit & loss

Particulars	2023-24	2022-23
Net Interest Cost	(1.81)	(0.63)
Current Service Costs	12.49	12.17
Expenses recognised in the profit & loss	10.68	11.54

### (c) Expenses recognised in the Other Comprehensive Income

Particulars	2023-24	2022-23
Remeasurement		
Expected return on plan assets	6.31	0.96
Actuarial (Gain) or Loss	10.62	(2.19)
Net (Income) / Expenses recognised in OCI	16.93	(1.23)

## Sensitivity Analysis

Particulars	2023-24	2022-23
Projected Benefit obligation on current assumptions		
Data effect of change in Rate of		
- Discounting by +0.5%	131.12	109.50
- Salary Increase by +0.5%	141.06	119.07
- Employee Turnover by +10%	137.35	115.50
Data effect of change in Rate of		
- Discounting by -0.5%	141.24	119.20
- Salary Increase by -0.5%	131.24	109.56
- Employee Turnover by -10%	134.55	112.75

## Significant Actuarial Assumptions

Particulars	2023-24	2022-23
Discount Rate	7.20%	7.45%
Salary Escalation	4.00%	4.00%
Attrition Rate	2%-10%	2%-10%
Mortality Tables used	IALM 2012-14	IALM 2012-14

The estimates of future salary increases, considered in actuarial valuation have taken into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The rate used to discount defined benefit obligation (both funded and unfunded) is determined by reference to market yield at the Balance Sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bonds or government bonds shall be consistent with currency and estimated term of the post employment benefit obligations.

The estimated term of the Obligation is around 9.10 years (P.Y. 10.55 years). The yields on the government bonds as at the valuation date were 7.20% (P.Y. 7.45%). The expected contribution in the next year is ₹ 14.61 million.

#### 44. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>(a) Contingent Liabilities</b>		
1) Disputed matters in appeals/contested in respect of:		
i. Income Tax	86.83	81.20
ii. Excise & GST	84.24	45.61
Future cash outflows in respect of the above are determinable only on receipt of Judgments /decisions pending with various forums/ authorities. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.		
2) Letter of Credit issued by bankers and outstanding	34.78	189.79
3) Guarantee given by the Company	151.04	327.01
<b>(b) Commitments</b>		
i. Estimated amount of Contracts remaining to be executed on capital account and not provided for, net of advances.	226.02	1,333.87

#### 45 DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT.

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
a. Principal and interest amount remaining unpaid	475.44	100.05
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

#### 46. MOVEMENT OF LEASE LIABILITY

(₹ in Million)

Particulars	2023-24	2022-23
Opening Balance	5.72	-
Lease Liabilities during the year	63.17	10.96
Finance Costs incurred during the year	2.06	0.72
Net Payments of Lease Liabilities	(11.07)	(5.96)
<b>Closing Balance</b>	<b>59.88</b>	<b>5.72</b>

#### 47. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(₹ in Million)

Particulars	2023-24	2022-23
1. Amount required to be spent during the year	17.45	21.81
2. Opening surplus balance if any	-	-
3. Amount of expenditure incurred on	22.03	22.27
(i) construction / acquisition of assets	-	-
(ii) on purpose other than (i) above	22.03	22.27
4. Shortfall / (Surplus) at the end of the year	(4.58)	(0.46)
5. Total of previous years of shortfall	-	-
6. Reason for shortfall	NA	NA
7. Nature of CSR activities	Rural Development, Promotion of Healthcare and Education, Providing Drinking Water.	
8. Detail of Related Party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

#### 48. SHARE BASED PAYMENTS

- a) The Company initiated the "ESOP 2017" for all eligible employees in pursuance of the special resolution approved by the Shareholders in the Annual General Meeting held on 23<sup>rd</sup> September, 2017. The Scheme covers eligible employees (except promoters or those belonging to the promoters' group, independent directors and directors who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company). Under the Scheme, the Nomination and Remuneration Committee of directors of the Company, administers the Scheme and grants stock options to eligible directors or employees of the Company. The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 1 million options.

Option	Number of shares granted	Grant Date	Expiry Date	Exercise Price (₹)	Fair Value of the option (₹)
ESOP 2017 - V	1,71,100	26-05-22	26-05-24	10	84.56
ESOP 2017 - VI	1,66,100	17-06-23	16-06-25	10	66.38

#### b) Compensation Expenses arising on account of the Share Based Payments

(₹ in Million)

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Employee Share Based Payments	9.73	18.98

The relevant details of the Scheme are as under:

Particulars	Grant V	Grant VI
Date of Grant	26-05-22	17-06-23
Date of Board/NRC Approval	26-05-22	17-06-23
Date of Shareholders' Approval	23-09-17	23-09-17
No. of Options Granted	1,71,100	1,66,100
Method of Settlement	Equity	Equity
Vesting Period	1 Year	1 Year
Fair Value on the date of Grant (₹)	84.56	66.38
Exercise Period	1 Year	1 Year
Vesting Conditions	As per Policy approved by Shareholders	As per Policy approved by Shareholders

Set out below is a summary of options granted under the plan:

Particulars	Grant V	Grant VI
Options Outstanding at the beginning of the year	1,71,100	-
Options granted during the year	-	1,66,100
Options exercised during the year	1,66,100	-
Options lapsed during the year	5,000	-
Options Outstanding at the end of the year	-	1,66,100

Particulars	Grant V	Grant VI
Date of Grant	26-05-22	17-06-23
Stock Price at the date of grant	93.20	75.10
Exercise Price (₹)	10	10
Expected Volatility	49.89%	39.17%
Expected Life of the Option	1 Year	1 Year
Risk Free Interest Rate	7.29%	6.83%
Weighted average fair value of options granted during the year (₹)	84.56	66.38

49 The company has changed classification for few items during the year for better presentation. The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable. The details thereof has been provided below.

(a) Items of Balance Sheet

(₹ in Million)

Sr. No	Previous Year Class of Item	As on 31/03/2023	Nature of Reclassification
1	Trade Payable	115.08	it is reclassified to Provisions (Current)

(b) Items of Statement of Profit & Loss

(₹ in Million)

Sr. No	Previous Year Class of Item	Year 2022-23	Remarks
1	Raw Material Consumption	84.53	The amount pertains to Pollution Control and Factory Expense, now reclassified into Other Expense.

50 DISCLOSURE PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013.

The Company has not given loan and guarantee. With regards to investment in subsidiary refer note 6

51 A Scheme of Amalgamation of S P S Processors Private Limited ("SPS") with the Company (the "Scheme") was approved by the Board of Directors of the Company at their meeting held on 29<sup>th</sup> October, 2021, with effect from appointed date of 1<sup>st</sup> April, 2021. SPS is engaged in the business of manufacture of dyes intermediates. The Scheme was approved by Hon'ble NCLT, Ahmedabad Bench vide its order dated 02<sup>nd</sup> November, 2022. The Scheme has accordingly been given effect in the financial statements of Bodal Chemicals Limited from the Appointed date. As the transaction took place between the entities which are under common control, the Company has followed pooling of interest method as per 'Appendix C of Ind AS 103 - Business Combination.

## 52 KEY FINANCIAL RATIOS:

Note No.	Ratios	Numerator	Denominator	2023-24	2022-23	% Variance	Reason for variance
i	Current Ratio	Current Assets	Current Liabilities	1.13	1.31	-13.99%	-
ii	Debt-Equity Ratio	Total Debt	Total Equity	0.79	0.67	18.27%	-
iii	Debt Service Coverage ratio	EBIDTA	Interest + Principal	1.13	3.69	-69.37%	Note (a)
iv	Return on Equity	PAT	Average Total Equity	0.68%	2.79%	-75.50%	Note (b)
v	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	2.69	2.53	6.40%	-
vi	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	3.54	3.28	7.92%	-
vii	Trade Payable Turnover Ratio	Raw Material Purchase + Trading Purchases + Other Expenses	Average Trade Payables	6.19	5.53	11.97%	
viii	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	9.96	6.45	54.51%	Note (c)
ix	Net Profit Ratio	PAT	Revenue from Operations	0.56%	2.00%	-72.15%	Note (d)
x	Return on Capital Employed	Earnings before Interest & Tax	Shareholders' Funds + Long Term Debt	4.04%	5.17%	-21.80%	
xi	Return on Investment	PAT	Shareholders' Funds	0.68%	2.76%	-75.31%	Note (e)

### Notes:

- (a) Since there is increase in repayment of long term borrowings during the current year, Debt Service Coverage Ratio is decreased from 3.69 to 1.13
- (b) Since there is decrease in Net Profit for the year, Return on Equity was lower as compared to previous financial year.
- (c) Since there is decrease in revenue from operations, Net Capital Turnover Ratio was lower as compared to previous financial year.
- (d) Since there is decrease in Net Profit for the year, Net Profit Ratio is lower as compared to previous financial year.
- (e) Since there is decrease in Net Profit for the year, Return on Investments is lower as compared to previous financial year.

## 53 OTHER STATUTORY INFORMATION :

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (iv) Title deeds of all the Immovable Properties are held in name of the Company.

- (v) The Company has complied with the Scheme of Arrangements as approved by the National Company Law Tribunal (NCLT) in terms of sections 230 to 237 of the Companies Act, 2013 as is accounted in the financial statements in accordance with accounting standards.
- (vi) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vii) The Company has not been declared a wilful defaulter by any bank or financial institution.
- (viii) The Company has not identified any transaction with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 and has no balances outstanding from struck of Companies.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- (xi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**54** The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events or transactions in the financial statements. As on May 24, 2024, there are no subsequent events to be recognized or reported.

As Per Our Report of even date attached  
 For **Naresh J. Patel & Co.**  
 Chartered Accountants  
 Firm Registration No. 123227W

For and on behalf of the Board of Directors

**Chintan N. Patel**  
 Partner  
 Membership No. 110741

**Suresh J. Patel**  
 Chairman & Managing Director  
 DIN : 00007400

**Bhavin S. Patel**  
 Executive Director  
 DIN : 00030464

**Mayur B. Padhya**  
 Chief Financial Officer

**Ashutosh B. Bhatt**  
 Company Secretary

Ahmedabad  
 24<sup>th</sup> May, 2024

Ahmedabad  
 24<sup>th</sup> May, 2024



# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**BODAL CHEMICALS LIMITED**

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of **BODAL CHEMICALS LIMITED** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of subsidiaries and the associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act 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 31<sup>st</sup> March, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated

cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Timely recognition of revenue</b></p> <p>(Refer Note 1.5 and Note 27 to the Consolidated Financial Statements for notes on revenue from operations)</p> <p>We focussed on this area as a Key audit matter due to the risk of incorrect timing of revenue recognition. Since the Group focuses on revenue as a key performance measure, it could create an incentive for revenue to be recognized though the performance obligations have not been satisfied by the Group.</p>	<p><b>Principal audit procedures performed:</b></p> <p>Our audit procedures were a combination of test of controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>Evaluated the design of internal controls relating to recording of revenues at reporting periods.</li> <li>Selected a sample of invoices and tested the operating effectiveness of internal controls relating to revenue cut offs.</li> <li>Performed cut-off procedures (early and late cut off's) for sample of revenue transactions at year-end by testing the underlying invoices to the related delivery documents.</li> </ul>
2	<p><b>Inventories</b></p> <p>Auditor of holding company considers Inventories as key audit matter due to its size being ₹ 2672.47 Million as at 31<sup>st</sup> March 2024.</p>	<p><b>Principal audit procedures performed by auditor of holding company:</b></p> <p>Testing the inventory provisioning and challenging the assumptions for inventory valuation basis non-moving/slow moving items.</p> <ul style="list-style-type: none"> <li>Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations.</li> <li>Sample testing of management physical verification report.</li> <li>We observe the physical verification process at locations of financial significance</li> </ul>

## Other Matters

1. (a) The accompanying Consolidated Financial Statements include audited Financial Statements of 3 (three) subsidiaries, whose financial statements reflect total assets of ₹ 370.70 Million as at 31<sup>st</sup> March 2024, total revenues of ₹ 392.47 Million, total comprehensive loss of ₹ 21.70 Million and net cash inflows amounting to ₹ 25.27 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ Nil for the year ended 31<sup>st</sup> March, 2024, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

(b) The accompanying Consolidated Financial Statements also includes financial information of 2 (two) subsidiaries, whose financial information reflect total assets of ₹ 247.16 Million as at 31<sup>st</sup> March, 2024, total revenues of ₹ 338.03 Million, total comprehensive loss of ₹ 0.47 Million and net cash inflows amounting to ₹ 28.90 Million for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and as approved by the respective management of these entities have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated 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 reports of the other auditors and the financial information certified by the Management.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board' Report including Annexures to Board's Report, Corporate Governance Report and Management Discussion & Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associate, is traced from their financial statements audited by other auditors.
- When we read the other information identified above, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

## Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and its associate 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 and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

#### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / information of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in the paragraph below on reporting under Rule 11(g).
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company is disqualified as on 31<sup>st</sup> March, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies and associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate;
  - ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts;
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and associate company incorporated in India.
  - iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose

financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Parent Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries 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 that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused

us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

As stated in note 18.2 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks, except for the instances mentioned below, the Holding Company, its subsidiary and associate companies incorporated in India have used accounting softwares 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 respective softwares:
- In case of Holding company, the feature of audit trail was not enabled at the database level for accounting software (except for Unit-XII)
  - In case of Holding company, the audit trail feature has not been enabled throughout the year in respect of payroll software.

Further, for the period where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

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

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according

to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies (incorporated in India) included in the consolidated financial statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except as specified below:

Name	CIN	Holding Company/subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
Bodal Chemicals Ltd	L24110GJ1986PLC009003	Holding Company	3(i)(a)(A)

For **Naresh J Patel & Co.**  
 Chartered Accountants  
 Firm Registration No.: 123227W

**Chintan N Patel**  
 Partner  
 Membership No.: 110741  
 UDIN No.: 24110741BKFXZF5010

Place: Ahmedabad  
 Date: May 24, 2024

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

### **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")**

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Bodal Chemicals Limited (hereinafter referred to as "Parent") and its subsidiary companies, which includes internal financial controls over financial reporting of the Company's associate company, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and its associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India.

#### **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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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 and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, 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<sup>st</sup> March, 2024, based on the criteria for internal financial control over financial

reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary companies and one associate company, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matter.

For **Naresh J Patel & Co.**

Chartered Accountants  
 Firm Registration No.: 123227W

**Chintan N Patel**

Partner  
 Membership No.: 110741  
 UDIN No.: 24110741BKFXZF5010

Place: Ahmedabad  
 Date: May 24, 2024



Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024

₹ in Million

Particulars	Notes	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	12,941.85	9,520.79
Right of Use Assets	3	59.08	5.48
Capital Work-in-progress	4	677.35	1,934.67
Goodwill on Consolidation	5	84.75	84.75
Intangible Assets	5	50.03	60.66
<b>Financial Assets</b>			
Investments	6	2.10	1.92
Loans	7	27.36	30.30
Other Financial Assets	8	457.52	264.15
Non-Current Tax Assets (Net)	39	94.65	140.92
Deferred Tax Assets (Net)	39	73.31	4.59
Other Non-Current assets	9	275.94	651.95
<b>Total Non - Current Assets</b>		<b>14,743.94</b>	<b>12,700.18</b>
<b>Current Assets</b>			
Inventories	10	2,672.47	2,925.29
<b>Financial Assets</b>			
Investments	11	130.10	-
Trade Receivables - Other than Customers Bill Discounted	12	3,240.18	3,581.63
Trade Receivables - Customers Bill Discounted	12	567.87	621.19
Cash and Cash Equivalents	13	239.15	168.02
Bank Balances other than above	14	93.25	18.74
Loans	15	19.19	22.60
Other Financial Assets	16	36.22	39.11
Current Tax Assets (Net)	39	75.41	69.03
Other Current Assets	17	1,060.88	1,063.07
Assets held for Sale		0.14	0.14
<b>Total Current Assets</b>		<b>8,134.86</b>	<b>8,508.82</b>
<b>Total Assets</b>		<b>22,878.80</b>	<b>21,209.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	251.58	251.25
Other Equity	19	10,570.83	10,525.78
<b>Equity attributable to the Equity holders of the parent</b>		<b>10,822.41</b>	<b>10,777.03</b>
Non-Controlling Interests		-	-
<b>Total Equity</b>		<b>10,822.41</b>	<b>10,777.03</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	20	4,429.98	3,618.33
Lease Liabilities	46	49.40	-
Provisions	21	0.23	-
Deferred Tax Liabilities (Net)	39	632.98	600.11
<b>Total Non-Current Liabilities</b>		<b>5,112.59</b>	<b>4,218.44</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings - Other than Customers Bill Discounted	22	3,980.24	3,356.43
Borrowings - Customers Bill Discounted	22	567.87	621.19
Lease Liabilities	46	10.48	5.72
Trade Payables	23		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		475.45	100.05
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,477.88	1,675.55
Other Financial Liabilities	24	176.70	212.30
Other Current Liabilities	25	183.80	116.45
Provisions	26	59.84	115.08
Current Tax Liabilities (Net)	39	8.25	7.48
Liabilities Directly Associated with Assets Classified as held for Sale		3.29	3.28
<b>Total Current Liabilities</b>		<b>6,943.80</b>	<b>6,213.53</b>
<b>Total Liabilities</b>		<b>12,056.39</b>	<b>10,431.97</b>
<b>Total Equity and Liabilities</b>		<b>22,878.80</b>	<b>21,209.00</b>
See Accompanying Notes forming part of the Financial Statements	1 to 52		

As Per Our Report of even date attached  
For **Naresh J. Patel & Co.**  
Chartered Accountants  
Firm Registration No. 123227W

**Chintan N. Patel**  
Partner  
Membership No. 110741

Ahmedabad  
24<sup>th</sup> May, 2024

For and on behalf of the Board of Directors

**Suresh J. Patel**  
Chairman & Managing Director  
DIN : 00007400

**Mayur B. Padhya**  
Chief Financial Officer

Ahmedabad  
24<sup>th</sup> May, 2024

**Bhavin S. Patel**  
Executive Director  
DIN : 00030464

**Ashutosh B. Bhatt**  
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31 <sup>st</sup> March, 2024			₹ in Million
Particulars	Notes	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>INCOME</b>			
Revenue from Operations	27	13,946.21	15,742.80
Other Income	28	248.02	116.13
<b>Total Income</b>		<b>14,194.23</b>	<b>15,858.93</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	29	6,917.83	8,173.01
Purchases of Stock-in Trade	30	1.59	148.36
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	31	75.50	632.53
Employee Benefits Expense	32	1,027.62	948.06
Finance Costs	33	542.54	410.25
Depreciation and Amortisation expense	34	604.92	530.92
Other Expenses	35	4,816.84	4,507.44
Net monetary loss arising from Company's Subsidiary operating in hyperinflationary economies	51	160.12	-
<b>Total Expenses</b>		<b>14,146.96</b>	<b>15,350.57</b>
<b>Profit Before Tax</b>		<b>47.27</b>	<b>508.36</b>
<b>Tax Expenses</b>	39		
Current Tax on Profit for the Year		9.69	56.09
(Short)/Excess Provision of Tax of Prior Years		6.19	(99.70)
Deferred Tax		(33.30)	171.64
<b>Total Tax Expense</b>		<b>(17.42)</b>	<b>128.03</b>
<b>Profit for the Year</b>		<b>64.69</b>	<b>380.33</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of the defined benefit plans		(17.96)	0.68
Income Tax relating to items that will not be reclassified to profit and loss account		4.52	(0.20)
		<b>(13.44)</b>	<b>0.48</b>
<b>Items that will be reclassified to profit or loss</b>			
Exchange differences in translating the financial statements of foreign subsidiaries		(13.50)	(49.86)
Income Tax relating to items that will be reclassified to profit and loss account		-	-
		<b>(13.50)</b>	<b>(49.86)</b>
<b>Other Comprehensive Income for the Year</b>		<b>(26.94)</b>	<b>(49.38)</b>
<b>Total Comprehensive Income for the Year</b>		<b>37.75</b>	<b>330.95</b>
<b>Profit for the Year Attributable to:</b>			
Owners of the Company		64.69	380.33
Non-controlling interest		-	-
		<b>64.69</b>	<b>380.33</b>
<b>Other Comprehensive Income for the Year Attributable to:</b>			
Owners of the Company		(26.94)	(49.38)
Non-controlling interest		-	-
		<b>(26.94)</b>	<b>(49.38)</b>
<b>Total Comprehensive Income for the Year Attributable to:</b>			
Owners of the Company		37.75	330.95
Non-controlling interest		-	-
		<b>37.75</b>	<b>330.95</b>
Earnings per equity share (Face value of ₹ 2 each)	44		
Basic (in ₹)		0.51	3.03
Diluted (in ₹)		0.51	3.03
See Accompanying Notes forming part of the Financial Statements	1 to 52		

As Per Our Report of even date attached  
For **Naresh J. Patel & Co.**  
Chartered Accountants  
Firm Registration No. 123227W

**Chintan N. Patel**  
Partner  
Membership No. 110741

Ahmedabad  
24<sup>th</sup> May, 2024

For and on behalf of the Board of Directors

**Suresh J. Patel**  
Chairman & Managing Director  
DIN : 00007400

**Mayur B. Padhya**  
Chief Financial Officer

Ahmedabad  
24<sup>th</sup> May, 2024

**Bhavin S. Patel**  
Executive Director  
DIN : 00030464

**Ashutosh B. Bhatt**  
Company Secretary

**Consolidated Statement of Changes In Equity for the year ended 31<sup>st</sup> March, 2024** ₹ in Million

**A) EQUITY SHARE CAPITAL**

Particulars	As at	As at
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Balance at the beginning of the year	251.25	244.96
Add : Issue of Shares under Common Control	-	5.94
Add : Issue of Shares under ESOP (refer Note 47)	0.33	0.35
<b>Balance at the end of the year</b>	<b>251.58</b>	<b>251.25</b>

**B) OTHER EQUITY**

	Reserves & Surplus						Share Capital to be issued under Common Control	Items of Other Comprehensive Income	Non-Controlling Interests	Total
	Capital Reserves	Capital Redemption Reserve Fund	Securities Premium	Employee Stock Options Outstanding Account	General Reserve	Retained Earnings				
Balance as at 1 <sup>st</sup> April, 2022 (A)	562.52	289.67	2,417.43	11.32	138.86	6,775.66	5.94	77.15	-	10,278.55
Profit for the year	-	-	-	-	-	380.33	-	-	-	380.33
Other Comprehensive Income for the year, net of tax	-	-	-	-	-	0.47	-	-	-	0.47
<b>Total Comprehensive Income for the Year 2022-23 (B)</b>	-	-	-	-	-	<b>380.80</b>	-	-	-	<b>380.80</b>
Securities Premium on issue of shares	-	-	18.18	-	-	-	-	-	-	18.18
Issue of Shares under Common Control	-	-	-	-	-	-	(5.94)	-	-	(5.94)
Addition due to Employee share based expense (refer note 47)	-	-	-	2.18	-	-	-	-	-	2.18
Exchange differences in translating the financial statements of foreign subsidiaries	-	-	-	-	-	-	-	(49.87)	-	(49.87)
Reductions during the year	-	-	-	-	-	(98.12)	-	-	-	(98.12)
Dividends	-	-	-	-	-	(98.12)	-	-	-	(98.12)
<b>Total (C)</b>	-	-	-	13.50	138.86	<b>7,058.34</b>	-	<b>27.28</b>	-	<b>10,525.78</b>
<b>Balance as at 31<sup>st</sup> March, 2023 (D) = (A+B+C)</b>	<b>562.52</b>	<b>289.67</b>	<b>2,435.61</b>	<b>13.50</b>	<b>138.86</b>	<b>7,058.34</b>	-	<b>27.28</b>	-	<b>10,525.78</b>

	Reserves & Surplus							Items of Other Comprehensive Income	Non-Controlling Interests	Total
	Capital Reserves	Capital Redemption Reserve Fund	Securities Premium	Employee Stock Options Outstanding Account	General Reserve	Retained Earnings	Share Capital to be issued under Common Control			
<b>Additions during the year:</b>										
Profit for the year	-	-	-	-	-	64.69	-	-	64.69	-
Other Comprehensive Income for the year, net of tax	-	-	-	-	-	(13.44)	-	-	(13.44)	-
Impact of restatement of subsidiaries in Hyper-inflationary economy						8.82			8.82	
Exchange differences in translating the financial statements of foreign subsidiaries								(13.50)	(13.50)	
Change due to Employee share based expense (refer note 47)					(4.31)				(4.31)	
<b>Total Comprehensive Income for the Year 2023-24 (E)</b>	-	-	-	-	-	<b>60.07</b>	-	-	<b>60.07</b>	-
Securities Premium on issue of shares			15.37						15.37	
Reductions during the year										
Dividends	-	-	-	-	-	(12.58)	-	-	(12.58)	-
<b>Total (F)</b>	-	-	-	-	-	<b>(12.58)</b>	-	-	<b>(12.58)</b>	-
<b>Balance as at 31<sup>st</sup> March, 2024 (D+E+F)</b>	<b>562.52</b>	<b>289.67</b>	<b>2,450.98</b>	<b>9.19</b>	<b>138.86</b>	<b>7,105.83</b>	<b>-</b>	<b>13.78</b>	<b>10,570.83</b>	<b>-</b>

See Accompanying Notes forming part of the Financial Statements

1 to 52

As Per Our Report of even date attached

For **Naresh J. Patel & Co.**

Chartered Accountants

Firm Registration No. 123227W

For and on behalf of the Board of Directors

**Chintan N. Patel**

Partner

Membership No. 110741

**Suresh J. Patel**

Chairman & Managing Director

DIN : 00007400

**Bhavin S. Patel**

Executive Director

DIN : 00030464

**Mayur B. Padhya**

Chief Financial Officer

**Ashutosh B. Bhatt**

Company Secretary

Ahmedabad

24<sup>th</sup> May, 2024

Ahmedabad

24<sup>th</sup> May, 2024

Consolidated Statement of Cash Flows for the year ended 31<sup>st</sup> March, 2024 ₹ in Million

Particulars	Year 2023-24	Year 2022-23
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	47.27	508.36
Adjustment for		
Depreciation and Amortisation Expense	604.92	530.92
Unrealised Foreign Exchange Loss / (Gain)	6.18	(0.41)
Fair Value Loss / (Gain) on Financial Instruments measured through Profit or Loss	2.65	(7.88)
Loss arising from Company's Subsidiary operating in hyperinflationary economies	160.12	-
(Reversal of ) / Impairment Loss under Expected Credit Loss Model	(2.23)	7.03
Liabilities no Longer Required Written Back	(0.06)	(0.14)
Finance Costs	542.54	410.25
Expenses recognised in respect of share based payments	9.72	18.98
Profit on Sale of Property, Plant & Equipment (Net)	(87.94)	(13.59)
Interest Income	(103.87)	(72.57)
Dividend Income	(0.26)	(0.28)
Profit on Sale of Current Investments (Net)	(0.53)	(0.43)
Operating Profit before Working Capital Changes	1,178.51	1,380.24
Adjustment for :		
Decrease in Trade Receivables	398.62	1,687.60
Decrease in Inventories	252.82	1,520.98
Increase in Financial Assets	(2.69)	(70.41)
Increase in Other Assets	(16.70)	(406.46)
Increase / (Decrease) in Trade Payables	176.90	(661.17)
Increase / (Decrease) in Other Financial Liabilities	13.58	(325.14)
Increase / (Decrease) in Other Liabilities and Provisions	16.64	(154.31)
Cash generated from Operations	2,017.68	2,971.33
Income Taxes Paid / Refund Received (Net )	(24.78)	72.37
<b>Net Cash generated from Operating Activities (A)</b>	<b>2,042.46</b>	<b>2,898.96</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment including Capital Work in Progress and capital advances	(2,449.65)	(3,377.59)
Sale proceeds of Property, Plant & Equipment	117.52	189.33
Net Decrease in Loans to Employees	6.35	12.12
Interest received	101.11	69.33
Dividend received	0.26	0.28
Investment in Term Deposits (Margin Money)	(267.63)	(35.50)
Redemption / Maturity of Term Deposits (Margin Money)	5.16	37.01
Investment in Current Investments	(830.00)	(500.00)
Proceeds from Sale of Current Investments	700.53	504.29
Proceeds from Sale of Non-Current Investments	-	0.10
<b>Net Cash used in Investing Activities (B)</b>	<b>(2,616.35)</b>	<b>(3,100.63)</b>

Consolidated Statement of Cash Flows for the year ended 31 <sup>st</sup> March, 2024		₹ in Million	
Particulars	Year 2023-24	Year 2022-23	
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Long Term Borrowings	1,653.02	2,151.61	
Repayment of Long Term Borrowings	(561.32)	-	
Increase/(Decrease) in Short Term Borrowings	283.47	(1,311.78)	
Proceeds from issue of Equity Shares under ESOP	1.66	1.71	
Lease Liability Paid	(11.07)	(5.96)	
Finance Costs Paid	(542.43)	(410.97)	
Dividend Paid on Equity Shares	(13.52)	(98.06)	
<b>Net Cash from Financing Activities (C)</b>	<b>809.81</b>	<b>326.55</b>	
Exchange difference arising on conversion debited to foreign currency translation reserve	(13.50)	(49.86)	
Net monetary loss arising from Company's Subsidiary operating in hyperinflationary economies	(151.29)	-	
<b>NET INCREASE IN CASH &amp; EQUIVALENTS</b>	<b>71.13</b>	<b>75.02</b>	
Cash & Cash Equivalents at the beginning of the year	168.02	93.00	
Cash & Cash Equivalents at the end of the year	<b>239.15</b>	<b>168.02</b>	

Note i): The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

Note ii): Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below.

	(₹ in Million)		
	Borrowing	Lease Liability	Unpaid Dividend on Equity Shares
<b>As at April 1, 2022</b>	<b>6,754.99</b>	<b>1.81</b>	<b>3.93</b>
Cash Flows	839.83	(5.96)	(98.06)
Foreign Exchange movement	1.12	-	-
Addition during the year	-	10.95	-
Deletion of Lease Liability	-	(1.81)	-
Charged to P&L during the year	-	0.73	-
Dividend recognised during the year	-	-	98.12
<b>As at March 31, 2023</b>	<b>7,595.94</b>	<b>5.72</b>	<b>3.99</b>
Cash Flows	1,375.17	(11.07)	(13.52)
Foreign Exchange movement	6.98	-	-
Addition during the year	-	63.17	-
Charged to P&L during the year	-	2.06	-
Dividend recognised during the year	-	-	12.58
<b>As at March 31, 2024</b>	<b>8,978.09</b>	<b>59.88</b>	<b>3.05</b>

See Accompanying Notes forming part of the Financial Statements

1 to 52

As Per Our Report of even date attached  
For **Naresh J. Patel & Co.**  
Chartered Accountants  
Firm Registration No. 123227W

For and on behalf of the Board of Directors

**Chintan N. Patel**  
Partner  
Membership No. 110741

**Suresh J. Patel**  
Chairman & Managing Director  
DIN : 00007400

**Bhavin S. Patel**  
Executive Director  
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**Mayur B. Padhya**  
Chief Financial Officer

**Ashutosh B. Bhatt**  
Company Secretary

Ahmedabad  
24<sup>th</sup> May, 2024

Ahmedabad  
24<sup>th</sup> May, 2024

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## COMPANY BACKGROUND

The consolidated financial statements comprise financial statements of Bodal Chemicals Limited ('the Parent/Company'), its subsidiaries (collectively, 'the Group') for the year ended 31<sup>st</sup> March 2023.

The Parent is a public limited company domiciled and incorporated in India under the Indian Companies Act, 1956. The registered office of the Parent is located at Plot No. 123-124, Phase – I, G.I.D.C., Vatva, Ahmedabad - 382445, India.

The Group is engaged in the business of manufacturing of Dyes, Dye Intermediates and Basic Chemicals.

### 1 Material Accounting Policies:

#### 1.1 Statement of compliance:

These consolidated financial statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at 31<sup>st</sup> March, 2024 have been prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act.

The presentation of the Consolidated Financial Statements is based on Ind AS Schedule III of the Act. The financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest million as per the requirement of Schedule III, except when otherwise indicated.

#### 1.2 Basis of Preparation of Financial Statements:

The 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 below.

- Financial assets and liabilities are measured at fair value or at amortised cost depending on classification; (Refer note no 1.18 and 1.19)
- Derivative financial instruments and contingent consideration is measured at fair value; (Refer note no 1.20)
- Assets held for sale – measured at fair value less cost to sell; (Refer note no 1.33)
- Defined benefit plans – plan assets measured at fair value; (Refer note no 1.8)
- Lease liability and Right-of-use assets – measured at fair value; (Refer note no 1.6) and

- Share based payments – measured at fair value. (Refer note no 1.9)

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

### 1.3 Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. The Goodwill is determined separately for each subsidiary company and such amounts are not set off between different entities.

Following subsidiary companies / associate have been considered in the preparation of the consolidated financial statements:

**a) Subsidiary**

Sr. No.	Name of the Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on 31 <sup>st</sup> March, 2024	Extent of Holding/ Voting Power (%) as on 31 <sup>st</sup> March, 2023
1	Bodal Chemicals Trading Pvt. Ltd.	India	100.00%	100.00%
2	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	China	100.00%	100.00%
3	Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	Turkey	100.00%	100.00%
4	Senpa Dis Ticaret Anonim Sirketi (100% subsidiary of Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.)	Turkey	100.00%	100.00%
5	PT Bodal Indonesia	Indonesia	100.00%	100.00%
6	Bodal Bangla Ltd.	Bangladesh	100.00%	100.00%

**b) Associate**

Sr. No.	Name of the Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on 31 <sup>st</sup> March, 2024	Extent of Holding/ Voting Power (%) as on 31 <sup>st</sup> March, 2023
1	Plutoeco Enviro Association	India	25.00%	25.00%

**1.4 Changes in the Group's ownership interests in existing subsidiaries:**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any

non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

**1.5 Revenue Recognition:**

**a) Revenue from contracts with customer**

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of



the Group or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.

- b)** Export incentives are recognized in the year where there is a reasonable assurance that the Group will comply with the conditions attaching to it and that the export incentive will be received.

**c) Other Income**

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**1.6 Lease**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be amortised over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

**1.7 Foreign Currencies:**

In preparing the consolidated financial statements of each individual entity of the Group, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and

liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of comprehensive income. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

## 1.8 Employee Benefits:

### Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income in the period in which they occur. Remeasurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### Termination benefits

A liability for a termination benefit is recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits such as compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. These are determined actuarially using the projected unit credit method.

## 1.9 Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Employee Stock Options Outstanding Account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 1.10 Taxation:

Income tax expense represents the sum of the current tax and deferred tax.

### Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and

items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively.

#### 1.11 Property, plant and equipment:

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it

is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

The Group had applied for the one-time transition exemption of considering the carrying cost on the transition date i.e., 1<sup>st</sup> April, 2016 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

#### Depreciation Methods, Estimated Useful Lives and Residual Value

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives prescribed in Schedule II to the Companies Act, 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Freehold land is not depreciated.

For certain class of assets, based on the technical evaluation and assessment, the Group believes that the useful lives adopted by it best represent the period over which an asset is expected to be available for use. Accordingly, for these assets, the useful lives estimated by the Group are different from those prescribed in the Schedule II.

Property, Plant & Equipment are stated at deemed cost less accumulated depreciation and accumulated impairment losses.

#### Useful lives of tangible assets

##### Estimated useful lives of the tangible assets are as follows:

Buildings	30-60 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	8-10 years
Office Equipments & Computers	1-5 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

## 1.12 Intangible Assets other than Goodwill:

### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

### De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in profit or loss when the asset is derecognized.

### Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Intangible assets are amortized on a straight-line basis as mentioned in the Companies Act, 2013, as mentioned below:

Computer Software	5 years
License/Membership Fees	10 years
Website	5 years

## 1.13 Impairment of tangible and intangible assets other than goodwill:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

## 1.14 Inventories:

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and net realizable value is made on an item-by-item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition.

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.

Traded goods: 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.

Materials in transit are valued at cost-to-date.

### 1.15 Provision, Contingent Liabilities and Contingent Assets :

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not; require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

### 1.16 Fair value measurement

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 at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 1.17 Financial Instruments

Financial assets and financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value 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 recognized immediately in profit or loss.

An equity instrument is any contract that evidences a residual interest in the assets of a Group after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

### 1.18 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer paragraph of Impairment of financial assets.

A financial asset that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVOCI).

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive

income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph of Impairment of financial assets.

All other financial assets are subsequently measured at fair value.

#### Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

#### Financial assets at fair value through profit or loss (FVTPL)

A financial asset that does not meet the amortised cost criteria or FVTOCI criteria (see above) is measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the Group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

#### Impairment of financial assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

#### **Derecognition of financial assets**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, 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 recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

### **1.19 Financial liabilities**

#### **Classification as debt or equity**

Debt and equity instruments issued by a Group 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.

#### **Financial liabilities**

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

### **Financial liabilities subsequently measured at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Derecognition of financial liabilities**

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance Costs' line item.

#### **1.20 Derivative Financial Instrument and Hedge Accounting:**

The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

#### **Recognition and measurement of fair value hedge:**

Derivative financial instrument is initially recognized at fair value on the date on which a derivative contract is entered into and is subsequently measured at fair value at each

reporting date. Gain or loss arising from changes in the fair value of derivative financial instrument is recognized in the Statement of Profit and Loss. Derivative financial instrument is recognized as a financial asset in the Balance Sheet if its fair value as at reporting dates is positive as compared to carrying value and as a financial liability if its fair value as at reporting date is negative as compared to carrying value.

#### **1.21 Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

#### **1.22 Operating Cycle:**

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### **1.23 Cash and Cash Equivalents:**

The Group considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

#### **1.24 Borrowing Costs:**

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### **1.25 Government grants and Subsidies:**

Government grants are recognized when there is a reasonable assurance that the Group will comply with the conditions attached to them and grants will be received.



Government grants are recognized in Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in Statement Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a governments grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

#### **1.26 Offsetting of Financial Instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **1.27 Exceptional Items**

Exceptional items refer to items of income or expenses within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their disclosure is considered necessary to explain the performance of the Group.

#### **1.28 Earnings per Share:**

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at

a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

#### **1.29 Use of Estimates**

The preparation of consolidated financial statements requires management of the Group to make judgements, estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed by management at each reporting date. Actual results could differ from these estimates. Any revision of these estimates is recognised prospectively in the current and future periods.

Followings are the critical judgements and estimates:

##### **1.29.1 Judgements**

###### **(i) Leases**

Ind AS 116 -Leases requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

###### **(ii) Income taxes**

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of

taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the group will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**(iii) Provisions and contingent liabilities**

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

**1.29.2 Estimates**

**(i) Useful lives of property, plant and equipment, and intangible assets**

Property, plant and equipment, and intangibles assets represent a significant proportion of the asset base of the Group. The charge in respect of

periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**(ii) Sales returns**

The Group accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Group's estimate of expected sales returns. The estimate of sales returns is determined primarily by the Group's historical experience in the markets in which the Group operates. With respect to established products, the Group considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Group's business and markets.

**(iii) Provision for rebates and discounts**

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on historical average rate actually claimed over a period of time, current contract prices with customers.

**(iv) Expected credit loss**

The Group applies Expected Credit Losses ("ECL") model for measurement and recognition of loss allowance on the following:

- Trade receivables and lease receivables.
- Financial assets measured at amortised cost (other than trade receivables and lease receivables).

In accordance with In accordance with Ind AS 109 - Financial Instruments, the Group applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result

from transactions that are within the scope of Ind AS 115 - Revenue from Contracts with Customers.

**(v) Accounting for defined benefit plans**

In accounting for post-retirement benefits, several statistical and other factors that attempt to anticipate future events are used to calculate plan expenses and liabilities. These factors include expected return on plan assets, discount rate assumptions and rate of future compensation increases. To estimate these factors, actuarial consultants also use estimates such as withdrawal, turnover, and mortality rates which require significant judgement. The actuarial assumptions used by the Group may differ materially from actual results in future periods due to changing market and economic conditions, regulatory events, judicial rulings, higher or lower withdrawal rates, or longer or shorter participant life spans.

**(vi) Impairment of non-financial assets**

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary and may cause significant adjustments to the Group's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset specific risk factors.

**(vii) Fair value of financial instruments**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate

about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**(viii) Fair value of assets held for sale**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**1.3 Business Combinations**

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the standalone statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

**Business Combination under Common control**

Transactions arising from transfers of assets / liabilities, interest in entities or businesses between entities that are under the common control, are accounted at historical carrying amounts. The difference, between any consideration paid / received and the aggregate historical carrying amounts of assets / liabilities and interests in entities acquired / disposed (other than impairment, if any), is recorded in capital reserve / retained earnings, as applicable.

**1.31 Goodwill**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still

results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### **1.32 Dividend distribution to equity shareholders**

The Group recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

### **1.33 Non-current assets held for sale/ distribution to owners and discontinued operations**

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must

be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

### **1.34 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief Financial Officer of the Group has been identified as CODM and he assesses the financial performance and position of the Group and make strategic decisions.

## 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in Million)

Gross Block	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	1,722.20	1,842.41	160.03	5,600.21	99.85	80.34	142.47	9,647.51
Foreign Currency Translation Reserve	-	(0.11)	-	(0.23)	(0.35)	(0.01)	-	(0.70)
Additions	25.66	4.04	-	2,056.27	3.32	11.12	8.14	2,108.55
Disposals	0.15	-	-	84.55	0.01	0.44	2.97	88.12
<b>Balance as at 31<sup>st</sup> March, 2023</b>	1,747.71	1,846.34	160.03	7,571.70	102.81	91.01	147.64	11,667.24
Foreign Currency Translation Reserve	-	(0.15)	-	(0.84)	(0.61)	(0.02)	-	(1.62)
Additions	2.31	150.86	10.00	3,854.64	3.77	11.26	2.81	4,035.65
Disposals	1.06	-	-	65.76	-	-	0.34	67.16
<b>Balance as at 31<sup>st</sup> March, 2024</b>	1,748.96	1,997.05	170.03	11,359.74	105.97	102.25	150.11	15,634.11

Accumulated Depreciation	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	-	263.17	8.43	1,244.13	28.06	46.80	45.76	1,636.35
Foreign Currency Translation Reserve	-	(0.04)	-	(0.14)	(0.14)	-	-	(0.32)
Additions	-	60.61	2.54	411.95	9.11	14.31	16.12	514.64
Disposals	-	-	-	2.71	-	0.28	1.23	4.22
<b>Balance as at 31<sup>st</sup> March, 2023</b>	-	323.74	10.97	1,653.23	37.03	60.83	60.65	2,146.45
Foreign Currency Translation Reserve	-	(0.06)	-	(0.25)	(0.83)	(0.01)	-	(1.15)
Additions	-	61.84	2.58	480.67	9.38	13.70	16.38	584.55
Disposals	-	-	-	37.59	-	-	-	37.59
<b>Balance as at 31<sup>st</sup> March, 2024</b>	-	385.52	13.55	2,096.06	45.58	74.52	77.03	2,692.26

Net Block	Land (Freehold)	Factory Building	Office Building	Plant & Machinery	Furniture & Fixture	Office Equipment	Vehicles	Total
<b>Balance as at 31<sup>st</sup> March, 2023</b>	1,747.71	1,522.60	149.06	5,918.47	65.78	30.18	86.99	9,520.79
<b>Balance as at 31<sup>st</sup> March, 2024</b>	1,748.96	1,611.53	156.48	9,263.68	60.39	27.73	73.08	12,941.85

## 3. RIGHT OF USE ASSETS

(₹ in Million)

	Building	Plant & Machinery	Total
<b>GROSS CARRYING VALUE</b>			
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	9.24	-	9.24
Addition during the year	-	10.96	10.96
Deletion	(9.24)	-	(9.24)
<b>At 31<sup>st</sup> March 2023</b>	-	10.96	10.96
Addition during the year	-	63.17	63.17
<b>At 31<sup>st</sup> March 2024</b>	-	74.13	74.13
<b>ACCUMULATED DEPRECIATION</b>			
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	7.60	-	7.60
Depreciation for the year	-	5.48	5.48
Deletion	(7.60)	-	(7.60)
<b>At 31<sup>st</sup> March 2023</b>	-	5.48	5.48
Depreciation for the year	-	9.57	9.57
<b>At 31<sup>st</sup> March 2024</b>	-	15.05	15.05
<b>Net carrying value as at 31 March 2023</b>	-	5.48	5.48
<b>Net carrying value as at 31 March 2024</b>	-	59.08	59.08

#### 4. CAPITAL WORK-IN-PROGRESS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Opening Balance	1,934.67	695.29
Addition during the Year*	2,769.88	3,234.42
Capitalised during the Year	4,027.20	1,995.04
<b>Closing Balance</b>	<b>677.35</b>	<b>1,934.67</b>

\* Addition during the year includes borrowing cost of ₹212.26 million (PY. ₹ 13741 million)

##### (a) Capital Work in Progress (CWIP) Ageing Schedule as on 31<sup>st</sup> March, 2024:

(₹ in Million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	77.34	80.88	52.00	-	210.22
Projects temporarily suspended	68.04	335.51	63.58	-	467.13
<b>Total</b>	<b>145.38</b>	<b>416.39</b>	<b>115.58</b>	<b>-</b>	<b>677.35</b>

There were no material projects which has exceeded their original plan cost as at 31<sup>st</sup> March, 2024.

##### (b) Capital Work in Progress (CWIP) Ageing Schedule as on 31<sup>st</sup> March, 2023:

(₹ in Million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	1,178.69	282.28	14.88	-	1,475.85
Projects temporarily suspended	362.34	96.48	-	-	458.82
<b>Total</b>	<b>1,541.03</b>	<b>378.76</b>	<b>14.88</b>	<b>-</b>	<b>1,934.67</b>

There were no material projects which has exceeded their original plan cost as at 31<sup>st</sup> March, 2023.

#### CWIP completion schedule

(a) As on 31<sup>st</sup> March, 2024, the Group has 1 Capital-work-in progress, whose completion is overdue compared to its original plan. The details of which are given below.

CWIP	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Sulphuric Acid Plant at Saykha	-	-	-	467.13	467.13

(b) As on 31<sup>st</sup> March, 2023, the Group has 1 Capital-work-in progress, whose completion is overdue compared to its original plan. The details of which are given below.

(₹ in Million)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Sulphuric Acid Plant at Saykha	-	-	-	458.82	458.82

## 5. INTANGIBLE ASSETS

(₹ in Million)

Gross Block	Goodwill	Other Intangibles								Total
		Computer Software	Licence / Membership Fees	Website	Rights	Other Intangible	Customer Relationship	Brand / Trade-mark	Non-Compete	
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	<b>84.75</b>	<b>10.66</b>	<b>8.93</b>	-	<b>0.12</b>	<b>0.23</b>	<b>4.80</b>	<b>51.60</b>	<b>31.10</b>	<b>107.44</b>
Translation Reserve	-	-	-	-	(0.02)	(0.04)	-	-	-	(0.06)
Additions	-	2.33	-	-	-	-	-	-	-	2.33
Disposals	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>84.75</b>	<b>12.99</b>	<b>8.93</b>	-	<b>0.10</b>	<b>0.19</b>	<b>4.80</b>	<b>51.60</b>	<b>31.10</b>	<b>109.71</b>
Translation Reserve	-	-	-	-	(0.02)	(0.05)	-	-	-	(0.07)
Additions	-	0.01	-	-	-	-	-	-	-	0.01
Disposals	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>84.75</b>	<b>13.00</b>	<b>8.93</b>	-	<b>0.08</b>	<b>0.14</b>	<b>4.80</b>	<b>51.60</b>	<b>31.10</b>	<b>109.65</b>
<b>Accumulated Amortisation</b>										
<b>Opening Balance as at 1<sup>st</sup> April, 2022</b>	-	<b>7.25</b>	<b>7.54</b>	-	<b>0.03</b>	<b>0.13</b>	<b>1.28</b>	<b>13.76</b>	<b>8.29</b>	<b>38.28</b>
Translation Reserve	-	-	-	-	(0.01)	(0.02)	-	-	-	(0.03)
Additions	-	1.59	0.40	-	0.01	0.05	0.48	5.16	3.11	10.80
Disposals	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	-	<b>8.84</b>	<b>7.94</b>	-	<b>0.03</b>	<b>0.16</b>	<b>1.76</b>	<b>18.92</b>	<b>11.40</b>	<b>49.05</b>
Translation Reserve	-	-	-	-	-	(0.23)	-	-	-	(0.23)
Additions	-	1.66	0.39	-	-	-	0.48	5.16	3.11	10.80
Disposals	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	-	<b>10.50</b>	<b>8.33</b>	-	<b>0.03</b>	<b>(0.07)</b>	<b>2.24</b>	<b>24.08</b>	<b>14.51</b>	<b>59.62</b>
<b>Net Block</b>										
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>84.75</b>	<b>4.15</b>	<b>0.99</b>	-	<b>0.07</b>	<b>0.03</b>	<b>3.04</b>	<b>32.68</b>	<b>19.70</b>	<b>60.66</b>
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>84.75</b>	<b>2.50</b>	<b>0.60</b>	-	<b>0.05</b>	<b>0.21</b>	<b>2.56</b>	<b>27.52</b>	<b>16.59</b>	<b>50.03</b>

## 6. INVESTMENTS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Quoted</b>		
<b>Investments in Equity Instruments - carried at FVTPL</b>		
100 (P.Y. : 100) Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up*	-	-
6,500 (P.Y. : 6,500) Equity Shares of Bhageria Industries Ltd. of ₹ 5/- Each Fully Paid Up	0.93	0.75
	<b>0.93</b>	<b>0.75</b>
Less : Impairment Loss*	-	-
<b>Total of Investments in Equity Instruments</b>	<b>0.93</b>	<b>0.75</b>
<b>Total of Quoted Investments</b>	<b>0.93</b>	<b>0.75</b>
Investment in Associate Concern		
2,500 (P.Y. : 2,500) Equity Shares of Plutoeco Enviro Association of ₹ 10/- Each Fully Paid Up	0.03	0.03

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Investments in Other Entities - carried at FVTPL</b>		
250 (P.Y. : 250) Equity Shares of Green Environment Ser. Co-op.Soc. Ltd. of ₹ 100/- each Fully Paid Up	0.03	0.03
1,02,350 (P.Y. : 1,02,350) Equity Shares of Bharuch Enviro Infrastructure Ltd of ₹ 10/-each Fully Paid Up	1.02	1.02
100 (P.Y. : 100) Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up#	-	-
10 (P.Y. : 10) Equity Shares of The Bhagyodaya Co-op. Bank Ltd. of ₹ 100/- Each Fully Paid Up	-	-
3,542 (P.Y. : 3,542) Equity Shares of Makarpura Ind.Est. Co-op. Bank Ltd. of ₹ 25/- Each Fully Paid Up	0.09	0.09
<b>Total of Investments in Equity Instruments (Unquoted)</b>	<b>1.17</b>	<b>1.17</b>
Less : Impairment Loss#	-	-
<b>Total of Unquoted Investments</b>	<b>1.17</b>	<b>1.17</b>
<b>Total of Non-Current Investments</b>	<b>2.10</b>	<b>1.92</b>

\* Provision for impairment loss on 100 Equity Shares of Beta Naphthol Ltd. of ₹ 10/- Each Fully Paid Up

# Provision for impairment loss on 100 Equity Shares of Guj.Ind. Waste Mng. Co. Ltd. of ₹ 10/- Each Fully Paid Up

## 7. LOANS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured and Considered Good)		
Loans to Employees	27.36	30.30
<b>Total</b>	<b>27.36</b>	<b>30.30</b>

## 8. OTHER FINANCIAL ASSETS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Security Deposits	190.33	186.75
Margin Money Deposits with bank with maturity after twelve months from the reporting date*	267.19	77.40
<b>Total</b>	<b>457.52</b>	<b>264.15</b>

\* Held as lien by bank against bank guarantees and letters of credit.

## 9. OTHER NON-CURRENT ASSETS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured and Considered Good)		
Capital Advances	263.14	640.07
Others		
Balance with Statutory Authorities	10.65	7.28
Prepaid Expenses	0.96	1.36
Gratuity Planned Assets (Net)	1.19	3.24
<b>Total</b>	<b>275.94</b>	<b>651.95</b>

9.1 Capital Advances include ₹ 15.03 million (P.Y. : ₹ 14.95 million) to related parties. (refer note 41)

9.2 Balance with Statutory Authorities includes balances with GST, Excise, Service Tax, Customs Dept., etc.



## 10. INVENTORIES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Valued at the lower of cost or net realisable value)		
Raw Materials	404.27	583.66
Raw Materials in Transit	30.16	56.91
	<b>434.43</b>	<b>640.57</b>
Finished Goods	526.67	535.28
Finished Goods in Transit	195.61	130.86
	<b>722.28</b>	<b>666.14</b>
Work In Progress	1,079.44	1,317.56
	<b>1,079.44</b>	<b>1,317.56</b>
Stock In Trade	203.84	97.36
	<b>203.84</b>	<b>97.36</b>
Packing Materials	16.54	14.82
Packing Materials in Transit	-	0.13
	<b>16.54</b>	<b>14.95</b>
Fuel	13.29	13.52
Fuel in Transit	0.11	0.75
	<b>13.40</b>	<b>14.27</b>
Stores and Spares	201.32	173.81
Stores and spares in Transit	1.22	0.63
	<b>202.54</b>	<b>174.44</b>
<b>Total</b>	<b>2,672.47</b>	<b>2,925.29</b>

## 11. INVESTMENTS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Quoted</b>		
<b>Investments in Mutual Funds - carried at FVTPL</b>		
103,206.165 Units (P.Y. : Nil) of Union Bank of India Overnight Fund	130.10	-
<b>Total</b>	<b>130.10</b>	<b>-</b>

## 12. TRADE RECEIVABLES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Trade receivables		
Secured & Considered Good	4.03	3.51
Unsecured & Considered Good	3,814.85	4,212.37
Less : Allowance for Impairment (refer note 37)	10.83	13.06
<b>Total</b>	<b>3,808.05</b>	<b>4,202.82</b>
Customers Bill Discounted	567.87	621.19
Other Trade Receivables	3,240.18	3,581.63
<b>Total</b>	<b>3,808.05</b>	<b>4,202.82</b>

12.1 Trade Receivables include ₹ 1.49 million (P.Y. : ₹ 2.13 million) to related parties. (refer note 41)

(a) Trade Receivables Ageing Schedule as on 31<sup>st</sup> March, 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,552.91	77.59	43.68	86.99	57.71	3,818.88
(ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
<b>Total</b>	<b>3,552.91</b>	<b>77.59</b>	<b>43.68</b>	<b>86.99</b>	<b>57.71</b>	<b>3,818.88</b>
Less : Allowances for Credit Losses						10.83
<b>Trade Receivables</b>						<b>3,808.05</b>

(b) Trade Receivables Ageing Schedule as on 31<sup>st</sup> March, 2023:

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,698.10	259.26	166.17	77.93	14.42	4,215.88
(ii) Undisputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired.	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have a significant increase in credit risk.	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired.	-	-	-	-	-	-
<b>Total</b>	<b>3,698.10</b>	<b>259.26</b>	<b>166.17</b>	<b>77.93</b>	<b>14.42</b>	<b>4,215.88</b>
Less : Allowances for Credit Losses						13.06
<b>Trade Receivables</b>						<b>4,202.82</b>

13. CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Cash &amp; Bank Balances</b>		
Cash on Hand	2.30	2.37
Balance with Banks		
in Current Accounts	214.14	110.22
in Fixed Deposits	22.71	55.43
<b>Total</b>	<b>239.15</b>	<b>168.02</b>

#### 14. OTHER BANK BALANCES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Margin Money Deposits with Bank* (with original maturity of more than three months but less than twelve months)	90.20	14.75
Unclaimed Dividend Accounts	3.05	3.99
<b>Total</b>	<b>93.25</b>	<b>18.74</b>

\* Held as lien by bank against bank guarantees and letters of credit.

#### 15. LOANS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured & Considered good)		
Loans to Employees	19.19	22.60
<b>Total</b>	<b>19.19</b>	<b>22.60</b>

#### 16. OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Derivative Assets	0.89	4.70
Security Deposits	0.17	0.39
Other Receivables	35.16	34.02
<b>Total</b>	<b>36.22</b>	<b>39.11</b>

16.1 Other receivables include accrued interest on deposits and other claim receivables.

#### 17. OTHER CURRENT ASSETS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(Unsecured & Considered good)		
Export Incentives Receivables	14.30	21.53
Advance to Suppliers	490.98	512.81
Balance with Statutory Authorities	504.81	468.98
Pre-paid Expenses	21.95	37.77
Gratuity Planned Assets (Net)	21.50	12.16
Others	7.34	9.82
<b>Total</b>	<b>1,060.88</b>	<b>1,063.07</b>

17.1 Balance with statutory authorities includes balances with GST, Customs, etc.

17.2 Others include Tour Advances, Discount Receivable, etc.

17.3 Advance to Suppliers include Nil (P.Y. : ₹ 1.52 million) to related parties. (refer note 41)

## 18. EQUITY SHARE CAPITAL

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Authorised Share Capital</b>		
21,82,50,000 (P.Y. : 21,82,50,000) Equity Shares of ₹ 2/- each	436.50	436.50
2,75,00,000 (P.Y. : 2,75,00,000) Preference Share of ₹ 10/- each	275.00	275.00
<b>Total</b>	<b>711.50</b>	<b>711.50</b>
<b>Issued, Subscribed &amp; Paid up Share Capital</b>		
12,57,89,565 (P.Y. : 12,56,23,465) Equity shares of ₹ 2/- each	251.58	251.25
<b>Total</b>	<b>251.58</b>	<b>251.25</b>

### 18.1 Reconciliation of the number of Shares

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
	No. of Shares	No. of Shares
<b>Equity Shares</b>		
Opening balance	12,56,23,465	12,24,81,665
Issue of Shares under Common Control	-	29,70,700
Issue of Shares under ESOP (refer Note 47)	1,66,100	1,71,100
<b>Closing balance</b>	<b>12,57,89,565</b>	<b>12,56,23,465</b>

### 18.2 Rights, preferences and restrictions attached to shares

#### Equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

#### Preference shares

The Parent Company has only one class of non-convertible, non-cumulative redeemable preference shares having a par value of ₹ 10/- per share. Each shareholder shall have a right to attend general meeting of the Company and vote on resolutions directly affecting their interest. In the event of liquidation, the preference shareholders shall be entitled to a preferential right of return of the amount paid up on the shares, but shall not have any further right or claim over the surplus asset of the Company. The holder of these shares shall be entitled to receive dividend at fixed rate i.e. @ 9% on paid up value of shares subject to declaration of dividend by the parent company but do not have right to participate in surplus profit.

### 18.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023	
	No. of Shares	% held	No. of Shares	% held
<b>Equity Shares :</b>				
Shri Suresh J. Patel	3,71,12,857	29.50	3,71,12,857	29.54
Shri Bhavin S. Patel	1,04,96,342	8.34	1,04,96,342	8.36
Shri Ankit S. Patel	72,61,072	5.77	72,61,072	5.78
Shakuntala J Patel	66,64,740	5.30	66,64,740	5.31

#### 18.4 Promoters' Shareholding as on 31<sup>st</sup> March, 2024

Promoter's Name	Shares held by promoters at the end of the year		% Change during the Year*
	No. of Shares	% of Total Shares	
1. Suresh J. Patel	3,71,12,857	29.50	(0.04)
2. Bhavin S. Patel	1,04,96,342	8.34	(0.02)
3. Ankit S. Patel	72,61,072	5.77	(0.01)
4. Meenaben S. Patel	52,28,960	4.16	-
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.30	(0.01)
10. Ramesh D. Patel	49,45,880	3.93	(0.01)

\*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under common control and ESOP, percentage of their shareholding is changed.

#### 18.5 Promoters' Shareholding as on 31<sup>st</sup> March, 2023

Promoter's Name	Shares held by promoters at the end of the year		% Change during the Year*
	No. of Shares	% of Total Shares	
1. Suresh J. Patel	3,71,12,857	29.54	(0.76)
2. Bhavin S. Patel	1,04,96,342	8.36	(0.21)
3. Ankit S. Patel	72,61,072	5.78	(0.15)
4. Meenaben S. Patel	52,28,960	4.16	(0.11)
5. Ramesh P. Patel	3,85,299	0.31	-
6. Rakesh R. Patel	44,442	0.04	-
7. Bansibhai M. Patel	31,680	0.03	-
8. Ramesh Prabodhchandra Patel HUF	24,390	0.02	-
9. Shakuntala J. Patel	66,64,740	5.31	(0.13)
10. Ramesh D. Patel	49,45,880	3.94	(0.10)

\*During the financial year, holding of Promoter and promoter group of the Company remains same by number of shares but due to allotment of shares under ESOP, percentage of their shareholding is changed.

#### 19. OTHER EQUITY

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Capital Reserves</b>	562.52	562.52
<b>Capital Redemption Reserve</b>	289.67	289.67
<b>Securities Premium</b>		
At the commencement of the year	2,435.61	2,417.43
Add : Premium on shares issued under ESOP	15.37	18.18
At the end of the year	2,450.98	2,435.61
<b>Employee Stock Options Outstanding Account (refer note 47)</b>	9.19	13.50
<b>General Reserve</b>	138.86	138.86
<b>Retained Earnings</b>		
At the commencement of the year	7,058.34	6,775.66
Impact of restatement of subsidiaries in Hyper-inflationary economy	8.82	-
Add :Profit during the year	64.69	380.33
Add :Remeasurements of Net Defined Benefit Plans (Net of tax)	(13.44)	0.47
	7,118.41	7,156.46
<b>Less : Appropriations :</b>		
Dividend on Equity Shares	12.58	98.12
At the end of the year	7,105.83	7,058.34
<b>Other Comprehensive Income</b>		
Foreign Currency Translation Reserve	13.78	27.28
<b>Total</b>	<b>10,570.83</b>	<b>10,525.78</b>

## 19.1 Nature and purpose of Reserves

### Capital Reserve

Capital reserve is utilised in accordance with provision of the Act.

### Capital Redemption Reserve

Capital redemption reserve created during redemption of Preference Shares and is a non-distributable reserve.

### Securities Premium

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

### General Reserve

General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

### Retained Earnings

Retained earnings represents the amount of profits of the Group earned till date net of appropriation that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

## 20. BORROWINGS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Secured</b>		
Term loan from Banks	5,380.68	4,288.98
Less : Current Maturities of Long Term Borrowings	950.70	670.65
Term loan from Banks	4,429.98	3,618.33
<b>Total</b>	<b>4,429.98</b>	<b>3,618.33</b>

### 20.1 Nature of security and terms of repayment for non-current secured borrowings:

Term loan amounting to ₹ 5,218.68 million (P. Y. : ₹ 4,101.98 million) at rate of interest from 8.70% to 9.80% (P. Y. 8.05% to 9.20%)

The loan is repayable in 23 quarterly instalments, the first instalment payable in June 2023 and the last instalment payable in December 2028.

Term loan amounting to ₹ 162.00 million (P. Y. 187.00 million) carries an interest rate of 10.10% (P.Y. 8.60%)

The loan is repayable in 15 quarterly instalments, the first instalment payable in September 2023 and the last instalment payable in March 2027.

**20.2** These facilities are secured by first pari passu mortgage /hypothecation and charge on all the Company's movable and immovable properties created or acquired at

- i) Unit VII - Block No. 804, Village - Dudhwada, Ta. Padra, Dist. Vadodra, Gujarat
- ii) Unit VIII - Block No. 106, 108, Village: Ekalbara, Ta. Padra, Dist. Vadodra, Gujarat
- iii) Unit X - Plot No. 525, Village: Dudhwada, Ta: Padra, Dist. Vadodra, Gujarat
- iv) Saykha - Plant / Unit at Saykha project
- v) Plant / Unit at SIEL Chemical complex

A second pari passu charge on all the Parent Company's current assets and receivables, including book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future.

**20.3** Current Maturities of Long Term Borrowings (Refer Note 22) of ₹ 95,07,00,000/- (P.Y. : 67,06,53,332/-)

## 21. PROVISIONS (NON-CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision For Employee Benefits	-	-
Provision For Leave Encashment (refer note 43)	0.23	-
<b>Total</b>	<b>0.23</b>	<b>-</b>

## 22. BORROWINGS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Repayable on Demand</b>		
<b>Secured</b>		
Working Capital Loans from Banks	2,614.50	2,301.85
Borrowing Bill Discounted	567.87	621.19
<b>Unsecured</b>		
Working Capital Loans from Banks	400.00	300.00
Loans From Related Parties	0.30	0.23
Borrowing from Other Party	14.74	83.70
<b>Current Maturities of Long Term Debt</b>		
From Bank (Secured)	950.70	670.65
<b>Total</b>	<b>4,548.11</b>	<b>3,977.62</b>
Borrowings - Customers Bill Discounted	567.87	621.19
Borrowings - Others	3,980.24	3,356.43
<b>Total</b>	<b>4,548.11</b>	<b>3,977.62</b>

**22.1** Secured Loan : Working capital loans from banks are secured by hypothecation of inventories, book debts and bills drawn under letters of credit and confirmed contracts and collaterally secured by equitable mortgage of immovable property and hypothecation of Plant & Machinery of Unit-5, Unit-7, Unit-8, Unit-10 and Unit-12 of the Parent Company.

Rate of interest, linked to repo rate is from 7.36% to 10.45% (P.Y. 3.56% to 9.05%)

**22.2** There were no discrepancies between the quarterly returns/statements submitted to bank for current assets given as security and the books of account for the respective quarter.

## 23. TRADE PAYABLES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	475.45	100.05
(b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,477.88	1,675.55
<b>Total</b>	<b>1,953.33</b>	<b>1,775.60</b>

**23.1** Trade Payable include ₹ 2.79 million (P.Y. : ₹ 2.89 million) to related parties. (refer note 41)

### (a) Trade Payables Ageing Schedule as on 31<sup>st</sup> March, 2024:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year <sup>#</sup>	1-2 years	2-3 years	More than 3 years	
(i) MSME	469.38	5.55	0.47	0.05	475.45
(ii) Others - billed	1,147.17	8.98	0.14	4.13	1,160.42
(iii) Others - unbilled	317.46	-	-	-	317.46
(iv) Disputed Dues - MSME	-	-	-	-	-
(v) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,934.01</b>	<b>14.53</b>	<b>0.61</b>	<b>4.18</b>	<b>1,953.33</b>

<sup>#</sup>Classification of Trade Payables as MSME is based on the information received from the suppliers.  
Ageing for the year ended 31<sup>st</sup> March, 2024 is classified according to the status as on 31<sup>st</sup> March, 2024

(b) Trade Payables Ageing Schedule as on 31<sup>st</sup> March, 2023:

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	100.05	-	-	-	100.05
(ii) Others - billed	1,224.55	2.22	3.21	1.79	1,231.77
(iii) Others - unbilled	443.78	-	-	-	443.78
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,768.38</b>	<b>2.22</b>	<b>3.21</b>	<b>1.79</b>	<b>1,775.60</b>

24. OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Unclaimed Dividends	3.05	3.99
Trade Deposits	20.74	19.69
Payable for Capital Expenditure	135.23	183.47
Other Payables	17.68	5.15
<b>Total</b>	<b>176.70</b>	<b>212.30</b>

24.1 Other Payables include interest payable and payable to employees.

25. OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Advance Received from Customers	104.68	47.28
Statutory Liabilities	79.10	68.47
Other Liabilities	0.02	0.70
<b>Total</b>	<b>183.80</b>	<b>116.45</b>

25.1 Statutory liabilities represent amounts payable towards GST, TDS, PF, ESIC etc.

26. PROVISIONS (CURRENT)

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Provision For Employee Benefits		
Provision for Leave Encashment	1.15	-
Provision for Expense	58.69	115.08
<b>Total</b>	<b>59.84</b>	<b>115.08</b>
<b>Movement of Provision for Expense</b>		
Opening Balance	115.08	143.37
Provision made during the year	55.54	42.84
Amount paid / adjusted during the year	(111.93)	(71.13)
<b>Closing Balance</b>	<b>58.69</b>	<b>115.08</b>



## 27. REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Sale of Products</b>	13,629.42	15,444.74
<b>Other Operating Revenues</b>		
Export Incentives	106.30	114.75
Scrap Sales	118.98	34.27
Others	91.51	149.04
<b>Total</b>	<b>316.79</b>	<b>298.06</b>
<b>Total Revenue From Operations</b>	<b>13,946.21</b>	<b>15,742.80</b>

### 27.1 RECONCILIATION OF SALE OF PRODUCTS

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Gross Revenue	13,710.96	15,595.95
Less : Discounts/Rebates/Credits/Incentives/Returns	81.54	151.21
<b>Net revenue recognised from contracts with customers</b>	<b>13,629.42</b>	<b>15,444.74</b>

## 28. OTHER INCOME

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Interest Income</b>		
On Deposits	9.30	4.81
On Insurance Claim	-	6.01
On Others*	94.57	67.76
Profit on Sale of Investments measured through profit and loss (Net)	0.53	0.43
Fair Value Gain/(Loss) on Investments measured at FVTPL (Net)	(2.65)	3.18
Reversal of Allowance for Doubtful Debts	2.23	-
Profit on Sale of Property, Plant & Equipment (Net)	87.94	13.59
Dividend Income	0.26	0.28
Exchange Rate Difference (Net)	50.08	-
Liabilities no Longer Required Written Back	0.06	0.14
Others	5.70	19.93
<b>Total</b>	<b>248.02</b>	<b>116.13</b>

\* Other interest income includes interest income on income tax refund of ₹ 2.62 million (P.Y. 17.63 million); interest received from Electricity Companies of ₹ 11.41 million (P.Y. : ₹ 6.56 million), etc.

## 29. COST OF MATERIALS CONSUMED

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Opening Stock	640.57	1,480.33
Add: Purchases during the year	6,711.68	7,333.25
	<b>7,352.25</b>	<b>8,813.58</b>
Less : Closing Stock	434.42	640.57
<b>Total</b>	<b>6,917.83</b>	<b>8,173.01</b>

### 30. PURCHASE OF STOCK IN TRADE

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Purchase of Stock in Trade	1.59	148.36
<b>Total</b>	<b>1.59</b>	<b>148.36</b>

### 31. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
<b>Inventories at the end of the year</b>		
Finished Goods	722.28	666.14
Work In Progress	1,079.44	1,317.56
Stock in Trade	203.84	97.36
<b>Total (A)</b>	<b>2,005.56</b>	<b>2,081.06</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	666.14	795.69
Work In Progress	1,317.56	1,867.14
Stock in Trade	97.36	50.76
<b>Total (B)</b>	<b>2,081.06</b>	<b>2,713.59</b>
<b>Changes In Inventories Of Finished Goods, Work In Progress &amp; Stock in Trade (B) - (A)</b>	<b>75.50</b>	<b>632.53</b>

### 32. EMPLOYEE BENEFIT EXPENSES

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Salaries, Wages & Bonus	897.25	807.92
Contribution to Provident & Other Funds	55.20	52.98
Employee Share Based Payments (refer note 47)	9.72	18.98
Staff Welfare Expenses	65.45	68.18
<b>Total</b>	<b>1,027.62</b>	<b>948.06</b>

### 33. FINANCE COSTS

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Interest on Loan at Amortised Cost	482.42	378.29
Interest Expense on Lease Liability	2.06	0.73
Other Interest Expenses	35.73	13.08
Loan Processing Fees & Bank Charges	22.33	18.15
<b>Total</b>	<b>542.54</b>	<b>410.25</b>

### 34. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Depreciation on Tangible Assets	584.55	514.64
Depreciation on Right of Use of Assets	9.57	5.48
Amortisation on Intangible Assets	10.80	10.80
<b>Total</b>	<b>604.92</b>	<b>530.92</b>

### 35. OTHER EXPENSES

(₹ in Million)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	Year Ended 31 <sup>st</sup> March, 2023
Stores Consumption	258.53	312.57
Power & Fuel Consumption	2,478.82	1,969.45
Repairs to		
Machinery	295.20	251.37
Building	35.28	40.89
Others	7.81	8.19
Pollution Control Expenses	268.49	239.90
Chlorine/HCL Disposal Charges	73.62	170.51
Rent & Taxes	21.51	25.87
Labour Charges	355.58	270.53
Insurance Expenses	39.93	43.26
Corporate Social Responsibility Expenses	22.03	22.27
Directors' Sitting fees	1.20	1.15
Travelling & Vehicle Expenses	40.01	49.98
Payment to Auditors	2.20	2.02
Legal & Professional Fees	56.37	74.91
Exchange Rate Difference (Net)	-	47.74
Packing Material Consumption	215.33	212.56
Freight & Handling Charges	425.08	501.81
Advertisement & Business Promotion Expenses	11.23	14.06
Sales Commission	44.76	79.19
Impairment Loss under Expected Credit Loss Model	-	7.03
Other Expenses	163.86	162.18
<b>Total</b>	<b>4,816.84</b>	<b>4,507.44</b>

### 36. FINANCIAL INSTRUMENTS CLASSIFICATION BY CATEGORY

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial Assets</b>		
<b>Financial Assets measured at fair value through profit and loss</b>		
Investments	132.20	1.92
Other Financial Assets - Derivative Assets	0.89	4.70
<b>Financial Assets measured at amortised cost</b>		
Loans	46.55	52.90
Trade Receivables	3,808.05	4,202.82
Cash and Cash Equivalents	239.15	168.02
Other Bank Balances	93.25	18.74
Other Financial Assets	492.85	298.56
<b>Total Financial Assets</b>	<b>4,812.94</b>	<b>4,747.66</b>

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>Financial Liabilities</b>		
<b>Financial Liabilities measured at amortised cost</b>		
Borrowings	8,978.09	7,595.95
Lease Liability	59.88	5.72
Trade Payables	1,953.33	1,775.60
Other Financial Liabilities	176.70	212.30
<b>Total Financial Liabilities</b>	<b>11,168.00</b>	<b>9,589.57</b>

### Fair Value Hierarchy

#### Financial Assets measured at fair value 31<sup>st</sup> March, 2024

(₹ in Million)

	Level 1	Level 2	Level 3	Total
<b>Measured at fair value through profit or loss</b>				
Investments in quoted equity shares / Mutual Fund	131.03			131.03
Other Financial Assets - Derivative Assets		0.89		0.89

#### Financial Assets measured at fair value 31<sup>st</sup> March, 2023

(₹ in Million)

	Level 1	Level 2	Level 3	Total
<b>Measured at fair value through profit or loss</b>				
Investments in quoted equity shares	0.75			0.75
Other Financial Assets - Derivative Assets		4.70		4.70

The Group has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

#### Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- ✓ The use of quoted market prices or dealer quotes for similar instruments
- ✓ The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- ✓ The fair value of investments in Mutual Fund Units is based on Net Asset Value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet Date. NAV represents the price at which the issuer will issue further units of Mutual Fund and the price at which issuers will redeem such units from investors.

## 37 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements

### Risk

#### (A) Credit Risk

#### (B) Liquidity Risk

#### (C) Market Risk

- (i) Foreign Exchange Risk
- (ii) Interest Rates
- (iii) Security Price

#### (A) Credit Risk Management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment in quoted equity shares, mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

#### Reconciliation of loss allowance provision

(₹ in Million)		
Particulars	2023-24	2022-23
Opening Balance	13.06	6.03
(Reversal) / Recognition of loss allowance measured as per ECL	(2.23)	7.03
<b>Closing Balance</b>	<b>10.83</b>	<b>13.06</b>

#### (B) Liquidity Risk Management

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group monitors rolling forecast of its liquidity position on the basis of expected cash flows. The Group's approach is to ensure that it has sufficient liquidity or borrowing headroom to meet its obligations at all point in time.

The table below analyses financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

#### As at 31<sup>st</sup> March, 2024

(₹ in Million)				
	Less than 1 year	Between 1-5 years	More than 5 years	Carrying Value
<b>Financial Liabilities</b>				
Borrowings	4,548.11	4,429.98	-	8,978.09
Lease Liability	10.48	49.40	-	59.88
Trade Payables	1,953.33	-	-	1,953.33
Other Financial Liabilities	176.70	-	-	176.70

As at 31<sup>st</sup> March, 2023

(₹ in Million)

	Less than 1 year	Between 1-5 years	More than 5 years	Carrying Value
<b>Financial Liabilities</b>				
Borrowings	3,977.62	2,160.89	1,457.44	7,595.95
Lease Liability	5.72			5.72
Trade Payables	1,775.60	-	-	1,775.60
Other Financial Liabilities	212.30	-	-	212.30

(C) Market Risk Management

i) Foreign Currency Risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$, EUR, TL, RMB and TAKA. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

(A) Foreign currency risk exposure

Particulars	As at 31 <sup>st</sup> March, 2024					
	USD	EUR	CNY	TL	TAKA	IDR
<b>Financial Assets</b>						
Trade Receivables	8.14	0.38	5.21	68.01	-	3,783.16
Cash & Cash Equivalents	-	-	2.03	8.84	0.07	994.17
Loans	-	-	-	-	-	3.67
Other Receivables	-	-	-	0.03	0.10	213.55
<b>Financial Liabilities</b>	-	-	-	-	-	-
Payable for Capital Expenditure	0.14	-	-	-	-	-
Trade Payables	2.87	-	0.17	0.29	3.20	291.08
Other Payables	-	-	-	0.51	-	-
Borrowings	8.81	-	-	3.28	-	-
<b>Net Exposure</b>	<b>(3.68)</b>	<b>0.38</b>	<b>7.07</b>	<b>72.81</b>	<b>(3.03)</b>	<b>4,703.47</b>

Particulars	As at 31 <sup>st</sup> March, 2023					
	USD	EUR	CNY	TL	TAKA	IDR
<b>Financial Assets</b>						
Trade Receivables	6.92	0.04	6.27	69.53	-	1,889.47
Cash & Cash Equivalents	-	-	4.33	12.94	0.03	962.04
Other Receivables	-	-	-	0.02	-	118.49
<b>Financial Liabilities</b>	-	-	-	-	-	-
Payable for Capital Expenditure	0.14	-	-	-	-	-
Trade Payables	4.24	0.00	-	0.12	-	332.80
Other Payables	-	-	0.17	0.22	-	-
Borrowings	14.68	-	-	12.73	-	-
<b>Net Exposure</b>	<b>(12.14)</b>	<b>0.04</b>	<b>10.43</b>	<b>69.42</b>	<b>0.03</b>	<b>2,637.20</b>

(B) Foreign currency forward contract outstanding as at the Balance Sheet date.

(₹ in Million)

	Buy/Sell	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Forward contact USD	Sell	10.95	6.94
Forward contact EURO	Sell	0.36	0.16
Forward contact CNY	Sell	14.52	-
Forward contact USD	Buy	1.98	1.93

The forward contracts have been entered into to hedge the foreign currency risk on trade receivables and borrowings.

(C) Sensitivity (+/-5%)

(₹ in Million)

Currency	2023-24			2022-23		
	Movement in Rate	Impact on PAT	Impact on Other Equity	Movement in Rate	Impact on PAT	Impact on Other Equity
USD	5.00%	(8.96)	(8.96)	5.00%	(37.33)	(37.33)
USD	-5.00%	8.96	8.96	-5.00%	37.33	37.33
EUR	5.00%	1.28	1.28	5.00%	0.14	0.14
EUR	-5.00%	(1.28)	(1.28)	-5.00%	(0.14)	(0.14)
CNY	5.00%	3.08	3.08	5.00%	4.67	4.67
CNY	-5.00%	(3.08)	(3.08)	-5.00%	(4.67)	(4.67)
TL	5.00%	7.00	7.00	5.00%	11.13	11.13
TL	-5.00%	(7.00)	(7.00)	-5.00%	(11.13)	(11.13)
TAKA	5.00%	(0.09)	(0.09)	5.00%	0.00	0.00
TAKA	-5.00%	0.09	0.09	-5.00%	(0.00)	(0.00)
IDR	5.00%	0.92	0.92	5.00%	0.54	0.54
IDR	-5.00%	(0.92)	(0.92)	-5.00%	(0.54)	(0.54)

ii) Cash flow and fair value interest rate risk

The Group's interest rate risk arises mainly from borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023, the Group's borrowings at variable rate were mainly denominated in INR & USD.

(a) Interest rate risk exposure

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
Variable Rate borrowings	8,963.05	7,512.02

At the end of reporting period the Company had the following variable rate borrowings.

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Cash Credit Facility	8.74%	5.21	0.06%	7.82%	257.83	3.43%
Short Term Financing Facility	50.29%	8.42	0.09%	16.41%	54.56	0.73%
Working Capital Loan Facility	7.92%	2,836.13	31.64%	7.33%	1,709.37	22.76%
Packing Credit Facility	6.41%	-	0.00%	4.01%	421.39	5.61%
Buyers Credit Facility	5.37%	164.74	1.84%	3.44%	158.70	2.11%
Bills Discounting Facility	6.21%	567.87	6.34%	3.56%	621.19	8.27%
Term Loan	8.48%	5,380.68	60.03%	7.46%	4,288.98	57.09%
Net Exposure						
Net Exposure		8,963.05	100.00%		7,512.02	100.00%

At the end of reporting period the Company had the following fixed rate borrowings.

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024			31 <sup>st</sup> March, 2023		
	Average Interest Rate	Balance	%of Total Loan	Average Interest Rate	Balance	%of Total Loan
Reverse Factoring facility	8.13%	14.74	100.00%	7.46%	83.70	100.00%
Net Exposure		14.74	100.00%		83.70	100.00%

Sensitivity (+/- 1%)

(₹ in Million)

Particulars	Movement in Rate	2023-24	2022-23
Interest Rates	1.00%	67.07	56.21
Interest Rates	-1.00%	(67.07)	(56.21)

### iii) Security Price Risk

The Group's exposure to securities price risk arises from investments held by the Group and classified in the balance sheet at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity (+/- 5%)

(₹ in Million)

Particulars	Investment in Quoted Securities			
	2023-24		2022-23	
Increase/(decrease)	5%	-5%	5%	-5%
Impact on PAT	4.90	(4.90)	0.03	(0.03)

## 38 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to

- ✓ Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- ✓ Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interests).

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Total Borrowings	8,978.09	7,595.95
Less : Cash and Cash Equivalents	239.15	168.02
Net Debt (₹)	8,738.94	7,427.93
Total Equity (₹)	10,822.41	10,777.03
Gearing Ratio	0.81	0.69

## 39 (A) INCOME TAXES

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current Tax	9.69	56.09
Taxes of earlier years	6.19	(99.70)
Deferred Tax	(33.30)	171.64
Total Tax Expenses (excluding deferred tax benefit on OCI)	(17.42)	128.03



### Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Profit Before Tax	47.27	508.36
Statutory Tax Rate (%)	25.168%	25.168%
<b>Tax at Statutory rate</b>	<b>11.90</b>	<b>127.94</b>
Effect of expenses that are not deductible in determining taxable profit	4.37	3.78
Effect of tax on special rate income	(0.06)	(4.26)
Reversal of DTA on Amalgamation	-	78.92
Deferred Tax on other comprehensive income	4.52	(0.20)
On account of Hyperinflation Change in Previous year numbers of DTA	(40.86)	-
Others	(3.48)	21.55
	<b>(23.61)</b>	<b>227.73</b>
Adjustments recognised in the current year in relation to the current tax of prior years	6.19	(99.70)
Income tax expense recognised in profit or loss	<b>(17.42)</b>	<b>128.03</b>
Effective Tax Rate	<b>-36.859%</b>	<b>25.186%</b>

### (b) Non-Current Tax Assets (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Non-Current Tax Assets (Net)	94.65	140.92
<b>Total</b>	<b>94.65</b>	<b>140.92</b>

### (c) Deferred Tax Liabilities (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Deferred Tax Assets</b>		
Property, Plant and Equipment	-	2.57
Unabsorbed Depreciation & c/f loss	0.83	2.02
Expense claimed for tax purpose on payment basis	0.00	-
Other Adjustments	72.48	-
<b>Total</b>	<b>73.31</b>	<b>4.59</b>

### Movement in deferred tax assets and liabilities for financial year 2023-24

(₹ in Million)

Particulars	As at 1 <sup>st</sup> April, 2023	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2024
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment	2.57	(2.57)	-	-
Unabsorbed Depreciation & c/f loss	2.02	(1.19)	-	0.83
Others	-	72.48	-	72.48
<b>Total</b>	<b>4.59</b>	<b>68.72</b>	<b>-</b>	<b>73.31</b>

### Movement in deferred tax assets and liabilities for financial year 2022-23

(₹ in Million)

Particulars	As at 1 <sup>st</sup> April, 2022	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment	0.43	2.14	-	2.57
Unabsorbed Depreciation & c/f loss	82.83	(80.81)	-	2.02
Others	6.50	(6.50)	-	-
Expense claimed for tax purpose on payment basis	0.63	(0.63)	-	-
Allowance for Doubtful Debts	0.46	(0.46)	-	-
<b>Total</b>	<b>90.85</b>	<b>(86.26)</b>	<b>-</b>	<b>4.59</b>

(d) Current Tax Assets (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current Tax Assets (Net)	75.41	69.03
<b>Total</b>	<b>75.41</b>	<b>69.03</b>

(e) Deferred Tax Liabilities (Net)

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities</b>		
Property, Plant and Equipment	737.71	598.58
Fair Value of Forward Contracts	0.23	1.18
Fair Value of Quoted Equity Shares and Mutual Fund	0.13	0.08
Expense claimed for tax purpose on payment basis	-	2.73
Unamortised Loan Processing Fees	4.86	1.19
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation & c/f loss	(29.30)	
Expense claimed for tax purpose on payment basis	(77.70)	-
Allowance for Doubtful Debts	(0.64)	(1.38)
Carried Forward Loss on Sale of Land	(2.31)	(2.27)
<b>Total</b>	<b>632.98</b>	<b>600.11</b>

Movement in deferred tax liabilities for financial year 2023-24

(₹ in Million)

Particulars	As at 1 <sup>st</sup> April, 2023	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2024
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment	(598.58)	(139.13)	-	(737.71)
Unabsorbed Depreciation & c/f loss		29.30		29.30
Fair Value of Forward Contracts	(1.18)	0.95	-	(0.23)
Expense claimed for tax purpose on payment basis	(2.73)	75.91	4.52	77.70
Unamortised Loan Processing Fees	(1.19)	(3.67)	-	(4.86)
Fair Value of Quoted Equity Shares and Mutual Fund	(0.08)	(0.05)		(0.13)
Carried Forward Loss on Sale of Land	2.27	0.04		2.31
Allowance for Doubtful Debts	1.38	(0.74)	-	0.64
<b>Total</b>	<b>(600.11)</b>	<b>(37.39)</b>	<b>4.52</b>	<b>(632.98)</b>

Movement in deferred tax liabilities for financial year 2022-23

(₹ in Million)

Particulars	As at 1 <sup>st</sup> April, 2022	Credit / (charge) in the Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at 31 <sup>st</sup> March, 2023
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment	(520.53)	(78.05)	-	(598.58)
Fair Value of Forward Contracts	0.01	(1.19)	-	(1.18)
Expense claimed for tax purpose on payment basis	5.70	(8.23)	(0.20)	(2.73)
Unamortised Loan Processing Fees	-	(1.19)	-	(1.19)
Fair Value of Quoted Equity Shares and Mutual Fund	(0.17)	0.09		(0.08)
Carried Forward Loss on Sale of Land		2.27		2.27
Allowance for Doubtful Debts	0.46	0.92	-	1.38
<b>Total</b>	<b>(514.53)</b>	<b>(85.38)</b>	<b>(0.20)</b>	<b>(600.11)</b>

**(f) Current Tax Liabilities (Net)**

(₹ in Million)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Current Tax Liabilities (Net)	8.25	7.48
<b>Total</b>	<b>8.25</b>	<b>7.48</b>

**40 SEGMENT INFORMATION**

The Group is engaged in Dyes, Dyes Intermediates and Basic Chemicals. Considering the nature of group's business and operations as well as reviews of operating results by the Chief Operating Decision Makers to make decisions about resource allocation, performance allocation and performance measurement, the group has identified Dyes, Dyes Intermediates and Basic Chemicals activities as only responsible segment in accordance with the requirements of Ind AS 108 operating segment.

The geographical segment has been considered for disclosure as secondary segment.

Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and export. Information about geographical segments are as below.

**1. Information about Geographical Areas**

(₹ in Million)

	2023-24			2022-23		
	Domestic Operations	External Operations	Total	Domestic Operations	External Operations	Total
Segment Revenue	10,126.62	3,819.59	13,946.21	10,963.42	4,779.38	15,742.80
Carrying Cost of Segment Assets	21,540.46	1,338.34	22,878.80	19,601.53	1,607.47	21,209.00

**2. Information about Major Customers**

1 customer individually accounted for 10% or more revenue during financial year ending on 31<sup>st</sup> March, 2024 (P.Y. : Nil)

Particulars	2023-24	2022-23
Revenue from Top Customer	10%	8%
Revenue from Top 5 Customers	19%	17%

**41 RELATED PARTY TRANSACTIONS:**

**(a) List of Related Parties**

**I. Key Management Personnel (KMP)**

1	Shri Suresh J Patel	Chairman & Managing Director
2	Shri Bhavin S. Patel	Executive Director
3	Shri Ankit S. Patel	Executive Director
4	Shri Rajarshi Ghosh	Director
5	Shri Mayur B. Padhya	Chief Financial Officer
6	Shri Ashutosh B. Bhatt	Company Secretary
7	Shri Nalin Kumar	Independent Director
8	Smt. Neha Huddar	Independent Director
9	Shri Sunil K. Mehta	Independent Director (Upto 12 <sup>th</sup> December, 2022)
10	Shri Mayank K. Mehta	Independent Director
11	Shri Rohit Maloo	Independent Director (w.e.f. 12 <sup>th</sup> December, 2022)

**II. Enterprise under significant influence of key management personnel (Enterprise)**

1	Shanti Inorgo Chem (Guj.) Pvt. Ltd.
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**III. Associate Concern (AC)**

1	Plutoeco Enviro Association
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b) Transactions with related parties

(₹ in Million)

Related party disclosure	Relationship	2023-24	2022-23
<b>Remuneration</b>			
Shri Suresh J. Patel	KMP	16.20	16.20
Shri Bhavin S. Patel	KMP	10.80	10.80
Shri Ankit S. Patel	KMP	10.80	10.80
Shri Rajarshi Ghosh	KMP	2.48	2.31
Shri Mayur B. Padhya	KMP	5.68	5.70
Shri Ashutosh B. Bhatt	KMP	1.54	1.32
<b>Employees Stock Option</b>			
Shri Mayur B. Padhya	KMP	0.60	0.87
Shri Ashutosh B. Bhatt	KMP	0.16	0.24
<b>Director Commission</b>			
Shri Suresh J. Patel	KMP	-	7.50
Shri Bhavin S. Patel	KMP	-	1.25
Shri Ankit S. Patel	KMP	-	1.25
<b>Directors' Sitting Fees</b>			
Shri Nalin Kumar	KMP	0.36	0.35
Smt. Neha Huddar	KMP	0.32	0.31
Shri Sunil K. Mehta	KMP	-	0.28
Shri Mayank Mehta	KMP	0.16	0.20
Shri Rohit B. Maloo	KMP	0.36	0.01
<b>Capital Advance Given</b>			
Plutoeco Enviro Association	AC	0.09	0.52
<b>Capital Advance Received Back</b>			
Plutoeco Enviro Association	AC	-	-
<b>Loan Received</b>			
Shri Bhavin S. Patel	KMP	0.39	2.45
Shri Ankit S. Patel	KMP	1.73	0.99
<b>Loan Repaid</b>			
Shri Bhavin S. Patel	KMP	0.32	2.45
Shri Ankit S. Patel	KMP	1.29	1.00
<b>Purchases of Materials</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.95	5.27
<b>Dividend Paid</b>			
<b>Shri Suresh J. Patel</b>			
Shri Bhavin S. Patel	KMP	3.71	29.69
Shri Bhavin S. Patel	KMP	1.05	8.40
Shri Ankit S. Patel	KMP	0.73	5.81
Shri Mayur B. Padhya	KMP	0.02	0.16
Shri Ashutosh B. Bhatt	KMP	-	-
Smt. Neha Huddar	KMP	-	-
Shri Sunil K. Mehta	KMP	-	0.16
<b>Sales of Materials</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.44	0.01
<b>Sales of Land</b>			
<b>Plutoeco Enviro Association</b>			
Bodal Chemicals Trading Pvt. Ltd.	SC	0.36	34.71
			0.36

Related party disclosure	Relationship	2023-24	2022-23
<b>Sales of Materials</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.44	0.01
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	209.17	430.81
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	305.46	288.84
PT Bodal Chemicals Indonesia	SC	32.10	24.16
<b>Sales of Land</b>			
Plutoeco Enviro Association	AC	-	34.71

c) **Related Party Balances as at the year end.**

Related party disclosure	Relationship	2023-24	2022-23
(₹ in Million)			
<b>Amount Payable</b>			
<b>As Unsecured Loan</b>			
Shri Suresh J. Patel	KMP	0.13	0.13
Shri Bhavin S. Patel	KMP	0.10	0.02
Shri Ankit S. Patel	KMP	0.07	0.07
<b>As Advances Received for sale of property</b>			
Plutoeco Enviro Association	AC	3.29	3.29
<b>As Trade Payables</b>			
Shri Suresh J. Patel	KMP	0.57	0.44
Shri Bhavin S. Patel	KMP	0.47	0.39
Shri Ankit S. Patel	KMP	0.86	0.96
Shri Rajarshi Ghosh	KMP	0.15	0.14
Shri Mayur B. Padhya	KMP	0.04	0.28
Shri Ashutosh B. Bhatt	KMP	0.10	0.08
<b>Shanti Inorgo Chem (Guj.) Pvt. Ltd.</b>	Enterprise	0.60	0.60
<b>As Investment</b>			
<b>As Equity shares</b>			
Plutoeco Enviro Association	AC	0.03	0.03
<b>Amounts Receivable</b>			
<b>As Trade Receivables</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	1.49	2.13
<b>As Advance to Suppliers</b>			
<b>Shanti Inorgo Chem (Guj.) Pvt. Ltd.</b>	Enterprise	-	1.52
<b>As Capital Advance</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	3.88	3.88
Plutoeco Enviro Association	AC	11.15	11.07
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	SC	15.36	81.24
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	SC	156.90	141.89
PT Bodal Chemicals Indonesia	SC	29.58	24.86
<b>As Advance to Suppliers</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	-	1.52
<b>As Capital Advance</b>			
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	-	-
Shanti Inorgo Chem (Guj.) Pvt. Ltd.	Enterprise	3.88	3.88
Plutoeco Enviro Association	AC	11.15	11.07

**Notes :-**

- (i) No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.

## 42. EARNINGS PER SHARE

Particulars	2023-24	2022-23
Net Profit after Tax as per statement of Profit and Loss (₹ in million)	64.69	380.33
Weighted average number of Equity Shares	1 2,57,54,620	12,55,44,712
Basic EPS (₹)	0.51	3.03
Diluted EPS (₹)	0.51	3.03
Nominal Value per Share (₹)	2	2

### 42.1 Details used in calculation of Diluted EPS

Particulars	2023-24	2022-23
Net Profit after Tax as per statement of Profit and Loss (₹ in million)	64.69	380.33
Nominal Value per Share (₹)	2	2
Weighted average number of Equity Shares used for Basic EPS	12,57,54,620	12,55,44,712
Share deemed to be issued in respect of employee options	27,502	-
Weighted average number of Equity Shares used for diluted EPS	1 2,57,82,122	12,55,44,712

## 43. EMPLOYEE BENEFITS

(₹ in Million)

Defined Contribution Plan	2023-24	2022-23
Employer's contribution to Provident Fund	44.53	41.43

### Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

The Group provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Group's policy. The Group records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Group towards this obligation is ₹ 1.38 million and ₹ Nil as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023, respectively.

Liabilities recognized in respect of other long-term employee benefits such as compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. These are determined actuarially using the projected unit credit method.

(₹ in Million)

	2023-24	2022-23
Leave Encashment Expense	16.88	14.58

### Post Employment Benefits

**Gratuity:** The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Group's financial statements based on actuarial valuations being carried out As at 31<sup>st</sup> March, 2024.

## Balance sheet disclosures

### (a) The amounts disclosed in the Balance Sheet and the movements in the defined benefit obligation over the year:

Particulars	2023-24	2022-23
<b>Liability at the beginning of the year</b>	116.88	114.75
Interest Costs	8.03	7.35
Current Service Costs	12.49	12.17
Benefits paid	(5.58)	(3.29)
Benefits paid by the Company	(4.86)	(12.46)
Actuarial (Gain)/Loss on obligations due to change in		
- Financials	3.50	(2.42)
- Experience	8.14	0.78
<b>Liability at the end of the year</b>	<b>138.60</b>	<b>116.88</b>

### (b) Movements in the fair value of plan assets

Particulars	2023-24	2022-23
<b>Fair value of plan assets at the beginning of the year</b>	132.28	111.38
Addition on Amalgamation		-
Interest Income	9.84	7.98
Expected return on plan assets	(6.31)	(0.96)
Contributions	31.06	17.17
Benefits paid	(5.58)	(3.29)
<b>Fair value of plan assets at the end of the year</b>	<b>161.29</b>	<b>132.28</b>

### (c) Net liability disclosed above relates to

Particulars	2023-24	2022-23
Fair value of plan assets at the end of the year	161.29	132.28
Liability as at the end of the year	138.60	116.88
<b>Net (Liability)/Asset</b>	<b>22.69</b>	<b>15.40</b>
Non-Current Portion	1.19	3.24
Current Portion	21.50	12.16

### (d) Balance Sheet Reconciliation

Particulars	2023-24	2022-23
<b>Opening Net liability / (Asset)</b>	<b>(15.40)</b>	<b>3.37</b>
- Expenses recognised in the statement of P&L	10.67	11.54
- Expenses recognised in the OCI	17.96	(0.68)
Benefits paid by the Company	(4.86)	(12.46)
- Employer's Contribution	(31.06)	(17.17)
<b>Amount recognised in the Balance Sheet</b>	<b>(22.69)</b>	<b>(15.40)</b>

## Profit & Loss Disclosures

### (a) Net interest Cost for Current period

Particulars	2023-24	2022-23
Interest Cost	8.03	7.35
Interest Income	9.84	7.98
<b>Net interest Cost/(Income)</b>	<b>(1.81)</b>	<b>(0.63)</b>

### (b) Expenses recognised in the profit & loss

Particulars	2023-24	2022-23
Net Interest Cost	(1.81)	(0.63)
Current Service Costs	12.49	12.17
<b>Expenses recognised in the profit &amp; loss</b>	<b>10.68</b>	<b>11.54</b>

### (c) Expenses recognised in the Other Comprehensive Income

Particulars	2023-24	2022-23
<b>Remeasurement</b>		
Expected return on plan assets	6.31	0.96
Actuarial (Gain) or Loss	11.64	(1.64)
<b>Net (Income) / Expenses recognised in OCI</b>	<b>17.95</b>	<b>(0.68)</b>

## Sensitivity Analysis

Particulars	2023-24	2022-23
<b>Projected Benefit obligation on current assumptions</b>		
Data effect of change in Rate of		
- Discounting by +0.5%	131.12	109.50
- Salary Increase by +0.5%	141.06	119.07
- Employee Turnover by +20%	137.35	115.50
Data effect of change in Rate of		
- Discounting by -0.5%	141.24	119.20
- Salary Increase by -0.5%	131.24	109.56
- Employee Turnover by -20%	134.55	112.75

## Significant Actuarial Assumptions

Particulars	2023-24	2022-23
Discount Rate	7.20%	7.45%
Salary Escalation	4.00%	4.00%
Attrition Rate	2%-10%	2%-10%
Mortality Tables used	IALM 2012-14	IALM 2012-14

The estimates of future salary increases, considered in actuarial valuation have taken into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The rate used to discount defined benefit obligation (both funded and unfunded) is determined by reference to market yield at the Balance Sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bond or government bond shall be consistent with currency and estimated term of the post employment benefit obligations.

The estimated term of the Obligation is around 9.10 years (P.Y. 10.55 years). The yields on the government bonds as at the valuation date were 7.20% (P.Y. 7.45%). The expected contribution in the next year is ₹ 14.61 million.



#### 44. GROUP INFORMATION

(₹ in Million)

Sr. No.	Name of Company	Principal Place of Business	Effective proportion of Ownership Interest & Voting Power Held(%) (31-03-2024)
1	SPS Processors Pvt. Ltd.	India	100.00%
2	Bodal Chemicals Trading Pvt. Ltd.	India	100.00%
3	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	China	100.00%
4	Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	Turkey	100.00%
5	Bodal Bangla Ltd.	Bangladesh	100.00%
6	Plutoeco Enviro Association	India	25.00%

Sr. No.	Name of Company	Principal Place of Business	Effective proportion of Ownership Interest & Voting Power Held(%) (31-03-2023)
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3	Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.	China	100.00%
4	Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	Turkey	100.00%
5	Bodal Bangla Ltd.	Bangladesh	100.00%
6	Plutoeco Enviro Association	India	25.00%

#### 45. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Million)

Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
<b>(a) Contingent Liabilities</b>		
1) Disputed matters in appeals/contested in respect of:		
i. Income Tax	86.83	81.20
ii. Excise & GST	84.24	45.61
Future cash outflows in respect of the above are determinable only on receipt of Judgments /decisions pending with various forums/ authorities. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Group has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.		
2) Letter of Credit issued by bankers and outstanding	34.78	189.79
3) Guarantee given by the Company	151.04	327.01
<b>(b) Commitments</b>		
i. Estimated amount of Contracts remaining to be executed on capital account and not provided for, net of advances.	226.02	1,333.87

#### 46. MOVEMENT OF LEASE LIABILITY

(₹ in Million)

Particulars	2023-24	2022-23
Opening Balance	5.72	1.81
Lease Liabilities during the year	63.17	10.96
Finance Costs incurred during the year	2.06	0.72
Deletion of Lease Liability	-	(1.81)
Net Payments of Lease Liabilities	(11.07)	(5.96)
<b>Closing Balance</b>	<b>59.88</b>	<b>5.72</b>

#### 47. SHARE BASED PAYMENTS

- a) The Parent Company initiated the "ESOP 2017" for all eligible employees in pursuance of the special resolution approved by the Shareholders in the Annual General Meeting held on 23<sup>rd</sup> September, 2017. The Scheme covers eligible employees (except promoters or those belonging to the promoters' group, independent directors and directors who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Parent Company). Under the Scheme, the Nomination and Remuneration Committee of directors of the Parent Company, administers the Scheme and grants stock options to eligible directors or employees of the Parent Company. The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 1 million options.

Option	Number of shares granted	Grant Date	Expiry Date	Exercise Price (₹)	Fair Value of the option (₹)
ESOP 2017 - V	1,71,100	26-05-22	26-05-24	10	84.56
ESOP 2017 - VI	1,66,100	17-06-23	17-06-25	10	66.38

#### b) Compensation Expenses arising on account of the Share Based Payments

(₹ in Million)

Particulars	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
Employee Share Based Payments	9.72	18.98

The relevant details of the Scheme are as under:

Particulars	Grant V	Grant VI
Date of Grant	26-05-22	17-06-23
Date of Board/NRC Approval	26-05-22	17-06-23
Date of Shareholders' Approval	23-09-17	23-09-17
No. of Options Granted	1,71,100	1,66,100
Method of Settlement	Equity	Equity
Vesting Period	1 Year	1 Year
Fair Value on the date of Grant (₹)	84.56	66.38
Exercise Period	1 Year	1 Year
Vesting Conditions	As per Policy approved by Shareholders	As per Policy approved by Shareholders

Set out below is a summary of options granted under the plan:

Particulars	Grant V	Grant VI
Options Outstanding at the beginning of the year	1,71,100	-
Options granted during the year	-	1,66,100
Options exercised during the year	1,66,100	-
Options lapsed during the year	5,000	-
Options Outstanding at the end of the year	-	1,66,100

Particulars	Grant V	Grant VI
Date of Grant	26-05-22	17-06-23
Stock Price at the date of grant (₹)	93.20	75.10
Exercise Price (₹)	10	10
Expected Volatility	49.89%	39.17%
Expected Life of the Option	1 Year	1 Year
Risk Free Interest Rate	7.29%	6.83%
Weighted average fair value of options granted during the year	84.56	66.38

**48 ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATE**

Name of Entities	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated profit or loss	Amount (₹ in Million)	As % of consolidated profit or loss	Amount (₹ in Million)	As % of consolidated profit or loss	Amount (₹ in Million)
<b>Parent</b>								
Bodal Chemicals Ltd.	104.67%	11,327.95	119.52%	77.32	47.03%	(12.67)	171.27%	64.65
<b>Subsidiary</b>								
PT Bodal Chemicals Indonesia	0.07%	8.03	-0.61%	(0.39)	-0.23%	0.06	-0.88%	(0.33)
Bodal Chemicals Trading (Shijiazhuang) Co., Ltd	0.45%	48.82	21.13%	13.67	51.25%	(13.81)	-0.37%	(0.14)
Sen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd.	3.05%	329.78	-30.85%	(19.96)	1.45%	(0.39)	-53.91%	(20.35)
Bodal Chemicals Trading Pvt. Ltd.	0.03%	3.46	-0.79%	(0.51)	0.00%	-	-1.35%	(0.51)
Bodal Bangla Ltd.	-0.02%	(2.18)	-1.08%	(0.70)	0.50%	(0.14)	-2.22%	(0.84)
<b>Associate</b>								-
Pluto Eco Enviro Association	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Inter-company eliminations & Consolidation adjustments	-8.26%	(893.46)	-7.31%	(4.73)	0.00%	-	-12.53%	(4.73)
<b>Total</b>	<b>100.00%</b>	<b>10,822.41</b>	<b>100.00%</b>	<b>64.69</b>	<b>100.00%</b>	<b>(26.94)</b>	<b>100.00%</b>	<b>37.75</b>

49 The group has changed classification for few items during the year for better presentation. The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable. The details thereof has been provided below.

(a) **Items of Balance Sheet**

(₹ in Million)

Sr. No	Previous Year Class of Item	As on 31/03/2023	Nature of Reclassification
1	Trade Payable	115.08	it is reclassified to Provisions (Current)

(b) **Items of Statement of Profit & Loss**

(₹ in Million)

Sr. No	Previous Year Class of Item	Year 2022-23	Remarks
1	Raw Material Consumption	84.53	The amount pertains to Pollution Control and Factory Expense, now reclassified into Other Expense.

**50 OTHER STATUTORY INFORMATION :**

- (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) The Group do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- (iv) Title deeds of all the Immovable Properties are held in name of the Group.
- (v) The Group has complied with the Scheme of Arrangements as approved by the National Company Law Tribunal (NCLT) in terms of sections 230 to 237 of the Companies Act, 2013 as is accounted in the financial statements in accordance with accounting standards.
- (vi) There are no proceedings which have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vii) The Group has not been declared a wilful defaulter by any bank or financial institution.
- (viii) The Group has not identified any transaction with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 and has no balances outstanding from struck of Companies.
- (ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) The Group does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- (xi) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**51** The Group has applied Ind AS 29 - 'Accounting of Hyperinflationary economies' on its subsidiary and step-down subsidiary in Turkey. Turkish Lira is functional currency of the aforesaid subsidiaries in Turkey. In preparing the consolidated financial statements for the year ended March 31, 2024, the non-monetary assets/ liabilities/ owner's equity and statement of profit and loss of the aforesaid subsidiaries have been restated to the measuring unit currency as on the reporting date by applying consumer price index of the Turkish economy. The net impact of the aforesaid restatement amounting to ₹ 160.12 million has been debited to other expenses for the year ended March 31, 2024. Further, in accordance with para 42 and 43 of Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, the comparatives amounts in the Consolidated Financial Statements are not adjusted for subsequent changes in the price level i.e. consumer price index. Consequentially, the changes arising in the comparative period amounting to ₹ 8.82 million has been credited to opening retained earnings as at April 01, 2023 (refer to note 19).

**52** The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events or transactions in the financial statements. As on May 24, 2024, there are no subsequent events to be recognized or reported.

As Per Our Report of even date attached  
 For **Naresh J. Patel & Co.**  
 Chartered Accountants  
 Firm Registration No. 123227W

For and on behalf of the Board of Directors

**Chintan N. Patel**  
 Partner  
 Membership No. 110741

**Suresh J. Patel**  
 Chairman & Managing Director  
 DIN : 00007400

**Bhavin S. Patel**  
 Executive Director  
 DIN : 00030464

**Mayur B. Padhya**  
 Chief Financial Officer

**Ashutosh B. Bhatt**  
 Company Secretary

Ahmedabad  
 24<sup>th</sup> May, 2024

Ahmedabad  
 24<sup>th</sup> May, 2024



**Bodal Chemicals Ltd.**<sup>®</sup>  
COLOURS. INTEGRATION. INNOVATION.

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